

# Geographies of Management Ideas

Alexander Kristiansen



UNIVERSITY OF GOTHENBURG  
SCHOOL OF BUSINESS, ECONOMICS AND LAW

*To the women who shaped me;  
Lisa, Charlotte, mom, Yi-Hong, Marianne, and Sally.*

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Department of Business Administration  
School of Business, Economics and Law  
University of Gothenburg  
PO Box 610  
405 30 Göteborg  
Sweden  
[www.fek.handels.gu.se](http://www.fek.handels.gu.se)

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## List of appended articles

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## **Abstract**

The understanding of management ideas is important since they are antecedents to organisational change and shape firm practices that are perceived to constitute one of the microfoundations of value creation. Following the globalisation of the economy, the dissemination of management ideas has intensified through MNCs and global production networks. Despite the increased consensus on the importance of firm practices among economic geographers, limited attention has been given to management ideas that shape firms and their practices. Consequently, our understanding of how management ideas shape the geography of economic activity remains limited. This research addresses these problems through the methodological approach advocated by relational economic geography. An in-depth case study of the R&D organisation within an MNC is used to analyse the dissemination and materialisation of a management idea. Evidence-rich qualitative data with ethnographic observations collected at subsidiaries in China and Sweden provides insights on the spatial and organisational dissemination of a management idea from a geographic perspective.

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*Alexander Kristiansen*

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## Definition of key concepts and acronyms

Agile	Refers to the management idea Agile development
ANT	Actor Network Theory
CIS	Corporate Immune System
Epistemic Community	Individuals who share a common understanding of a particular knowledge domain and can belong to a profession within a firm. These communities are important in shaping ideas and practices within their knowledge domain, practices that configure the economic landscape
Epistemic Movement	An idea that shapes knowledge and practices as they flow within and across different cultural, social, or spatial contexts.
ERP	Enterprise Resource Planning
GPN	Global Production Network
Lean	Refers to the management idea Lean Production
Management Idea	More or less coherent visions, principles, and/or guidelines for managers and others to adopt in organising resources and securing power and legitimacy (Benders and Veen, 2001)
Management Practice	A practice that manages a key resource of an organisation, can be an application of a management idea (Bort, 2015).
MNC	Multinational Corporation
Practice	The actual application or use of an idea, belief, or method, as opposed to the theory or principles of it (Oxford English Dictionary, 2022a)
REG	Relational Economic Geography
R&D	Research and Development
TNC	Transnational Corporation

# 1 Introduction

Understanding firm practices and their implications for economic geography is important, as they constitute one of the microfoundations of value creation (Gertler, 2004; Jones and Murphy, 2010). Their variations have been shown to explain a large share of productivity differences between nations (Bloom et al., 2012) and regional inequality (Van Reenen, 2018). The importance of firm practices has received increased attention in economic geography following the field's expansion in scope, which historically used to end at the factory gate (Alvstam and Ellegård, 1991; Maskell, 2001). Nowadays, firm-level analysis has become increasingly common following the argument that an understanding of economic geography on the macro-level requires an understanding of economic activities on the meso- and micro-level (Jones and Murphy, 2011). One contributing factor to this increased research attention is the increasingly popular relational view of economic geography, which not only systematically includes context but also places the firm as the primary scale of analysis (Bathelt and Glückler, 2003).

Drawing on an explicit relational understanding of economic processes, a practice-oriented perspective has also become evident in recent years as economic geographers have become increasingly concerned with how industries and firms are organised through common social practices (Bathelt and Glückler, 2011; Jones, 2014). An example is the emerging subfield of corporate geography named “management geography” (Suwala and Schlunze, 2019), which even focuses on managerial practices, practices of the manager and the managerial team. Proponents of the practice perspective argue for the study of practices as a research method to understand economic geographies at the meso-level (Boggs and Rantisi, 2003). The study of practices — how people act in different situations — has provided a novel analytical understanding for how economic geographical meso-level phenomena such as institutions, global value networks, and gender inequalities are enacted, reproduced, and/or transformed through the everyday actions embedded within them (Jones and Murphy, 2011). One of the main arguments for the study of practices is that they legitimate, control, and coordinate business activities, and that practices can help to create the relational proximity (and, in some cases, trust) needed for firms to act at a distance in a globalised economy (Jones, 2014). Thus, productivity levels, competitiveness, the structure of firms, buyer-supplier relations, and the geographic distribution of supply chains are all shaped by practices.

Despite the general consensus among economic geographers on the importance of practices, few have studied the phenomena that shape firm practices. Practices do not evolve in a vacuum; they are often shaped by phenomena like management ideas such as Agile development, Lean production, Total Quality Management, Value-based Healthcare, and Balanced scorecards. These management ideas provide more or less coherent visions, principles, and guidelines for managers to adopt in organising resources and securing power and legitimacy (Benders and Veen, 2001). Following the globalisation of the economy, some management ideas have managed to disseminate on a global scale and have become norms in several industries. This is evident in the IT and automotive industries, where Agile development Lean production have become norms in their respective industries (Meyer, 2014). Empirical studies have reported that implementing the same management ideas and practices in various geographic locations with unique institutional differences can be a major challenge for managers (e.g. Zimmermann and Bollbach, 2015; Kern et al., 2019; Mantalay and Chakpitak, 2014). The dissemination of management ideas is a complex process that is influenced by a variety of factors, including the nature of the industry, the characteristics of the firm, and the global economic context. However, it is clear that management ideas play a significant role in shaping firm practices and, ultimately, the economic geography of spaces.

Economic geographers have come across various types of practices based on management ideas in empirical studies that have been implemented in firms. Specifically, economic geographers have been analysing the implications of Lean practices for patterns of industrial location and regional development associated with the automotive industry (Majek and Hayter, 2008; Patchell and Hayter, 1995; Rutherford, 2004). In studies of the automotive industry, economic geographers such as Ivarsson and Alvstam (2004, Mair (1992) and Sadler (1994) all conclude that practices of Lean production have shaped the economic geography of the automotive industry. Their basic argument runs as follows: widely accepted as the world's "best practice" for manufacturing, Lean practices entail closer integration of R&D with manufacturing and require tight daily relations between assembly firms and supplier firms. These in turn require a corresponding spatial concentration of R&D, assembly, and component production. The adoption of Lean in the European and North American automotive industries has entailed a change in prevailing locational trends towards spatial concentration that has contributed to automotive clusters like Stuttgart in Germany, Michigan in the U.S., and Gothenburg in Sweden. However, while Lean and other types of management ideas are not new to economic geographers, previous studies have focused on the practice level and not engaged with the

extant literature on management ideas, the higher level in the ladder of abstraction (Sartori, 1970).

One of the few economic geographers who has stressed the importance of studying management ideas as a phenomenon is Bryson (2000, 2002), who considers management ideas to drive alterations in the spatial structures of value creation and the internal organisation of firms. Bryson (2000) argues for management ideas to be central to economic geography as they influence and, in certain cases, control organisational change as well as altering the conditions of work and employment.

*“Central to the geography of economic activity should be an understanding of the transfer of management ideas and techniques into and between companies”* (Bryson, 2000, pp. 157-158).

Consequently, if practices are important to economic geography because they shape the evolution of regional economies and industries, as argued by Jones and Murphy (2010, 2011), it follows that the discipline should equally consider the importance of management ideas. Regrettably, geographers have not engaged in studies on management ideas, thereby neglecting their role in research on the spatial organisation of economic activities. I contend that the study of management ideas holds the potential to not only elucidate the manifestation of firms’ practices but also how and why certain practices take precedence over others, along with the implications for industries and regions.

## 1.1 Aim and contribution

With respect to the overlooked areas within economic geography discussed in the previous section, this research aims to *advance the state of our theoretical understanding of the linkages between management ideas and the spatial configuration of economic activities*. The overarching research questions that guide the discussion of this research are:

1. *Why and how do management ideas disseminate through the MNC?*
2. *How can the spatial dynamics of management ideas be emphasised?*
3. *How do management ideas contribute to the spatial configuration of economic activities?*

The first research question concerns the matter of research context and generalisability. It is based on the argument by Roth and Kostova (2003) that using the MNC as a research context opens up opportunities for developing novel insights, theories, and perspectives that can be generalisable to other types of organisations as well. For further explanation of their argument, see Section 3.1 Empirical setting. Hence, the first research question is explored in order to explore the other two research questions.

In 1991, Alvstam and Ellegård called on economic geographers to “pay more attention to activities inside the factory gates”. One decade later, the request was repeated by Maskell (2001), and since then, firm-level analysis has indeed become increasingly common within the discipline. The research attention of most scholars in organisation studies and IB, however, doesn’t go beyond the factory gates but remains inside them. This disciplinary boundary has inhibited the examination of the dialectical relationship between economic activities that are internal and external to the firm, a dialectical relationship that is required to understand the wider economic geography implications of management ideas. Hence, our understanding of how the dissemination of management ideas contributes to configuring the geography of economic activity is still limited. To mitigate this theoretical problem, it is important that economic geographers engage in management ideas as a unit of analysis. By spanning the boundaries between the disciplines of economic geography, organisation studies, and international business, this research continues in the tradition of “geography of the firm”, with significant contributions by economic geographers such as Claes Alvstam (2018), Risto Laulajainen (1995, 1984, 1998), Päivi Oinas (2002), and Erica Schoenberger (2003).

Our limited knowledge of the linkages between management ideas and the geography of economic activity is not merely limited to being a theoretical problem; there are also issues of a practical nature for practitioners. The actors involved in the industry of management ideas can be categorised into a demand side that adopts ideas, consisting of managers, other intra-organisational actors, regional policymakers, and other practitioners; and a supply side consisting of, e.g. consultants, management “gurus”, academics, and the media. Practitioners on the demand side are constantly subject to sales efforts by supply-side actors like management consultants, who profit from the dissemination of management ideas (Bryson, 2002). To balance the pressure from supply-side actors, it is important that practitioners increase their awareness of the potential negative consequences of management ideas and how they may use their agency to affect the dissemination of management ideas. For example, what attitude should managers in different geographies take towards management ideas? What attitude should policymakers, who have the ability to impact regional economies, take towards management ideas?

To explore the overarching research questions, I turn to Relational economic geography (REG), specifically the approach by Bathelt and Glückler (2011), as it is the conceptually most developed relational approach. Answering the overarching research questions is complicated by the aforementioned limited research on management ideas as a unit of analysis in economic geography. Hence, the research contributes to the underdeveloped geographic perspective in extant literature on management ideas by providing relevant insights from the fields of IB and organisation studies. The research additionally contributes to REG through its theoretical development on the role and implications of management ideas. This research further contributes to REG by addressing some of the general shortcomings of relational approaches, as pointed out by Sunley (2008). Since the research also analyses management ideas from a translation perspective, it contributes to the theory of translation by addressing its weaknesses, as identified by Wæraas and Nielsen (2016).

## **1.2 Structure of the research**

This research comprises four independent but interrelated articles and this overarching introduction, where the insights from the articles are used to discuss the overarching research questions. Thereby, this overarching introduction synthesises the theoretical implications of the articles with the approach of REG to increase the theoretical contribution of the research.

This overarching introduction provides an overview of the research project and is organised into six chapters. This introduction chapter outlines the structure of the research and elaborates on the aim and research questions addressed in the research. Chapter 2 describes the theoretical framework and elaborates on key concepts that reoccur throughout the research, e.g. management ideas and practices, translation, and REG. Chapter 3 describes how the research process, including the choice of empirical setting and research methods to study it, was guided by the research questions. Chapter 4 provides an overview of the articles and a summary of their findings. In Chapter 5, one of the three research questions is discussed in each subsection by synthesising the theoretical and practical implications of the articles with the theoretical framework in Chapter 2. Finally, this overarching introduction concludes by outlining avenues for future research that were either left unexplored due to deliberate delimitations or discovered during the research process.

## 2 Theoretical framework

This chapter outlines the main theoretical concepts and perspectives that guided this research. Section 2.1 uses the management model to set the context of how concepts such as practices and principles are related. This is followed by a definition and brief explanation of the phenomenon of management ideas. Given the limited attention paid to the dissemination of management ideas in economic geography literature, Section 2.2 combines literature on management ideas with related disciplines, particularly IB and organisation studies. The section presents extant studies on management ideas and practices in the context of the MNC and the translation model, which is central to the extant literature on management ideas. The more limited research on the dissemination of management ideas and practices in economic geography is then summarised in Section 2.3. Following the multidisciplinary nature of this research, Section 2.4 discusses the disciplinary boundaries between economic geography and IB related to management ideas. Finally, Section 2.5 presents the relational approach in economic geography, followed by the argument that complementing REG with insights from the translation model would be fruitful and natural toward a relational understanding of management ideas.

### 2.1 Ideas on management

Given the abstract nature of concepts explored in this research, a framework developed by Birkinshaw (2010) can be helpful as it contextualises practices, processes, and principles while also highlighting their interrelationships. In his framework, Birkinshaw argues that, in addition to a business model that answers *what* the firm generates revenue from (Drucker, 1994), firms also have a *management model* that answers *how* the firm aims to fulfil its business model. Birkinshaw likens the management model concept to what Bettis and Prahalad (1995) call the dominant managerial logic of an organisation. The management model of the firm includes practices, processes, and principles, which Birkinshaw (2010) defines accordingly:

- *Practices*: the visible, day-to-day activities that people do at work on a daily basis in organisations
- *Processes*: sets of linked practices. Examples include the resource-allocation process, the performance management process, and the new product development process. These processes are the mechanisms by which organisations achieve their overall objectives. They indirectly add value by ensuring that the business processes that turn inputs into



outputs (e.g., supply chain, manufacturing, and research and development) are working efficiently and effectively.

- *Principles*: the rarely challenged underlying assumptions or beliefs about the way something works or should work. These principles shape the processes and practices that are used on a daily basis. Managers are not always aware of the management principles they are using, as they can be held subconsciously.

Using the iceberg metaphor, Birkinshaw (2010) perceives practices as the visible, day-to-day activities that people do at work. Processes lie just below the surface of the water, and principles lie far below the surface — no one can see them, and many people don't even know they exist. Birkinshaw suggests that firms should configure their management models based on their unique conditions and business models. This line of reasoning is comparable to that of economic geographers like Oinas, Conti, and Malecki (1995), who emphasise the central role of the territorial surroundings (or the local *milieu*) in the generation of firm strategies and competitive advantages. In practice, however, instead of contextualising the unique spatial dynamics of a firm's location, the management models of firms are increasingly influenced by fashionable external management ideas that are generic in nature.

In recent years, a number of management ideas have gained global prominence among MNCs, other organisations, and in management literature. They are also increasingly used as a unit of analysis in research and taught in business schools. Agile, Lean, Value-based Healthcare, Total Quality Management, and balanced scorecards are all examples of management ideas that concern the management of business processes, such as manufacturing, research and development (R&D), human resource management (HRM), supply chain, and accounting. Management ideas can be understood as a set of logically coherent normative values about how organisational resources should be managed, along with practices to materialise those values. Although “management ideas” have attracted considerable attention from management scholars, clear definitions are scarce (Benders and Veen, 2001). As a result of scholars' ambition to create their own “concepts” or trademarked terminology, the extant literature contains a plethora of terms that refer to more or less the same phenomenon. For example, scholars also refer to management ideas (Czarniawska, 2008) as management fashions (Abrahamson, 1996), management innovations (Birkinshaw et al., 2008), management knowledge (Engwall and Kipping, 2004), and management concepts (Woywode, 2002). In some cases, the word “management” is also replaced with “organisational”.

In this research, I employ a comparatively narrow definition of ideas, inspired by Barbara Czarniawska and Bernward Joerges (1996), who define ideas as mental images that can be materialised (turned into objects or actions) in many ways. When ideas materialise, both actors and actions can change; for example, practices become transformed. When ideas move, they travel in both time and space. Ideas can concern all aspects of life, such as art, technology, and gastronomy. To be more specific and avoid concept stretching (Sartori, 1991), this research focuses on management ideas and refers specifically to *ideas in management discourse about what might be effective and efficient ways of managing organisational resources. These ideas can be adopted by organisations and translated into management practices.*

This research follows the temporal distinction between management *ideas* and management *practices* as proposed by Bort (2015). According to her perspective, a management idea becomes a management practice when it is materialised by an organisation. Therefore, both terminologies are used interchangeably in this research. It is important to note that while a management idea can be materialised into a management practice, a management practice does not necessarily have to be based on a management idea. To avoid ambiguity, management practices should not be confused with the similarly sounding *managerial* practices studied by some economic geographers (e.g. Jones, 2012; Schlunze, 2012) and refer to individual practices performed by people in management positions, such as business travels. Another related but not identical conceptualisation is *industrial* practices as conceptualised by Gertler (2004), which refers to localised practices that are often characterised as specific “industrial cultures” that vary between institutional contexts, e.g. practices of German and North American machine-building firms. Unlike practices based on management ideas, industrial practices are not commodified and pushed by consultants.

Several scholars have stressed that management ideas (Lillrank, 1995) and practices (e.g. Jones and Murphy, 2011; Yu and Zaheer, 2010) consist of different components, and that it is important to analyse these individually. Regardless of what these components are called by scholars or how many they are claimed to be, one component is often regarded as constituting normative values on what is important concerning the practice. For example, in the study by Yu and Zaheer (2010), three dimensions are distinguished as underlying organisational practices wherein the conceptual dimension indicates the principles guiding a given practice, such as the stated objectives, the intended benefits, and the rationale for adopting the practice. This research applies the components proposed by Lillrank (1995) to the analysis of

management ideas and practices. Lillrank (1995) conceptualise management ideas as consisting of three components:

- *Principles*, consisting of a set of values on what is important concerning the management of organisational resources.
- A set of prescribed *practices* (also called organisational vehicles) including organisational roles and other aspects of organising which aim to materialise the principles.
- *Tools*, which can be statistical quality control methods or software such as Enterprise Resource Planning (ERP) systems.

In their essence, management ideas are ideas on optimal utilisation of organisational resources and a set of principles, tools, and practices that are supposed to realise the idea. After this conceptualisation of what management ideas are, and are not, the following two sections review extant studies on the dissemination of management ideas and practices. The first section presents how related disciplines view the dissemination of management ideas and practices, while the subsequent section turns to the relevant literature in economic geography.

## **2.2 Dissemination of management ideas and practices in management studies**

In contrast to economic geography, related disciplines such as international business, international management, and organisation studies have paid considerably more attention to management ideas. While there are considerable differences between these disciplines in terms of both level and unit of analysis, they also often share the empirical unit and, to some extent, the international dimension. The theories presented in this chapter have in common that they have all been applied in extant IB research, even though they did not necessarily originate from IB scholars. Obviously, much more has been written on management ideas in related disciplines than what is presented here. The section is intended to provide an overview of management ideas in the MNC context and deliberately focus on the tension between local responsiveness and global integration since it is deemed particularly relevant for this discussion.

Like economic geography, the IB discipline also acknowledges that management ideas and practices consist of a significant component of tacit knowledge (Grant, 1996; Nonaka and von Krogh, 2009). Due to the difficulties associated with transferring tacit knowledge between

contexts, some scholars suggest it may prove impossible to copy certain elements of management ideas. In his literature review on organisational routines,<sup>1</sup> Becker (2004) draws the following conclusion:

*“An important consequence of limits to the transferability of routines across different contexts is that no such thing as a universal best practice can possibly exist (Amit and Belcourt, 1999). There can only be local “best” solutions. An implication of this argument is that the possibility of replicating routines inside the firm is improved, at least to the extent that firms provide somewhat homogenous environments.”*

Becker (2004, p. 652)

This quote nicely summarises the general perception, and in organisation studies in particular, that the effectiveness of management ideas is highly ambiguous (Giroux, 2006). Seminal research in the field of IB suggests that one of the MNC’s purported advantages over purely domestic firms is the ability to draw on geographically dispersed knowledge resources and leverage them globally. The matter of *how* to leverage knowledge globally lies behind one of the central debates of MNCs: the struggling forces demanding a degree of local responsiveness (local adaptation) and, at the same time, global integration (standardisation), as reflected in the adaptation versus standardisation of practices (Bartlett and Ghoshal, 1989; Buckley and Casson, 1998; Kogut and Zander, 1993; Martinez and Jarillo, 1989). In their aspiration for global integration and local adaptation (Bartlett and Ghoshal, 1989), MNCs contribute to the (re)production of management ideas by balancing the competing pressures to standardise practices as much as possible while adapting to local differences as much as necessary.

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<sup>1</sup> The ambiguity is plentiful in social science with regards to the difference between practices and routines in organisations. Parmigiani and Howard-Grenville (2011) suggest this ambiguity is due to the different treatment of the concepts by the dynamic capabilities perspective rooted in Organisational Economics, and the practice theory perspective in organisation studies, where routines are theorised as practices (Feldman and Orlikowski, 2011). While often used interchangeably, this research refers to the following definitions in the Oxford English Dictionary (2020). Practice: the actual application or use of an idea, belief, or method, as opposed to the theory or principles of it (e.g. "the principles and practice of software development"). Routine: established or prescribed practice or conduct.

### **2.2.1 The MNC context**

As economic growth in developing countries surpasses that of Western home markets, the emphasis has shifted in recent decades from the headquarters to the subsidiaries, which are sometimes viewed as the new or emerging “centre” of the MNC (Andersson and Holm, 2010). In light of this phenomenon, scholars have been reinterpreting the role of MNC headquarters, viewing the MNC as an embedded social community or a differentiated network of dispersed operations, and calling attention to the increasingly important role of cross-border subsidiaries as a key source of knowledge (Faulconbridge, 2010).

Subsidiaries, by their very nature, operate at a distance from their HQ, incurring costs due not only to geographical distance but also to unfamiliarity with the local environment (Beugelsdijk and Mudambi, 2013; Buckley, 2002). These costs put the subsidiary at a disadvantage compared with domestic competitors, risking both profit and survival due to a liability of foreignness (Zaheer, 1995). To overcome this liability, MNC HQ provides their subsidiaries with firm-specific competitive advantages, which can be realised through the transfer of knowledge in the form of management practices. Studies on cross-national transfer of practices in the MNC context are to a large extent based on HR-practices (Björkman et al., 2008; Kostova, 1999; Lervik et al., 2008), and can generally be concluded as complex, with an array of possible outcomes. In the IB literature, the terms “transfer” and “diffusion” are often used interchangeably; authors such as Chiang et al. (2017) suggest that distinctions should be made to yield more nuanced findings. Szulanski (1996), for example, considers transfer as a one-time or one-off event, whereas diffusion emphasises the flow of practices as a gradual process of dissemination that may take place over time or occur in many different steps.

The IB literature has abundantly investigated the question of what and how to adapt management practices to local contingencies. Most traditional theories in the field of international business argue in favour of adaptation of management practices using contingency arguments (e.g. Bartlett and Ghoshal, 1989; Doz and Prahalad, 1991; Kostova, 1999). Jensen and Szulanski (2004) conclude differently; they find that adaptation of practices significantly increases the stickiness of cross-border knowledge transfer and, hence, makes the transfer process more difficult. With more units to manage and more complexity to handle, a tempting strategy for MNCs has been to rely more on standardised, so-called “best practices” when deciding how to operate production. Consequently, they seek to continuously develop and share best practices in the intra-firm network (Jensen and Szulanski, 2004).

According to Yu and Zaheer (2010), the requirements for adaptation vary among management practices. Adaptation may better suit practices that hold strong social dimensions, such as quality management and HRM practices, whereas practices that hold strong technical dimensions better suit conformity and adoption. This argument is consistent with Lillrank (1995), who suggests that the organisational component of management practices is highly contextual, making its transfer more challenging and less likely to be successful. Ansari, Reinecke, and Spaan (2014) also suggest that organisational practices that are destined to be transferred may even be designed in a manner that permits local adaptation. Their line of thought is comparable to Winter and Szulanski's (2001) concept of an “arrow core” – a subset of practices within a practice that constitute the practice’s heart and soul. As long as the arrow core is transferred, they argue, a partial transfer of practices will produce the anticipated and desired outcomes.

In the processes of cross-border practice transfer, managers not only need to overcome the barriers of *liability of foreignness* (Zaheer, 1995) and *stickiness* (Jensen and Szulanski, 2004; Szulanski, 1996), but also the psychological resistance that arises from the symptoms of the *corporate immune system* (Birkinshaw and Ridderstråle, 1999). Moreover, a sense of patriotic superiority can result in people not adopting foreign practices (Edwards et al., 2010). In addition to these forms of resistance due to contextual and cultural differences, subsidiary initiative — the extent to which subsidiary managers take initiative above or even against parent restrictions — may also influence transfer and diffusion (Birkinshaw et al., 2005). In the debate of local responsiveness vs. global integration, which camp scholars belong to is often determined by their emphasis on the institutional context.

In economic geography, diffusion studies have been a research tradition ever since the Swedish economic geography professor Torsten Hägerstrand (1952) investigated how spatial distance affected the diffusion of a farming innovation and clearly showed the importance of space in determining the adoption of physical innovations (Clark, 2003). Immaterial ideas and practices, however, do not diffuse like physical objects, as argued by Czarniawska (2008) and Latour (1987); they are translated as they travel. Thus, to extend our knowledge of how management ideas shape economic geography, I argue that the concept of translation would benefit the field of economic geography.

### 2.2.2 The theory of translation

In the prevailing literature on the dissemination of management ideas, the translation model, originated by Czarniawska and Joerges (1996), is one of the dominant theoretical perspectives. The model is based on actor-network theory (ANT) (Callon, 1986; Latour, 1996), in which the physical metaphor “diffusion” is considered misleading when referring to the movement of ideas since it suggests a physical process subject to the laws of physics. Instead, Latour (1986) prefers the term “translation” when referring to situations where translocal ideas and practices are adapted to local contexts as they travel. Czarniawska (2008) concurs with these arguments and refers to *diffusion* and *translation* as two theoretical models. In this research, however, the terms *dissemination* and *diffusion* are used interchangeably to signify the phenomenon of idea-spreading since the term *diffusion* is commonly used in extant literature.

The relationship between three of the central components of the theory is evoked by the following image: *Translation Is a Vehicle, Imitation its Motor, and Fashion Sits at the Wheel* (Czarniawska, 2008, p. 7). When an organisation adopts an idea, it is inevitably, intentionally or unintentionally, *translated* into a local dialect. Another significant aspect of translation is that when organisations materialise ideas, existing practices are transformed. Thus, the result of translation is always a change in both the idea and the organisation. The driving force for translation and the resulting organisational change is the *imitation* of ideas and their desired outcomes (Czarniawska and Joerges, 1996). Lastly, which ideas become *fashionable* and disseminate, and which remain local, are determined by the success of their presentation. “*The perceived attributes of an idea, the perceived characteristics of a problem and the match between them are all created, negotiated or imposed during the collective translation process. All three are the results, not the antecedents of this process*” (Czarniawska and Sevón, 1996, p. 25). In other words, to understand the dissemination of an idea, attention should be paid to how it is translated, not the properties of the idea. According to the theory, the travel of ideas roughly goes through three stages. First, in order for an idea to travel, it must first be *disembedded*, i.e. separated from its original context, and translated into an object, which can be a representation or a text. Second, the objectified idea travels through time and space until, third, it is *re-embedded* in another context. If eventually taken for granted, the idea becomes institutionalised (Czarniawska and Sevón, 2005). For ideas to become popular, Czarniawska and Joerges (1996), along with other scholars such as Birkinshaw et al. (2008) and Røvik (1996), have highlighted the need for them to be aligned with the “zeitgeist” (spirit of time).

In the literature review of translation studies in the organisation and management discipline, Wæraas and Nielsen (2016) claim that the translation model by Czarniawska and Joerges (1996) is one of three “translations” of translation theory that can be distinguished in extant studies. This research refers to the translation perspective by Czarniawska and Joerges (1996) since it, in contrast to other perspectives of translation, is closely associated with changes in management ideas, models, and practices (Wæraas and Nielsen, 2016). Wæraas and Nielsen (2016) further identify two weaknesses in previous studies using this model of translation.

First, extant studies have primarily focused on *inter*-organisational translation of ideas and practices, leaving limited attention to *intra*-organisational translation (e.g. within MNCs) and whether these translations differ. In the context of the MNC, whose subsidiaries are embedded in several local contexts, the translation of management ideas becomes increasingly challenging and is expected to vary since each subsidiary will make its own specific translation of the idea. The mechanisms behind these spatial differences in how management ideas are translated have, however, received limited attention. According to Latour (1987), translation processes are always anchored in local contexts: new ideas have to resonate with local interests in order to be taken up, and the way in which they will be attributed meaning will be heavily dependent on the local existing conditions. The fate of the new ideas lies very much in the hands of the receivers, each of whom may accept, modify, or ignore them. Thus, Latour (1987) assumes that organisations hold the mandate to decide how to react to new ideas, which is not the case for subsidiaries of MNCs. Consider a subsidiary with a low degree of autonomy; even if its local managers would consider a new management idea unsuitable in the local institutional context, it may still be forced to implement it.

Second, spatial implications are absent; e.g. how translations are affected by the geographic distance between the source and the recipient has received limited attention. According to the theory of translation, the fit between an idea and an organisation is the result of the translation process (Czarniawska and Joerges, 1996). However, how and if the local context, in which the actors that enact the idea are embedded, affects the translation process remains unclear. This has contributed to the research on translation being considered universal in the sense that its consideration of institutional differences between geographic locations is insufficient (e.g. Spicer, 2006; Wainwright et al., 2018). This kind of critique can be seen as a consequence of the translation theory being rooted in ANT. Gertler (2001), for example, criticises ANT for giving actors a far too large role in shaping firms' practices, thus failing to acknowledge the



significant role of institutional structures at a variety of spatial scales. Chapter 2.5 presents the relational approach in economic geography as an appropriate approach to address these two weaknesses and thereby contribute to the theory of translation.

### **2.3 Dissemination of management ideas and practices in economic geography**

The interest in firm-level analysis in economic geography has its origins in the tradition of “economic geography of the firm” that can be traced back to as early as Robert B. McNee’s 1958 account of “Functional Geography of the Firm” (McNee, 1958), which later was accompanied by contributions from economic geographers such as Günter Krumme (1969), Peter Dicken (1990), Erica Schoenberger (1997), Risto Laulajainen (1995), Päivi Oinas (1995), and Anders Malmberg et al. (1996). Contemporary contributions in the tradition of “economic geography of the firm” are particularly common among proponents of REG (see Section 2.5). Despite this tradition, few economic geographers have theorised on management ideas specifically; one of the few exceptions is John Bryson, who considers management ideas to drive alterations in the spatial structures of value creation and the internal organisation of firms. In his analysis of the "supply" side of management ideas, particularly the "trade" of ideas by the management consulting industry, Bryson (2000, 2002) claims that the escalation in the quantity of management ideas has resulted in a transformation in the behaviour of large and multinational corporations that has largely gone unnoticed by economic geographers. Referring to ANT (Callon, 1986; Latour, 1987), Bryson suggests that management ideas are interpreted and implemented in different ways by different firms. Therefore, management ideas should be the concern of economic geographers since there are important differences in the way in which ideas are embedded (localised) into the cultural environment of countries and firms. Since he considers management ideas to drive alterations in the spatial structures of production and the internal organisation of firms, Bryson concludes that an understanding of management ideas is important in explaining the restructuring of economic geographies. However, despite the call from Bryson (2000, 2002) decades ago and the increasingly important role of practices among economic geographers in recent years, there has been very limited engagement with the extant literature on management ideas. Following Bryson, a central argument in this research is that the literature on management ideas is relevant to the understanding of firm practices since they are often shaped by management ideas.

In her critical look at how geographers have conceived the relationship between firms and spatial form, Erica Schoenberger (2003) provides additional arguments for why management ideas are important to the configuration of economic geography. According to Schoenberger, the management of space and time is a strategic issue for firms in their pursuit of a competitive advantage. In this context, management ideas like Lean and Agile can be seen as ideas on optimal utilisation of time and space in production and product development. These ideas are about time compression and flexibility, which are key aspects of effective spatio-temporal management. Schoenberger considers Lean to generally concern time management and, in particular, ensuring that the time of workers is always occupied, either by charging them with the operation of multiple machines or by moving them around the shop floor at will. Schoenberger claims Lean caused a reversal of temporal values in the US industry when priority was given to eliminating waste rather than producing as much as possible, and whole spatial layouts of plants changed. Furthermore, Schoenberger perceives the Lean practice of Just in time (JIT) as an effort to optimise time in manufacturing processing and transfer activities, accompanied by an obsessive concern with reducing the time in which goods are tied up in inventory or waiting for further processing. Schoenberger (2003) concludes that time and space are intertwined and that it also holds true for how firms manage resources through practices. Since the management of temporal processes is always caught up in the management of spatial processes, the temporal aspects of management ideas on how firms ought to manage their resources through practices have spatial consequences. Hence, from the local to the global level, the set of feasible or desirable spatial arrangements is altered by management ideas. While research on management ideas is scarce in the discipline of economic geography, related research on firm practices and their dissemination is substantially richer.

Meric Gertler (2003) attributes the difficulty of practice transfer to the fact that practices are repositories of tacit knowledge that come with formidable obstacles when transferred across major institutional-contextual boundaries. Gertler also considers FDI by MNCs as instrumental in the dissemination of firm practices, claiming that “*foreign direct investment (FDI) constitutes arguably the most active channel available to firms to promote the circulation of new practices*” (Gertler, 2001, p. 11). Supporting such claims is a substantial body of work that has documented how MNCs have been instrumental in the transfer, adoption, and diffusion of new technologies, knowledge, and practices in host economies. This work has suggested that MNCs accelerate the spatial diffusion of firm practices in two ways. First, they contribute directly to the take-up of new practices by deploying standardised practices throughout their global network of

operations. Second, as influential and potentially demanding buyers of goods and services, MNCs can influence local suppliers to adopt specific firm practices. For example, in their studies of suppliers in emerging markets to firms such as IKEA and Volvo, Ivarsson and Alvstam (2005, 2011) show how suppliers may use their relations with MNCs to learn and upgrade their adaptive, innovative, operational, and duplicative capabilities. From an institutional perspective, MNCs may also stimulate the diffusion of practices among domestic firms by acting as normative models of best practice. Their size, observability, and profitability mean that MNCs are more likely to be seen as successful, hence legitimate. MNCs disseminate practices to achieve global integration through coordination, both inter-organisationally across firms within GPNs (Coe and Yeung, 2015) and intra-organisationally by integrating their own operations across borders (Morschett et al., 2015).

Extant studies have also acknowledged the creation of new “hybrid” practices when practices from a “home” country are transferred and interact with local institutions in a “host” country. Majek and Hayter (2008) illustrate this phenomenon in their study of four Japanese car factories in Poland, which shows how the factories created distinct “hybrid” factories that modified the Japanese Lean management practice of parent companies according to local Polish conditions. In a similar vein, Abo (2012), discussing the transfer of Japanese management practices into the U.S., speaks of the “application-adaptation dilemma” to reinforce the fact that Japanese practices are attached to Japanese social institutions and cannot be readily decontextualised and applied to a different institutional context, but rather need adaptation, which can dilute their competitive advantage (hence the dilemma of transfer for Japanese companies) and create “hybrid” factories. The “stickiness” of practices (Jensen and Szulanski, 2004) has also been explored by Gertler and Vinodrai (2005) in their study on the industrial practices of German firms that operate manufacturing plants in North America. They conclude that the transfer of usable knowledge, in the form of industrial practices, among locations situated within different national and regional institutional systems is far more limited than conventional wisdom would suggest. While geographers have shown interest in the management of firms, management scholars have shown less interest in geography.

## **2.4 The asymmetric relationship between economic geography and international business**

The classic focus of IB, as simplified by Johns et al. (2015), is basically mostly on the firm and maybe also on some sectors created by these firms, whereas economic geography traditionally used to focus more on territorial development and often left the firm as a black box. While contemporary economic geography increasingly focuses on the management of firms, the discipline is still heavily policy-oriented, as can be seen in the literature on regional innovation systems, for example. Despite the often shared unit of analysis in economic geography and IB, the interface between these two literatures has historically been surprisingly thin (Beugelsdijk and Mudambi, 2013; Buckley et al., 2017); hence, scholars from both disciplines have proposed increased cross-fertilisation across these disciplinary boundaries (e.g. McCann, 2011; Ström and Wahlqvist, 2010; Rusten and Bryson, 2010; Jones, 2016). Faulconbridge (2010), for example, argues that IB needs to be studied from a more sociological point of view that takes space and its social construction seriously. Another example is Brannen and Doz (2010), who accuse theorising in IB of leading to decontextualised theories as a result of the pursuit of law-like explanations. As a result of economic geographers' growing interest in firm-level analysis, the field has engaged more systematically with IB in recent decades, which has led to increased cross-fertilisation between the fields. Some important contributions from this trend are the iBEGIN project headed by Ram Mudambi (2008), *The Routledge Companion to the Geography of International Business* by Cook et al. (2018), Taylor and Oinas' (2006) theorising of the firm in economic geography, and the literature on GPN (Coe and Yeung, 2019; Fuller and Phelps, 2018). However, connections from IB towards economic geography remain less developed, unfortunately.

Cook et al. (2018) view the disciplinary divide between IB and economic geography as a consequence of epistemological differences. In their view, IB scholars have difficulty venturing into the economic geography literature because key terms and the epistemological frameworks of economic geography are alien and not understood, as these are imbued with critical realism and post-structuralism. Conversely, they argue that this is less of a problem for economic geographers who have typically thought about positivism and explicitly rejected it. Other economic geographers who have been active at the border of the two disciplines, such as Fuchs (2018), Ivarsson and Alvstam (2011), Ström and Wahlqvist (2010), would likely suggest that

the differences are not necessarily insurmountable but rather depend more on subject matter and the research environment.

Despite the disciplinary divide between the two fields, economic geography shares several standpoints with the IB field concerning management ideas, where the main difference is the role of embeddedness. The practice transfer literature in the field of IB informs us that despite HQ's efforts to standardise and transfer practices across multinational subsidiaries, recipient units seldom respond accordingly. Taken together, there is a fair amount of evidence that the embeddedness of actors matters in the IB-literature when it comes to transferring knowledge. However, compared with economic geography, the role of context in IB is suppressed as a result of the field's appreciation of theoretically enslaved stylised facts as opposed to detailed case studies (Clark, 1998). While the role of context in economic geography is that of the lead actor, its role in related fields is more frequently that of a supporting actor. What is largely lacking in IB, international management, organisation studies, and strategy research is a perspective on knowledge as created in and shaped by specific places with their unique institutional and cultural contexts and thus only imperfectly transferable (Lervik et al., 2008). This disparity concerning the role of embeddedness can be explained through an important ontological difference; while economic geography always views the firm as firmly embedded in a specific local context, economic activities in related disciplines have traditionally tended to take place in a vacuum. Recent developments in the field of IB have started to incorporate relational economic geography, e.g. as a novel perspective in the analysis of the internationalisation of emerging market firms (Deng et al., 2020) and global value chain governance (Kano, 2018). Relational economic geography could therefore become a promising venue where scholars in IB and those in the tradition of geography of the firm may share common ground.

## 2.5 Relational economic geography

Relational economic geography is a theoretical orientation where the relations and interactions between actors are the central focus of analysis. Space is viewed as a perspective for examining social relations, not as the object of analysis or like a container in which activities occur (Boggs and Rantisi, 2003). REG is highly influenced by neo-institutional theory and acknowledges that economic activities take place within a particular social context (Amin, 1999). The focus is on the analysis of economic practices related to specific actors and the social relations between them; hence, both the micro-level, i.e. individuals (Ettlinger, 2003), and the meso-level, i.e. actors' networks or interrelations (Storper and Salais, 1997), are considered the appropriate focus of analysis. In particular, proponents of REG advocate the firm as the primary scale of analysis in identifying, interpreting, and explaining the dynamic nature of the relationships that shape global value networks (Glückler and Panitz, 2016). Ettlinger (2003) justifies these scales of analysis by pointing out that firms consist of individuals who frequently participate in numerous networks (social, economic, political, and religious), each with its own logic that affects the behaviour of the firm. Murphy (2018) argues that this focus provides a richer, more contingent, and dynamic understanding of how individuals act in the world and why particular outcomes become more or less possible, compared with the simplistic notions of *homo economicus* (an autonomous utility-maximising individual) or *homo sociologicus* (an actor who responds predictably to the structural environment). An important result of this perspective is that the goals and preferences of human activities are not predetermined through the assumption of rational, utility-maximising individuals but depend on the context in which the actors are embedded. As a consequence, there are no universal best practices as to how to utilise a specific resource (Gertler, 2001). Instead, the social and institutional conditions of economic life generate differences in how actors evaluate, interpret, and incorporate resources. This leads to heterogeneity and contingency in innovation and growth paths, as well as firm strategies (Bathelt and Glückler, 2005).

In recent years, practices have become increasingly important to economic geographers, particularly among proponents of REG, since they are perceived to shape the evolution of regional economies and industries (Jones and Murphy, 2010; 2011). This strand of economic geographers points out how relational economic geography has been concerned with how practices legitimise, control, and coordinate business activities and functions as a “glue” that increases relational proximity and trust between firms to act at a distance in a globalised economy (Jones, 2014; Glückler, 2006; Faulconbridge and Hall, 2009). Additionally, some

economic geographers also advocate the study of *managerial* practices – individual practices performed by people in management positions, such as business travel (e.g. Jones, 2012; Schlunze, 2012). Rolf Schlunze (2011) and Lech Suwala (2019) call this type of study of individuals in management positions “management geography” and have been making persevering efforts to establish it as a subfield of corporate geography. As a consequence of its micro-level focus, REG has been criticised for being problematic concerning the scale of generalisation and validity of causal explanations of macro-phenomena (Sunley, 2008). As a response, Jones and Murphy (2010) claim that closely observing and understanding the practices carried out and performed by people living, labouring, and creating in the everyday economy provides necessary insights into the social, cultural, political, and/or material factors that shape contemporary economic geographies. Hence, in the view of Jones and Murphy (2010), the study of practices is a method to alleviate the aggregation problem in REG.

Owing to the existence of several ontological relational approaches, ambiguity exists regarding the definition of relational economic geography. Hence, REG has been criticised for being an incoherent and eclectic mix of work (Sunley, 2008). For the sake of clarity, REG in this research primarily refers to the German school of the relational approach initiated by Bathelt and Glückler in the 1990s (Bathelt, 2006). In addition to being the most well-conceptualised relational approach, Bathelt and Glückler (2011) have also made substantial contributions in addressing many of the weaknesses that REG was criticised for over a decade ago. From their relational approach, economic activities are seen as social activities, which suggests that the analysis of economic structures and processes should focus on institutional contexts and networks of individual and collective agents. They suggest an empirical research project that focuses on identifying social relations among agents, including the associated restrictions, practices, and key influences shaping economic processes over time. The relational approach by Bathelt and Glückler (2011), together with other relational perspectives, e.g. on global production networks (GPN) (Coe and Yeung, 2015), globalisation (Amin, 2002), and cities and regions (Amin and Cohendet, 2004), can be regarded as being part of the much broader relational turn in economic geography (Sunley, 2008).

The relational approach by Bathelt and Glückler (2011) rests on the fundamental principles that all economic activities, including the use of knowledge, are contingent, path-dependent, and contextual. The relational principle of *contextuality* states that economic activities are embedded in contexts of social and institutional relations, and therefore cannot be explained

through the application of universal spatial laws. Contextuality leads to *path-dependent* development because past economic decisions, activities, and interactions enable and constrain current activities. In short, history matters. Despite their path-dependent development, which is shaped by a particular history, economic activities are subject to unforeseeable changes and are therefore fundamentally open-ended. Economic activities in open systems are not fully determined and cannot be predicted through universal spatial laws. Hence, economic activities are, at the same time, *contingent* in the sense that actors make choices that may deviate from existing development paths (Bathelt, 2006). The principle of contingency suggests that one event does not necessarily cause another particular event. Therefore, identical preconditions for human action do not necessarily have the same consequences at any time or place. For firms, the principle of contingency implies that practices and their outcomes are expected to vary due to the agency of actors and the time and place in which they are embedded.

Bathelt and Glückler (2014) view firm practices as intra-organisational stabilisations of social relations. In their view, institutions are neither organisations nor rules or simple regularities, but rather stable patterns of social interactions based on mutually shared legitimate expectations. In this sense, institutions are key in shaping processes of regional industrial change, according to Panitz and Glückler (2022). Similar to the translation perspective, Bathelt and Glückler's (2011) conceptualisation of relational economic geography is also heavily influenced by ANT and draws attention to the importance of economic actors and how they associate and interact in space. From an ontological perspective, however, REG puts more emphasis on institutional structures than ANT (Murphy, 2018), which has been criticised for overemphasising agency as mentioned in Section 2.2.2. Nevertheless, Bathelt and Glückler's (2011) conceptualisation of relational economic geography shares a high theoretical coherence with the translation-perspective due to their common ground in ANT. This can be illustrated by how Bathelt and Glückler refer to Latour (1986) when suggesting that knowledge, e.g. management ideas, “...requires meaningful interpretations and translations across cultural, political, or institutional boundaries” (Bathelt and Glückler, 2011, p. 68).

REG has been criticised for being partial and incomplete by placing too much focus on relations between individuals and a lack of emphasis on the content of these relations (Jones, 2014; Peck, 2015; Sunley, 2008). For instance, Sunley (2008) claims REG reduces firms' capabilities and competences to interpersonal relations and organisational connections because of its lack of focus on ideas that are disseminated within interpersonal networks by pointing out that:



*“It is notable that the cognitive content of networks in global firms and the interactions between ideas and symbols seem strangely absent from many relational accounts, so that the ideas and strategies that drive the restructuring of firms are underexplained.” (Sunley, 2008, p. 10)*

Drawing on the insights of Hess (2004), Sunley (2008) posits that REG places excessive emphasis on interpersonal networks, thereby overlooking the ramifications of cognitive, cultural, and political embeddedness. This oversight stands in contrast to the recognition evident in studies pertaining to global firms (Fuchs, 2018; Dicken, 2003; Iammarino and McCann, 2013). In addition to this criticism, I contend that we cannot fully comprehend the social perspective on knowledge production in economic geography simply by tracing networks and examining personal relations because such communities are based on everyday practices and informal and tacit knowledge. This research aims to contribute to this general shortcoming of relational approaches through its focus on content in the form of management ideas that are disseminated within various networks of relations and the effect on management ideas of different dimensions of embeddedness (Hess, 2004).

## **2.6 Summary of the theoretical framework**

This theoretical framework started by discussing the definition of management ideas, followed by a presentation of the dominant theoretical perspectives that specifically concerns management ideas, the translation model (Czarniawska and Sevón, 2005). To extend our knowledge on how management ideas affect economic geography, it is argued that it would be beneficial if the established claims of translation became more relevant to the field of economic geography. Further, complementing REG with the insights from the translation model would be fruitful and natural toward a relational understanding of management ideas, since both perspectives share the same ontological roots in ANT. Both REG and the translation model have embeddedness in common as a core concept. Thus, to further strengthen spatial aspects of management ideas, the conceptualisation of embeddedness by Hess, which comprises the notions of embeddedness by both Polanyi (1944) and Granovetter (1985), is suggested as an analytical tool.

### 3 Research design

The research process was initiated with a literature review in economic geography concerning the research problems. In short, the literature review showed that studies where management ideas were the unit of analysis were more or less limited to Bryson (2000, 2002). To handle this scarcity of relevant studies from economic geography, the literature search was broadened, and a large number of relevant studies from the discipline of IB were found. Since many of the theoretical perspectives applied in the reviewed IB articles originate from organisation studies, several articles from this discipline were also reviewed. Scholars from both economic geography and IB have previously reported about the surprisingly thin interface between both disciplines (e.g. Buckley and Ghauri, 2004; McCann, 2011; Mudambi, 2008; Ström and Wahlqvist, 2010). The result of this literature review made me concur with the opinion of Cook et al. (2018), who hold the view that the IB-literature has incorporated fewer influences from economic geography than vice versa. The incorporation of IB and organisation studies literature in the theoretical framework enabled this research to better highlight both meso- and micro-implications of idea dissemination.

A limited number of the reviewed economic geography articles on firm-level had an evolutionary economic geography perspective, hence matching previous observations by Hassink et al. (2014) that firm-level studies with an evolutionary perspective primarily analysed the decision-making and location behaviour of firms while paying limited attention to firm practices. While institutional economic geography was considered a more interesting approach, much thanks to the work by Gertler (2004), REG gradually emerged as the most appropriate perspective since it incorporates institutions as a core theme, in addition to being more conceptualised, e.g. methodically by Bathelt and Glückler (2018) and Jones and Murphy (2010). The review of appropriate research methods particularly pointed towards qualitative methods as suggested in relational research design (Bathelt and Glückler, 2018). REG entails rich case study narratives, and to capture the dynamic processes and relationships in these narratives, Boggs and Rantisi (2003) perceive anthropological and observational methods as fruitful techniques. In a similar vein, Murphy (2018) suggests the relational conceptualisation of agency to be operationalised empirically through more intensive, qualitative studies of the social dynamics and dimensions of economic activities. Just as the theory of translation, ANT is also one of the foundations in REG, which according to Murphy (2018) is not so much a theory but more an ontology and epistemology at its core. One of the main differences between REG and

translation theory, despite their ontological and epistemological roots in ANT, is the emphasis put on agency and institutional structures. While acknowledging the role of actors, REG puts more emphasis on the context in which the actor is embedded and accords a more significant role to institutional structures, compared with translation theory.

The study applies two research methods that are frequently suggested in REG, the study of practices and in-depth case studies. To better understand how context, structures, and individual agency and action come together in the dissemination of management ideas, the suggestion by Jones and Murphy (2010) to study practices, in this case Agile practices, was followed. Jones and Murphy (2010) argue that the study of practices is a powerful method that provides an analytical object that is situated between structuralist (e.g. institutional) and individualist (e.g. utility maximisation) explanations for how economic and industrial change occur. To better understand MNCs, such as the case firm in this research, Coe (2004) argues that the preferred method is in-depth case study research inspired by ethnography. In her paper on methodological challenges in researching the MNC, Diana Sharpe (2018) argues that there is an untapped potential for ethnography to contribute to the field of IB. She contends that ethnographic studies are particularly well suited to explore the process of management practice transfer across contexts within the MNC.

Another reason a qualitative approach was chosen for the research was the stylised facts (Clark, 1998), which I found problematic with survey-based quantitative methods common in nearby fields such as IB (Delios, 2017). From a geographical perspective, the lack of information on the specific context of firms raises questions in these types of studies. Firms in survey-based studies seem to be moving in a space without influence from an institutional context. It does not really seem to matter where the firms act out their business, and as a shortcoming of surveys as a method, I wish to argue that the specific geography in the form of local institutional context, including culture, laws, and educational level, in which these firms are embedded matters. In the past decade, a positive trend in IB research methods has been the increased appreciation for qualitative studies, especially case studies. Much thanks to important contributions from Rebecca Piekkari and Catherine Welch, who won the JIBS decade award for their article on theorising from case studies (Welch et al., 2011). The research methods used in this research are heavily inspired by their works on contextualised explanation. In their retrospective article to their Decade Award-winning article from 2011, they describe an approach to contextualised

explanation they call the extended case method. In retrospect, when I reflect on my research process, I recognise myself in this extended case method approach, which they describe as:

*“extending out’ from immediate field observations to the general, from the micro site to macro forces, and from the present to the past. Of these multiple extensions, the most relevant is the need to extend out from the immediately observable social situation to the broader power regimes which structure the social processes in the field site.” (Welch et al., 2022, p. 16)*

### **3.1 Empirical setting**

The multiplicity and diversity of MNCs’ external environments and the spatial separation of their subsidiaries create a contextual heterogeneity that, in many respects, makes the MNC the most complex case of an organisation, according to Roth and Kostova (2003). They argue that a theory developed within an MNC context is therefore more likely to be applicable to other organisations compared with attempts to generalise in the other direction. The MNC can be viewed as representing the general case, while a domestic company would represent a special case of an organisation. A similar argument has been made by Gupta and Govindarajan (1991), who developed a model for the case of the MNC and argued that it is generalisable to other diversified companies. Accordingly, an MNC setting is deemed the most appropriate context to study the dissemination of a management idea.

The research questions are explored through the R&D operation of an MNC that is highly globally distributed and headquartered in Sweden. The selection of the case firm was based on two important trends that are reconfiguring economic geographies at the macro-level. The first trend is that MNCs are continuously increasing their commitment to foreign R&D activities (Dunning and Lundan, 2009; Feinberg and Gupta, 2004). Since 2018, 21 percent of MNCs are estimated to have more than 50 percent of R&D taking place abroad (UNCTAD, 2019). The second trend that the case firm represents is the rapid adoption of the management idea Agile development, especially among R&D operations in information and communication technology (ICT)-related industries. As a consequence of the rapid pace of innovation in the ICT industry, firms in these industries seem particularly volatile and subject to change. An example of the rapid pace in ICT-related industries is the adoption of the Agile management idea, which, in

less than a decade, has reached an equivalent status to that of Lean production in the automotive industry, which took more than three decades.

The firm is a multinational high-tech company headquartered in Sweden, where, at the time of the study, nearly a quarter of its employees were part of a highly globally distributed R&D operation. During the past years, the MNC's R&D operations have changed their core practice and implemented a new management idea, Agile development. Similar to the more diffused and well-known management idea Lean production, Browaeys and Fisser (2012) consider the underlying philosophy of Agile software development to have its roots in manufacturing. Basically, Agile manufacturing has been adopted where demand is volatile, and Lean manufacturing has been adopted where there has been stable demand (Browaeys and Fisser, 2012). In the 1990s, the idea of Agile got picked up by software practitioners and can today be found in several industries, in particular in IT-intensive industries such as the finance and banking industries (Birkinshaw, 2017; Smart, 2018). Very briefly, the aim of Agile can be summarised as responsiveness to change. Since Agile practices have proven to be challenging to materialise in large organisations (e.g. the firm used as a case in this research), one of the developments among MNCs over the past few years has been to adopt a framework to scale agile to large enterprises, where the most predominant framework is called Scaled Agile Framework (SAFe) (Putta et al., 2018). However, relatively little research is available about the frameworks' effectiveness in practise (Smart, 2018). In research, the trend of Agile is mirrored primarily in the disciplines of operations management and software engineering, where research on Agile has become a significant subdiscipline (Hoda et al., 2018). Further information on Agile can be found in the appended articles, especially in Article IV.

The collection of data was particularly concentrated on three organisational units: the R&D HQ in Sweden and two development sites reporting to it. One of the sites was located in Shanghai, China, and the other site was located in Gothenburg, Sweden. The two sites were chosen as they were two of the very first subsidiaries to adopt the management idea and thus had the longest experience. In addition, the distance between the sites, both in geographical and institutional terms, made them appropriate to study as separate cases through multi-sited ethnography (Marcus, 1995). The development sites had roughly 30 Agile teams each, and like most of the MNC's R&D units, both sites aimed at working according to the management idea of Agile system development. The Agile practices at the two sites were never imposed and transferred from HQ but started as a subsidiary initiative.

In contrast to management geography (Suwala and Schlunze, 2019) and most studies in IB, the focus of this research is not on the managers of the firm but on its engineers, or software developers, to be more precise. Smith and Meiksins (1995) argue that management literature overemphasises the role of managers in relation to other professional roles within the firm. In the study of management ideas and their dissemination, they argue that engineers are a critical community of professionals that cannot be treated simply as an extension of labour or an arm of management. They further provide two compelling reasons why engineers ought to be addressed. Firstly, engineers are most often the innovators behind management ideas. Secondly, engineers are often directly responsible for the introduction and interpretation of new management ideas in firms. While engineers generally do not drive the dissemination of their own management ideas, which instead is done by management consultants, business schools, and other external actors, Smith and Meiksins (1995) perceive engineers as the principal conduits through which the dissemination of management ideas takes place.

### **3.2 Data collection**

The empirical data collection started in autumn 2015 and was carried out over the course of one year. At each site, observations and interviews were conducted. During 6-9 months, I spent approximately two days per week at the Swedish site. Due to practical reasons, five days per week for three weeks were spent studying the site in China. The research was based on three data sources: interviews, ethnographic observations, and documentation from the firm's intranet. This combined observation method, that is, combining interviews with observations, can be compared to what Czarniawska (2007) refers to as "shadowing people in the daily work". The aim of adding an ethnographic element to the study is to contrast findings from interviews with observations. As argued by Barley and Kunda (2001) "... people cannot talk about the specifics of what they do outside of the context of actually doing it". The method of participant observation is also preferred within REG; e.g. Yeung (2002) suggests participant observation as central for a relational analysis, as the researcher themselves must assume a relational position relative to their object (or "subject") of study. The use of various methods (as well as theories) can be described as triangulation and is described as a means for increasing reliability (Silverman, 2006).

To avoid imposing any pre-given notions based on the academic discourse, the structure of the interviews was fairly open, allowing respondents to set the scene and describe to me how they viewed the challenges they faced with the practice. 46 semi-structured interviews with 40 respondents were conducted, covering all major roles of the R&D organisation. The interviews were conducted in either English, Shanghainese, or Swedish, lasted between 55 and 80 minutes, and were all recorded with permission. Regardless of the language used in the interviews, all interviews were transcribed in English in order to be collectively analysed in Nvivo. Reflection notes were taken during every interview and observation. The structure of the interviews was largely determined by the respondent's emphasis and emergent themes, but an interview guideline served to cover the core questions, which were adjusted continuously. Transcripts from interviews were compared with documents as well as observation notes and a research diary, in which data and observations were continuously analysed and reflected on. This evidence was then triangulated with my third data source — internal documents from the firm's intranet, consisting of 256 pages of material. Through triangulation, I was able to reduce the risk of post-rationalisation of previous actions, thoughts, and decisions, as well as problems related to memory (cf. Bryman and Bell, 2015). Having these three different sources of empirical data as well as the large number of interviews was important since the study is partly retrospective. To strengthen reliability, I applied respondent validation (van de Ven and Poole, 1990) by discussing the findings with change agents at the company as work progressed. During data collection, it was discovered that the MNC used the principles of the management idea to coordinate its development practice globally. The discovery of this novel coordination mechanism later resulted in Article III.

### **3.3 Data analysis**

While the analysis varied for each article, three general steps can be distinguished for the research. First, key moments in the dissemination of the idea were identified by chronologically mapping the dissemination of the management idea within the MNC. I analysed how it was introduced as a subsidiary initiative and later disseminated globally to other subsidiaries. This step largely contributed to Article II. Second, sections of the data associated with whether and how the management idea differed between the Chinese and Swedish sites were coded and compared. This step was particularly important for Article IV. All recorded interviews were transcribed and coded using several sets of codes, of which one set was based on the components of the idea (Lillrank, 1995) and another on Hess' (2004) conceptualisation of

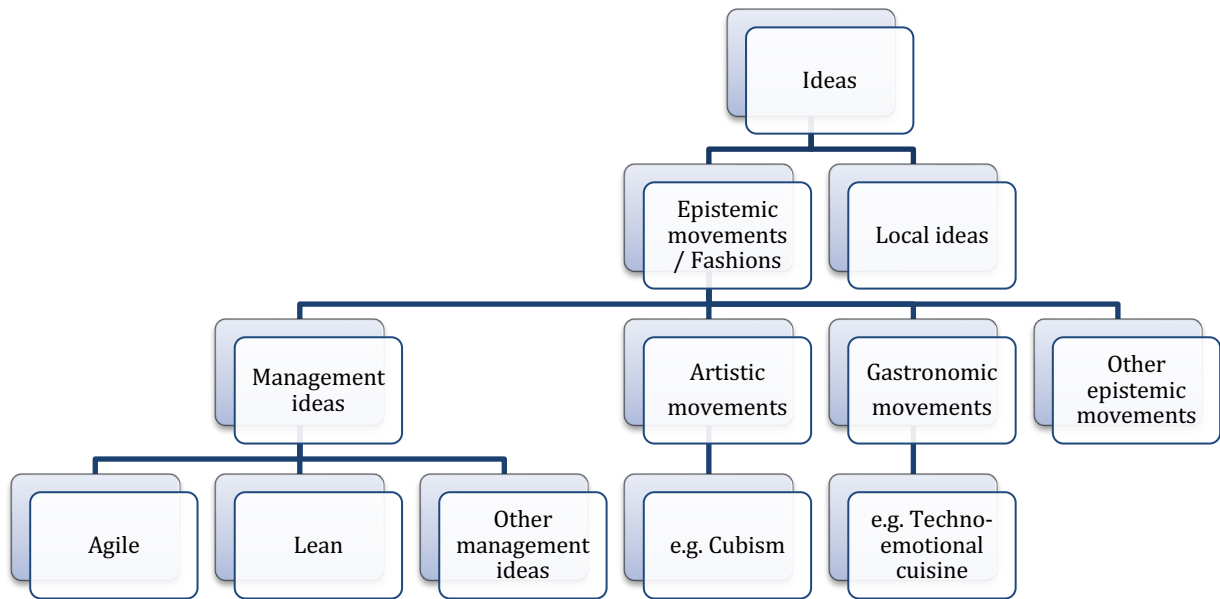
embeddedness. I compared and contrasted insights gained from China and Sweden to create a story on how the management idea had been translated into practice at the two sites, and through this process, I identified differences in the translation of the management idea. My third step was to seek explanations for why the management idea had taken different forms at the two sites. A relational economic geography approach, together with a translation perspective, was adopted to help interpret the data collected. Both perspectives are rooted in actor-network theory, as discussed in Section 2.5, which makes them theoretically coherent and complements each other in the analysis of data. Despite its theoretical relatedness to REG, the translation perspective has been absent in economic geography. My primary aim was thus not to contribute to the translation perspective itself but to deploy its method of analysis within economic geography debates.



## 4 Summary of the articles

The research comprises four articles; Table 1 on page 36 provides an overview of these articles. While independent in terms of research questions and insights gained, they are highly interrelated and based on the theoretical reasoning and data described in previous chapters. This chapter explains how the articles deal with the research's overall research questions and summarises the articles in terms of the gaps they aim to fill and their respective findings.

The first article, *The Dissemination of Management Ideas as Epistemic Movements*, focuses on the core relationship of this research: the dialectical relationship between management ideas and economic activities in space. The many contributions to management ideas by related fields have not examined the wider geographic implications of management ideas on economic activities. Hence, the article conceptually examines the linkages between the configuration of economic activity in space and the dissemination of management ideas across the boundaries of firms and across geographical distances. The article points out the problematic absence of the epistemic community concept in extant literature on management ideas. This is despite the fact that previous studies on the geography of knowledge have shown that epistemic communities are important nodes in the global flow of knowledge. Further, extant studies have shown how knowledge moves with relative ease within epistemic communities (such as transnational networks of academic researchers specialising in related scientific fields, carpenters, certified accountants, and the Linux community) but with relative difficulty between them, with implications for how knowledge can be disseminated to and embedded in other locations and contexts. Drawing on empirical studies on the dissemination of epistemic movements such as cubism (Sgourev, 2013) and techno-emotional cuisine (Capdevila et al., 2018), it is argued that fashionable management ideas can be seen as epistemic movements in the field of management. Epistemic communities are often embedded in firms, as described by Malecki (2010, p. 500): "Within firms, knowledge travels within epistemic communities of like-minded and like-trained specialists". The fact that knowledge moves with relative ease within epistemic communities, but with relative difficulty between them, has fundamental implications for the ease with which knowledge (both tacit and otherwise), can be disseminated to and embedded in other locations and contexts than where it was first created (Håkanson, 2010). Figure 1 illustrates the argument through a basic taxonomic scheme where management ideas are classified as a type of epistemic movement in a ladder of abstraction (Sartori, 1970).



**Figure 1** Management ideas in the ladder of abstraction. *Source: Author's visualisation*

The article conceptualises an epistemic perspective on management ideas by combining the two related theoretical concepts of epistemic movements and multiple embeddedness. It is based on the premise that management ideas are a type of epistemic movement, normative ideas that change human behaviour, and thus the dissemination of management ideas can be analysed using the same framework. In this perspective, management ideas are a subset of epistemic movements that specifically concern optimal management of resources. The epistemic perspective implies that the absorptive capacity of the epistemic community makes it the central actor in the dissemination of management ideas and that the translation of management ideas is affected by the societal, network, and territorial embeddedness of epistemic communities.

The second article, *The Diffusion of Management Ideas within the MNC Under the Sway of the Corporate Immune System*, explores how a management idea disseminates within an MNC. The article addresses the first of this research's overarching research questions by focusing on how ideas change MNCs as they disseminate within them. The prevailing literature on intra-organisational transfer of practices has not yet distinguished between transferred practices based on internal innovations or on external management ideas and the consequences that this entails. In contrast to extant studies on MNC intra-organisational transfer of practices, which

traditionally have focused on how standardised management practices are imposed on subsidiaries from the HQ, this article explores the dissemination of a practice based on a fashionable management idea that has been initiated by a peripheral subsidiary. The article particularly emphasises MNC internal resistance and asks the following research question: how does a global management idea adopted by a subsidiary diffuse within the MNC under the sway of the Corporate Immune System (CIS)? Drawing on research on subsidiary initiatives and on evidence from an in-depth single case study, the article offers a process description of such diffusion and shows that (1) the HQ serves as a vehicle of dissemination of the management idea and that (2) the HQ transfers only the underlying principles of the practice when diffusing the practice to the remaining global organisation. The literature often points out the role of MNCs as both consumers and disseminators of management ideas (e.g. Bort and Kieser, 2019; Kern et al., 2019). With the findings from Article II, I would add that MNCs can also be perceived as victims of ideas, an analogy similar to the one by Røvik (2011), who compares management ideas to viruses.

The third article, *Practice Coordination by Principles*, explores how a firm coordinates its development practices worldwide only by using the principles of a management idea. The article unfolds how the MNC's globally dispersed activities are reconfigured through a management idea. Extant IB-literature treats management practices as monoliths, disregarding the perspective on practices held by scholars in related disciplines (e.g., economic geography and organisational studies) who perceive practices as consisting of different components. This article applies the theoretical framework by Lillrank (1995), who perceives management practices to comprise three components, which opens up the prevailing dichotomy between either "not adapted" or "adapted", i.e. HQ driving an imposing approach or allowing localisation. The theory is applied to analyse the findings from the evidence-rich qualitative single-case study. The article shows how the management practice of an MNC is changed globally by HQ disseminating the principles of a management idea and then letting its subsidiaries autonomously materialise these principles. The article contributes by offering an empirical account of this novel coordination approach, conceptualised as Practice Coordination by Principles, and presenting its antecedents and implications. As theorised in the article, this method of dissemination, which is not mentioned in the extant literature, may increase internalisation of management practices. The study highlights that Practice Coordination by Principles can be a particularly viable option for MNCs with highly heterogeneous R&D operations.

The fourth article, *The Embeddedness of Management Ideas*, analyses the dynamics of embeddedness in the translation of management ideas. The article builds on the tradition of Gertler (2010) and Faulconbridge and Muzio (2015), who call for a prioritisation of comparative research in economic geography that considers how the same MNC and its practices are impacted in different places. Despite the general acknowledgement that embeddedness affects the translation of management ideas, the question of *how* has received limited attention. Through a comparative case study, the study pursues the question of *how the translation of management ideas is shaped by the multiple embeddedness of actors*. Applying a qualitative approach, including ethnographic observations, the study reveals how and why the translation of a management idea is affected by the embeddedness of practitioners. The findings from the study make two contributions to extant literature. First, the study elucidates how embeddedness impacts the translation of management ideas; the societal dimension in which actors are embedded influences the principles of ideas, while the territorial dimension influences the practices of ideas. The influence of the network dimension is argued to depend on the power dynamics between actors and the networks in which they are embedded. Second, the study concludes that internalising an idea's principles is of vital importance compared to how its practices are translated.

**Table 1** List of Articles

<b>Article number and title</b>	<b>Research Question</b>	<b>Theoretical Framework</b>	<b>Results</b>	<b>Authorship and Publication status</b>
I. The Dissemination of Management Ideas as Epistemic Movements	How can linkages between the spatial reconfiguration of economic activity and the dissemination of management ideas be appropriately captured?	Epistemic Communities and Embeddedness	Extant studies of Epistemic movements can help elucidate the spatial implications of management ideas.	Sole authored  Submitted to a peer-reviewed journal
II. The Diffusion of Management Ideas Within the MNC Under the Sway of the Corporate Immune System	How does a global management idea adopted by a subsidiary disseminate within the MNC under the sway of the Corporate Immune System?	The Corporate Immune System	Four phases of the dissemination process are identified in the study, and the interaction between the management idea and the CIS in each phase is presented.	Authored with Roger Schweizer  Accepted by Review of International Business and Strategy
III. Practice Coordination by Principles	What are the antecedents and implications of the empirical phenomenon of MNCs that coordinate their management practices globally through principles?	Coordination of the MNC The three components of management ideas	The article conceptualises Coordination by Principles and presents five antecedents and three implications of the novel coordination mechanism, such as the reduction of barriers related to the institutional context and the facilitation of practice internalisation	Authored with Roger Schweizer  Accepted by Critical Perspectives on International Business
IV. The Embeddedness of Management Ideas: A Comparative Case Study of Agile Organisations in China and Sweden	How is the translation of management ideas shaped by multiple embeddedness?	Translation, embeddedness, and culture studies	The societal dimension in which actors are embedded influences the principles of ideas, while the territorial dimension influences the translation of ideas' practices. The network dimension can influence both the principles and practices of an idea.	Sole authored  Submitted to a peer-reviewed journal

## 5 Discussion

This chapter is divided into three sections, each discussing one of the three research questions. The discussions are based on a synthesis of the theoretical and practical implications of the articles, together with the theoretical framework in Chapter 2.

### 5.1 Dissemination of management ideas and the role of MNCs

Prior to discussing the dissemination of management ideas, it is important to first discuss *why* management ideas disseminate in the first place and define which actor is embedded in what. These two discussions are important since they form the theoretical foundation for how management ideas disseminate through the MNC.

#### 5.1.1 The drivers of dissemination

The results from this research point toward three key drivers in the dissemination of management ideas: legitimacy, the implicit expectation on managers to achieve organisational change, and structural changes within an industry. First, legitimacy is often mentioned in extant literature, and according to social identity theory, individuals tend to assimilate cognitively to the behaviours and ways of thinking of communities with which they identify and where ideas are central to the social identity of the community (Ashforth and Mael, 1989; Hogg and Terry, 2000). Similarly, in organisational studies, the theory of translation suggests that imitation is what drives people to adopt fashionable ideas (Czarniawska, 2008). I concur with scholars who argue that management ideas are primarily adopted as the result of fashion, legitimacy, and mimetic isomorphism (e.g. Bryson, 2002; Czarniawska, 2008; DiMaggio and Powell, 1983; Gertler, 2001), rather than as a consequence of solving a specific problem. However, the conceptual clarity in the extant literature concerning which actor imitates whom is problematic. Legitimacy and mimetic isomorphism are relational concepts in the sense that actors behave in relation to other actors. Firms, however, do not feel a sense of belonging or change their behaviour to gain legitimacy from other firms. It is the people within firms who behave in relation to other actors, and in this research on management ideas, it is argued that “other actors” should be the epistemic communities that professionals within an organisation feel a sense of belonging to.

The second key driver in the dissemination of management ideas is the endeavour by managers to showcase their achievements in organisational development, as a result of the implicit expectation on managers to achieve organisational change. In the pursuit of career advancement, it proves advantageous for managers to showcase a multitude of accomplishments attained during their tenure. These achievements not only serve to impress current superiors but also hold significance in attracting potential future employers. It is worth noting that such achievements inherently encompass transformative processes, involving transitions from one status to another. Managers are not only expected to present quantifiable achievements like turnover rates or financial gains and losses, metrics that can be readily presented, but also *how* they achieved their metrical results through developing their organisations. Demonstrating this type of achievement poses much greater challenges, particularly when improvements consist of numerous small incremental changes at the practice level. Conversely, larger-scale organisational changes of transformational character are much easier to convey on an organisation chart. Furthermore, if the organisation has been developed according to a management idea that is widely recognised within its industry, the achievement becomes even clearer and more legitimate. Hence, it is very appealing to managers to change their organisations in accordance with a pre-packaged organisational "recipe" in the form of a management idea that is fashionable in the industry. Implementing a management idea also lowers the risk for managers compared to experimenting with novel internal initiatives. In the IT industry, most people have come across the adage "Nobody gets fired for buying IBM" (Blomstrom, 2018), an homage to being risk-averse and doing largely what everybody else does. A more contemporary version of the old saying in today's IT industry would be "Nobody gets fired for implementing Agile."

The adoption of management ideas by firms can often have consequences that extend beyond the firm itself. For instance, an organisation's adoption of a management idea can exert pressure on its suppliers and other related parties to also conform to the idea. Therefore, it's worth questioning to what extent managers are genuinely able to choose whether or not to adopt management ideas in the first place. As an example, just-in-time practices adopted by automotive manufacturers were subsequently adopted by their sub-suppliers with little room for negotiation. Further, if a firm's core employee category, e.g. the developers in a software company, wants to work according to a management idea, it is difficult for managers to argue against the request, especially if the management idea has already been adopted by prominent firms in the industry, like Agile. Hence, when a management idea becomes the norm in an

industry, it becomes increasingly difficult for firms within the industry not to adapt to the structural changes that come with management ideas.

In the analysis of drivers for the dissemination of management ideas, the multiple embeddedness perspective helps to consider that there can be drivers in different dimensions that synergistically increase dissemination. The aforementioned pressures that drive the dissemination of management ideas can be said to cover all three dimensions of the multiple embeddedness perspective. The adoption of management ideas by people that are perceived as legitimate within their epistemic community is a driver in the network dimension of embeddedness. The implicit expectation of organisational change on managers is a driver in the societal dimension of embeddedness. Lastly, when a firm adapts to local structural changes in its industry due to a management idea, this is a driver in the territorial dimension of embeddedness.

### **5.1.2 The embeddedness of actors**

In order to discuss the dissemination of management ideas, we must start by defining which actor is embedded in what. Starting with the actor, as discussed in Article I, the literature on the geography of knowledge has increasingly acknowledged epistemic communities as crucial nodes in the global flow of knowledge (e.g., Cole and Barberá-Tomás, 2014; Malecki, 2010). Within and between these communities, which can be located in different parts of the world and are often embedded in firms, even tacit, highly contextual forms of knowledge can circulate globally (Amin and Roberts, 2008). With the support of technology, members of an epistemic community in different parts of the world can gain relational proximity, which facilitates social interaction and knowledge exchange. Management ideas are made up of knowledge, and knowledge flows (tacit, codified, or a mix of both) are highly dependent on the absorptive capacity of actors (Moodysson, 2008; Cohendet et al., 2014). Therefore, I argue epistemic communities to be the most crucial actors in the dissemination of management ideas, as they hold the absorptive capacity to materialise management ideas that are related to their domain of knowledge. The shared common knowledge and meaning structure between members of an epistemic community provides an absorptive capacity that facilitate knowledge-sharing that can influence different localities. The shared common knowledge and meaning structure between members of an epistemic community provides an absorptive capacity that facilitates knowledge-sharing. Combined with processes of globalisation, this knowledge-sharing



facilitates the continuous flow of management ideas between distant members of epistemic communities that can influence different localities. In other words, ideas, conditions, or events in one geography may have an impact on other geographies that are connected through people embedded in epistemic communities. As an illustration, the innovative production practice by the engineers at Toyota in the 1960s, which was later conceptualised as Lean production, has shaped how the geographies of production are configured on a global scale.

Since members of an epistemic community can be distributed all over the world, they can be embedded in the community on multiple spatial scales. At each spatial scale, the characteristics of the community and the degree of embeddedness are likely to vary. For example, the teams of software developers that were studied for Article IV were all embedded in the epistemic community of software developers on a *global* level; they were simultaneously embedded in their respective epistemic communities at the *local* level in different countries. Further, Article IV shows how embeddedness in an epistemic community on multiple spatial scales presents an opportunity to resolve the macro-micro dualism in REG by exploring the relations between macro-level epistemic communities and their members at the micro-level.

### **5.1.3 Augmentation through dimensions of embeddedness**

This research challenges the prevailing view on the dissemination of management ideas within MNCs in two aspects. First, due to the emphasis on the network dimension in extant IB studies, the augmentation of a management idea within an MNC is perceived as a result of management idea practice transfer. The MNC network is perceived to function as global pipelines that disseminate management ideas geographically (e.g. Edwards et al., 2010; Edwards and Ferner, 2002; Edwards and Kuruvilla, 2005). Second, the augmentation of management ideas within MNCs is often assumed to be the result of deliberate internal transfer of practices based on a rational decision by an actor, typically the headquarters (e.g. Björkman and Lervik, 2007; Jensen and Szulanski, 2004; Kostova, 1999). This research demonstrates, however, that a management idea can augment and transform an MNC *without* any internal knowledge flow of the idea. Rather, as demonstrated in Article II, the augmentation of management ideas within MNCs can occur via multiple local learnings. This is when knowledge about a management idea flows into subsidiaries from their respective local host markets. In the case of Agile, for instance, software developers at subsidiaries in various countries may learn about the Agile idea from members of their epistemic community that are territorially embedded in their local

context. When this learning is repeated at multiple subsidiaries, it leads to an augmentation of the Agile idea that transforms the MNC. This crossflow of knowledge between the territorial and network dimensions of embeddedness, has facilitated the rapid spread of Agile among MNCs.

As shown in this research, theoretical concepts from geography of knowledge such as epistemic communities, epistemic movements, and multiple embeddedness can provide valuable insights into the dissemination of management ideas (as highlighted in Article I). Members of an epistemic community within an MNC, e.g., software developers, are embedded both in the MNC network, territorially embedded where they live, as well as in the societal structures in which they feel they belong. Thus, whenever a management idea becomes fashionable in one dimension of embeddedness, it increases the likelihood of dissemination in the other dimensions of embeddedness. This is important, as the multiple embeddedness of people amplifies the dissemination of ideas. In light of the disciplinary divide between economic geography, which focuses on the territorial dimension, and international business, which focuses on the MNC network dimension, this research contributes by utilising geography-based insights to elucidate the importance of multiple dimensions of embeddedness.

## **5.2 Spatial dynamics of management ideas**

Given that management ideas are a form of knowledge, a relational understanding of knowledge is particularly important for enhancing our understanding of the spatial dynamics of management ideas. Bathelt and Glückler (2011) classify knowledge as a type of resource that has become increasingly important in the contemporary knowledge economy. Their relational understanding implies that the use and value of knowledge and other resources are seen as contextual, path-dependent, contingent, and constantly changing, i.e. they depend upon the social context within which goals and capabilities are shaped. Thus, there is no best way to apply knowledge originating from different industries or technology fields.

In terms of practices, knowledge is considered to typically change existing practices incrementally, whereas tacit knowledge is embodied in people and “sticky” to transfer. In Bathelt and Glückler's (2011) relational reading of place, local knowledge is shaped by and depends on “global pipelines” (Bathelt et al., 2004), systematic linkages with other parts of the world. Management ideas, which constitute a set of economic practices that are materialised

through human action, are also subject to these relational principles from a relational perspective. Consequently, from a relational perspective, management ideas are contextual, path-dependent, and contingent. According to relational principles, the translation of management ideas depends on an organisation's history and context. Therefore, even if two organisations with identical preconditions were to translate the same management idea, the outcome cannot be predetermined, according to the principle of contingency. The following sections discuss management ideas based on the relational principles of contextuality, path-dependence, and contingency.

### **5.2.1 The contextuality of management ideas**

In the context of management ideas, the principle of contextuality implies that their meanings and materialisation by different actors depend on the embeddedness of those actors. That is, how management ideas are performed and what they mean depends on the embeddedness of actors. Despite the typical misrepresentation of management ideas as universal recipes or best practices for how to utilise a specific resource, their resulting practices will be subject to the principle of contextuality. Thus, the embeddedness of actors who materialise management ideas inevitably leads to practices that vary contextually.

As argued in Article I, the absorptive capacity of the epistemic community makes it the most relevant actor to analyse in the study of management ideas. The importance of absorptive capacity is acknowledged by Bathelt and Glückler (2011), who argue that the degree to which knowledge is important to a firm depends upon its capacity to absorb new knowledge and the extent to which the actors inside the firm are able to recognise the potential of this knowledge in extending their overall competencies. The varying degree of absorptive capacity among actors, helps us to answer why management ideas are adopted in some places and not others. To answer this question with the help of translation theory is problematic because the idea itself is perceived as an actant that is disembedded and reembedded into different contexts. If we instead perceive epistemic communities as nodes of knowledge in the shape of actors that materialise ideas, we can conclude that ideas are most likely to materialise in places with a high concentration of members of the adopting epistemic community, e.g. for Agile development in places with high concentrations of software developers.

In *what* are epistemic communities then embedded? The reconceptualisation of embeddedness by Martin Hess (2004) implies that actors act partly in relation to their network relationships with other actors, partly in relation to societal structures, and partly in relation to the socioeconomic dynamics of the region; and only taking one of these dimensions of embeddedness into consideration is insufficient. Thus, to advance our understanding of how management ideas are disseminated and translated, we should study the multiple embeddedness of epistemic communities. The multiple embeddedness of epistemic communities enables us to analyse the dissemination of ideas from new perspectives, particularly the crossflow of knowledge between dimensions of embeddedness.

### **5.2.2 The path-dependence of management ideas**

The principle of path-dependence implies that history matters since economic activities are enabled and constrained by activities of the past (Bathelt and Glückler, 2011). What are the implications of the principle of path-dependence on management ideas, and how does it affect firms?

Some scholars emphasise that management ideas and practices are comprised of various components and that it is essential to analyse these separately (e.g. Jones and Murphy, 2011; Lillrank, 1995; Yu and Zaheer, 2010). Regardless of what these components are called by scholars or how many are alleged to exist, one component is frequently regarded as constituting normative values about what's important concerning the practice. For example, in the study by Yu and Zaheer (2010), three dimensions are distinguished as underlying organisational practices, wherein the conceptual dimension indicates the principles guiding a given practice, such as the stated objectives, the intended benefits, and the rationale for adopting the practice. In a similar vein, Lillrank (1995) considers management ideas to be comprised of three content categories, with the category of management principles relating to paradigms and specifying success factors and organisational building blocks. These two examples correspond to the practice dimension "perception" proposed by Jones and Murphy (2011). If we accept that management ideas constitute a set of practices that are prescribed based on a set of values and that values motivate behaviour (Bardi and Schwartz, 2003), then it follows that the principles of management ideas shape the path of firms.

### **5.2.3 The contingency of management ideas**

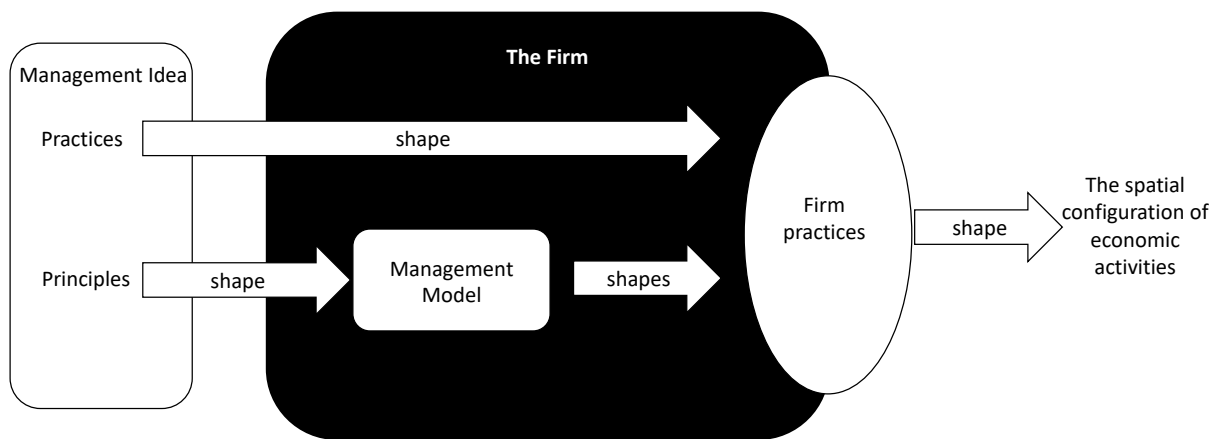
The principle of contingency in the relational approach by Bathelt and Glückler (2011) suggests that the translation of a management idea would still vary even if conditions were identical. On the basis of this principle, it is proposed that the economic outcome of management ideas can never be fully predicted, as it is contingent on how the idea is translated and materialised within an organisation, which will inevitably vary. While the outcomes of management ideas are contingent, as discussed in Chapter 2, the contextual sources that cause these contingencies remain unclear. The findings and theoretical contributions of Articles I and IV help uncover key contextual sources of contingency in the translation of management ideas.

Article IV compares the translation of Agile at a site in China to a site in Sweden, drawing inspiration from the theory of translation and the theoretical framework presented in Article I. In Article IV, contingencies of the idea are operationalised as unintended consequences, as this is a well-established outcome in extant studies on management ideas. The article demonstrates how unintended consequences of the translation of the Agile idea to a large extent derive from the societal dimension in which the actors are embedded, more specifically cultural factors such as time orientation and expectations of management style. For example, although the Swedish site's materialisation of the Agile way of organising had fewer unintended consequences than the Chinese site, the Chinese site was still regarded as more agile due to the proximity between contemporary Chinese cultural values and the principles of the Agile idea. Thus, the societal embeddedness of the software developers at the two sites had opposite effects on the materialisation of the Agile idea's manifest and codebook (Cowan et al., 2000). While institutions such as the education system and labour market can contribute to unintended consequences, it is argued that cultural values are the primary contextual source that makes management ideas contingent.

### 5.3 How management ideas contribute to the spatial configuration of economic activities

From a relational perspective, it is not possible to analyse a region independently of the economic and social relations that unfold among individuals and firms therein. In light of this, I contend that management ideas play an instrumental role in the configuration of economic geography given their capacity to shape and influence economic decisions that have an impact on local and regional structures, as well as how people and firms organise themselves. Further, a relational perspective informs us that the way a firm organises itself has a direct impact on its locational structures and the spatial organisation of its production (Bathelt and Glückler, 2011, p. 38). If we can agree on this statement, it is argued that management ideas are important to economic geography since they affect both how economic activities are configured internally within firms and externally between firms.

This research shows the importance of the *principles* of management ideas. As shown in Articles II and III, the HQ initially remained passive while the management idea spread like a virus within the MNC network used as a case in this research. When the HQ finally reacted, it did so by absorbing the principles of the idea and using them to direct the behaviour of the MNCs far-flung and heterogenous R&D operations. Based on the findings of this research, it is argued that the adoption of management ideas not only causes firms to change their practises, but that the idea's underlying principles, which motivate the prescribed practises, also cause a firm's management models to change. While a business model defines how a firm generates revenue, the equally important management model defines *how* the business model will be achieved (Birkinshaw, 2010), as discussed in Section 2.1. Since the management model of a firm shapes its behaviour, management ideas shape the path of firms by changing their existing management models. The extent of change depends on the discrepancy between the management idea's principles and the firm's management model. While no, or limited, effect on the development path can be expected for firms that adopt management ideas with principles that are aligned with the existing management model, the opposite can be expected when there is a great discrepancy between the management idea's principles and the firm's management model.



**Figure 2** How management ideas shape the spatial configuration of economic activities.  
*Source: Author's visualisation*

Figure 2 depicts a conceptual model illustrating how management ideas shape the spatial organisation of firms' economic activities. The model illustrates how the adoption of a management idea by an MNC reconfigures its practices. To be more precise, the hybridisation of the management idea's principles and management model causes a change in the firm's behaviour. As firm practices consist of economic activity, their change necessitates a reconfiguration of the economic activities of the firm. When the economic activities of firms within a region are reconfigured, so is the region's economic geography. Using the Chinese site described in Article IV as an example, the site's adoption of Agile changed activities such as recruitment, interaction with customers, etc. The site was only one of many similar firms in its industry in Shanghai that adopted and changed their operations in accordance with the Agile idea. Thus, from a geographical perspective, the site's organisational change was part of a collective process that reconfigured the economic geography of Shanghai and its industry.

The role of the MNC in the dissemination of management ideas is not only as a pipeline that deliberately disseminates ideas globally; the MNC is also equally a victim of management ideas, referring to the virus analogy of management ideas by Røvik (2011). While this dual role of the MNC is nothing new in extant management literature on management ideas (e.g. Bort and Kieser, 2019; Kern et al., 2019), an authoritative central HQ that transfers standardised practices

remains the norm in mainstream literature on MNC practices in both economic geography and IB (Fuchs, 2020; Gutierrez-Huerter O et al., 2020). This research, however, applies a contemporary view of the MNC where the HQ is perceived as an actor with limited ability to exert full control over the MNC's network of subsidiaries, a perception in line with the critical perspective on power and politics within MNCs (Morgan and Kristensen, 2009; Mudambi et al., 2014). According to this perspective, the HQ's ability to impose hierarchical control and globally standardised organisational structures and practices is significantly limited. This research shows how knowledge, in the shape of a management idea, can enter the MNC from a subsidiary that is geographically remote from the HQ and change the firm's management model and management practice, which reconfigures the economic activities of the firm on a global level.



## 6 Conclusions and outlook

The starting point of this research was the argument that, despite economic geographers' acknowledgement of the importance of firm practices, the phenomenon of management ideas that *shape* firm practices is underdeveloped within the economic geography literature. Hence, the research aims to advance the state of our theoretical understanding of the linkages between management ideas and the spatial configuration of economic activities using REG as a theoretical lens. The research concludes that the translation of ideas is contingent upon both human agency and their embeddedness. Due to the embeddedness of actors in network relationships with other actors, societal structures, and socioeconomic dynamics of the region, management ideas will inevitably vary. This research questions the dominant narrative in economic geography that rests on a perception of the MNC and its HQ as rational actors in control that transfer knowledge through its network like global pipelines, which changes the economic activities in places. Instead, the change in economic activities in both MNCs and regions can also be understood as a consequence of the dissemination of management ideas. In this narrative, firms are merely vessels, like children who unintentionally spread chicken pox.

In Chapter 4, the theoretical contributions of each article are presented. In this section, the broader contributions of the research as a whole are discussed, distinguishing between contributions to the literature on management ideas, (relational) economic geography, and the theory of translation. The research contributes to the literature on management ideas by showing that management ideas are highly context-specific in space. However, I claim that they are equally context-specific in time. This claim, that the value of a management idea for an organisation depends on the organisation's specific context in both time and space, is in line with Erica Schoenberger (2003), who also emphasises the intimate connection between spatial and temporal processes when firms manage resources through practices. The context dependence of management ideas can be illustrated through Lean production, which typically has been beneficial for firms with stable demand. This became evident during the Covid pandemic, which rapidly changed the priorities of firms. The practices of Lean firms had made them particularly vulnerable to heavy losses as they were not configured for rapid adjustments. A recent study, for instance, on how Covid affected the National Health Service (NHS) in the UK, concluded that an overreliance on perceived efficiency benefits of Lean had a detrimental effect on organisational resilience (Bryce et al., 2020). Hence, when the context, resources, or strategy of an organisation change, a management idea can change from being a benefit to

becoming a disadvantage, or vice versa. Further, the research demonstrates that theoretical concepts commonly used in geography of knowledge can be applied to enhance the spatial dimension in the analysis of management ideas. I argue that not only management ideas but most, if not all, types of ideas that can be taken for granted by us human beings can be analysed as epistemic movements. Finally, the research contributes to the literature on management ideas through its focus on the engineers of a firm due to their crucial role in the translation process of management ideas. The focus on engineers stands in contrast to most management studies, which have been criticised by Smith and Meiksins (1995) for overemphasising the role of managers in relation to other professional roles within the firm.

The research contributes to the literature on economic geography, and REG in particular, in three aspects. First, the research addresses the shortcoming of REG, as pointed out by Sunley (2008) in Section 2.5, for putting too much emphasis on interpersonal network relations between actors while neglecting the content that disseminates within these networks, such as management ideas. Using the fundamental relational principles of contextuality, path-dependence, and contingency as place of departure, the research contributes to REG by further developing the perspective theoretically concerning the role and implications of management ideas. Second, REG has also been criticised for placing too much emphasis on the micro-level, leading to a lack of capacity to effectively aggregate theories on the macro-level, as presented in Section 2.5. Bathelt and Glückler (2011) proposed a solution to this macro-micro dualism that involves shifting focus towards institutions as a means to incorporate macro-social structures in the analysis of economic relations. Drawing upon the conceptual developments outlined in Article I, this research makes a novel contribution to resolving the issue of macro-micro dualism in REG by analysing the multiple spatial scales of epistemic communities. The alternative method proposed in Section 5.1.2. involves exploring epistemic communities as macro-social structures and the relations of their members at the micro-level. The findings of this research suggest that this approach can be a valuable tool for understanding the dynamics of epistemic communities and their role in shaping economic geography. Third, this research contributes to REG by showing how spatial and temporal changes in firm practices can be better incorporated into relational analysis by employing the *spatial-temporal* multiple embeddedness concept, which better clarifies *who* is embedded in *what* (Hess, 2004). Additionally, through its MNC research context and incorporation of IB literature, the research also contributes by narrowing the disciplinary divide between economic geography and IB.

Lastly, this research also contributes to the translation model by addressing two of its key limitations, highlighted by Wæraas and Nielsen (2016) and discussed in Section 2.2.2. First, by employing the MNC context, the research addresses the translation model's limited attention toward *intra*-organisational translation processes. Second, both ANT and the translation model have been criticised for lacking emphasis on spatial dynamics. The research presents how REG can strengthen our understanding of the spatial dynamics of translation and the importance of local contexts in shaping such dynamics.

### **6.1 Implications for practitioners and policymakers**

Management ideas are appealing to both policymakers and practitioners since they are normative "solutions" to how resources should be managed. Based on this research, however, what attitude should managers take towards management ideas? Based on the results of this research, the following three suggestions are presented.

First, management ideas aim at strengthening the organisational attributes emphasised in their principles; this is problematic since there are pros and cons with all attributes, and the prioritisation of one attribute de-prioritises other attributes that may be more important for other organisations. For example, the benefit of efficiency with Lean often comes with the disadvantage of the operation becoming increasingly rigid, while the flexibility of Agile often renders the operation less predictable (Browaeys and Fisser, 2012). In line with Birkinshaw (2010), I therefore propose that firms configure their management practices based on their unique conditions and business models. Thus, when confronted with management ideas, managers, together with the employees who work with the practice, ought to 1) be selective and only adopt those principles and accompanying practices that are in line with their unique conditions and business model, and 2) seriously reflect on the potential negative consequences of management ideas, which are often downplayed by consultants and other actors who capitalise on the dissemination of management ideas.

Second, although management ideas are not universal recipes regardless of time and space, judging them all as worthless would be throwing out the baby with the bath water. The principles and practices put forward in management ideas can serve as a fruitful source of inspiration for organisations in their efforts to optimise resources. An alternative to management ideas for managers seeking to optimise resources, that certainly is worth repeating,

is the pragmatic approach to organisational change by Barbara Czarniawska, inspired by March (1976). Instead of the static set of principles found in management ideas, she suggests an aim based on the contemporary context of the organisation, which is reformulated as the context changes. In addition to a fluid aim, Barbara Czarniawska (2008) also suggests a pragmatic attitude towards the methods of achieving the aim. This attitude contrasts with that of most proponents of management ideas, who benefit from instructing firms on “the correct” method for executing a particular practice. Influenced by Czarniawska (2008), I propose an approach to organisational development built on incremental reform instead of project-based transformation towards a set goal, like a management idea. This approach to organisational development requires a shift in attitude towards organisational development that has to start at the firm’s board of directors:

- The board of directors directs firm executives to choose incremental reform over company-wide transformation projects whenever possible.
- Organisational development is perceived to consist of two parts. First, continuous improvement of firm processes and the practices they consist of. Second, adapting organisational resources to optimally support processes.
- Changes to how people are organised is not an end in itself. The (hidden) costs of changing organisational structures, such as decreased productivity, are acknowledged.
- Functional areas are held accountable for continuously improving their practices.
- The aim is a response to the perceived needs of the organisation; hence, it is not static but evolves with the needs.
- The aim of the reform is thoroughly anchored in many conversations between practitioners and management. The aim is further anchored as it is periodically revisited.
- When improving a practice, practitioners working with the practice should compare at least two alternatives and discuss the potential negative implications of each.
- New methods and tools to achieve the aim are dropped easily.

The approach starts with the board of directors since that’s where a shift in attitude towards organisational development has to start to decrease the expectation on managers to perform organisational change, one of the drivers for the dissemination of management ideas as discussed in Section 5.1.1. While functional areas such as production, logistics, and HR are responsible for continuously improving their practices, the responsibility for improving firm processes that involve several functions lies more appropriately with the CEO or division

managers. The approach recommends incremental reforms before resource-consuming large transformations, whose results are difficult to assess, but also forces involved parties to reflect on the weaknesses of change alternatives by comparing different alternatives to each other. In firm decisions such as recruitment or forming a strategic partnership with a new supplier, firms usually choose between several alternatives because it reduces the risk of making arbitrary decisions. It is argued that the same selection procedure should be applied to organisational change.

Third, for MNCs whose operations are highly heterogeneous and geographically scattered, well-known management ideas can be utilised to strike a balance between global integration and local responsiveness. Practice Coordination by Principles, as described in Article III, can be a practical option for how this can be achieved. However, headquarters should be cautious and mandate local managers the autonomy to adapt firm practices to the local context. This mandate is especially important if the MNC acquires a company due to efficiency seeking (Dunning, 2008). As Storper (1997) argues, the relationship between firms and their surrounding regions is mutually reinforcing since successful firms help to shape the development of regional economies while also being shaped by them. Hence, following this notion that firms create places and places create firms, MNC headquarters would not be advisable to change a successful firm's management practice that is shaped by its local context. A good example that supports this claim of local autonomy is the successful internationalisation of some Japanese MNCs in the past two decades. In their analysis of the interconnection between geopolitics and geoeconomics, Nakamura et al. (2022) highlight the engineering firms Hitachi and Toyota Material Handling as examples of what has been conceptualised as the Aggregate Nice Strategy (Schaeede, 2020), i.e. the shift in corporate mentality and profound reconfiguration of the global organisation by some Japanese MNCs over the past two decades. It is shown that the firms' investments in Europe were not merely the result of a market entry strategy, but the R&D-heavy acquisitions had wider and deeper implications for the Japanese firms. Among the things that the acquired firms in Europe had in common was a high degree of autonomy, including the configuration of management practices. The empirical examples of the two Japanese MNCs' acquisitions in Europe point out that the Japanese firms seem to value not only the capabilities and market position of the acquired firms but also the industrial heritage at these locations.

Regional policymakers have a vested interest in maximising the competitiveness of their regions. This includes ensuring that firms located in the region adopt practices that are suited to regional conditions. Generic management ideas are by default not suited to local conditions, and translating them into local practice requires that local managers have the authority to make decisions about how to implement them. If the authority to make decisions about practices moves out of the region, as often happens when firms are acquired by foreign-based MNCs, local managers may be forced to adopt standardised practices from a foreign headquarters that are not based on regional conditions. Therefore, regional policymakers should strive to ensure that the authority to design firm practices lies with local managers. One way to achieve this is to ensure that the ownership and decision making of firms is spatially anchored within the region. By doing so, policymakers ensure that local managers possess adequate autonomy over decision-making processes and can design practices that cater specifically to regional needs. Mandating local managers the authority to design firm practices should not only be in the interest of policymakers but also of MNC headquarters. This is especially relevant for MNCs from emerging markets that acquire Western firms, as shown in the in-depth longitudinal case study by Yakob et al. (2018) on the Chinese MNC Geely Auto's acquisition of Volvo Car Corporation. The study analyses how Geely Auto drew advantages from the regional innovation dynamics in Sweden to leverage Geely's innovation capabilities globally. The authors conclude that one of the key takeaways for practitioners involved in the management of strategic acquisitions, particularly in the automotive industry, is that decision-makers and managers need to take measures to ensure that the acquired firm retains a high degree of mandated autonomy, similar to that of certain internationalised Japanese firms as described by Nakamura et al. (2022).

In addition, regional policymakers can support firms in the region by ensuring that firms have access to knowledge about management ideas as a phenomenon. As stated in the introduction, the industry of management ideas can be divided into a demand side comprised of firms and other organisations that "consume" ideas and a supply side comprised of a variety of actors, such as consultants, training firms, and the media. Although research that gives a nuanced image of management ideas exists within academia, the public discourse around management ideas is skewed towards a positive bias since it is dominated by supply-side actors who profit from the dissemination of ideas. An increased dissemination of research on management ideas from academia would not only benefit the public discourse on management ideas but also increase the buyer competence of firms and secure their absorptive capacity as consumers of

management ideas. This could be achieved through business schools offering relevant training and preparation to both existing and future business leaders. Such training would help business leaders understand the nature of management ideas, thereby cultivating a more discerning attitude towards "management gurus," prestigious consulting firms, and their endorsed management practices that are often presented as "best practice" solutions. By providing education and training opportunities focused on the critical examination of management ideas, regional policymakers can ensure that businesses in their respective regions have access to the knowledge necessary to navigate complex challenges arising from globalisation in today's dynamic economic landscape.

## **6.2 Limitations and further research**

All articles in this research conclude with discussions regarding their specific limitations related to theoretical, methodological, and analytical choices and how future research could amend these while also building upon their conclusions. Below, I will keep to the overarching limitations of the research as a whole and the ways in which it paves the way for further research.

The theoretical contributions of this research hold generalisable implications for other management ideas than just Agile, partly thanks to its focus on the process of translation, and partly due to the common relational mechanisms of epistemic communities. According to the theory of translation, as discussed in Section 2.2.2, it is the process of translation that determines whether a management idea becomes a fashion that may get institutionalised; the inherent properties of Agile and other management ideas are not that relevant (Czarniawska and Sevón, 1996). Based on this theoretical foundation, this research has centred its attention on the process of translation, where Agile has been utilised as an illustrative case of a management idea that is widely disseminated. While the epistemic community of software developers has been studied in this research, it also holds generalisable implications for management ideas of other epistemic communities since different epistemic communities and their members are bound by common relational mechanisms. Still, the findings face the common limitations of a single case study in that the findings obviously cannot be straightforwardly generalised to all MNCs in all geographies. The generalisability should be quite high for MNCs in the IT industry, particularly for firms that are heavy on software development. Still, my main call for further research involves studying other professions and their epistemic communities, other MNCs, and other geographies.

Several avenues for future research can be identified on the basis of this research. The exploration of management ideas in this research is delimited to a relational approach, particularly in this general introduction. There is an opportunity to enrich the discipline of economic geography through a more engaged pluralism if future research explores management ideas from other approaches, such as evolutionary (Boschma and Frenken, 2018) or institutional economic geography (Gertler, 2018). One management idea that has influenced how MNCs are managed in particular is the resource planning idea, which has been objectified in Enterprise Resource Planning (ERP) systems, software to manage business processes by companies such as SAP and Oracle. ERP systems is a multibillion-dollar industry that has a significant impact on the business practices of firms due to the standardisation of the systems, which requires firms to adapt their finance, HR, manufacturing, and supply chain practices to the “best practices” supported by the system. As with the majority of management ideas, IB scholars have paid more attention to ERP than economic geographers. Yamin and Sinkovics (2007), for instance, discuss the negative impact of ERPs on subsidiary autonomy in their critical examination of ERPs. According to a study by Scarbrough et al. (2015), the dissemination of the resource planning idea was facilitated by its objectification in software. Consequently, future research could further examine the under-explored role of technology in the dissemination of management ideas. Finally, as discussed in this research, management ideas can change practices on a global scale within MNCs, as well as the interactions between firms. Economic geographers are well-positioned to explore how management ideas influence inter-organisational interaction through conceptualisations such as global production networks (Coe and Yeung, 2015).

Geographically, this research centres to a large extent on China. From the start to the publication of this research, there's been a geopolitical shift that has changed the path of the global economy. Unfortunately, the hope of Western nations that economic integration with China would lead to the country developing in a democratic direction proved to be naive. Instead, the increasingly authoritarian direction of China's top leadership has led to a geopolitical situation that has halted globalisation and increased economic decoupling between China and Western countries. These developments have implications for both firms, like the MNC studied in this research, and management ideas. If we agree with Barbara Czarniawska (2008) that imitation is what drives the dissemination of management ideas, then an increasingly polarised world could be expected to inhibit the desire to imitate management ideas originating from countries with high geopolitical tension. This line of thought is similar to Smith and Meiksins' (1995a) concept of



dominance effects, discussed in Article I: that patterns of management idea dissemination are shaped by the socio-economic relations between nations within the international economic system. I suggest that the role of geopolitics in the dissemination of epistemic movements, including management ideas, is an unexplored research venue for exploring questions like: what impact will the deteriorating geopolitical relations between China and Western countries have on the dissemination of management ideas?

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