



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

Decisions, Decisions

An exploratory case study on individual decision-making in an MNC

Iris Tallbäck & Emelie Persson

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Graduate School, School of Business, Economics and Law, University of
Gothenburg, Sweden

Abstract

The international business (IB) landscape has undergone significant transformations in recent decades, bringing multifaceted challenges for decision-makers to address with limited resources at their hands. Therefore, decision-making is a complex process that is crucial for organisational success. However, research in the IB field on individual-level explanations behind this significant activity are few and far between, necessitating an exploration that seeks to highlight the micro-level behaviours and choices underlying macro-level outcomes within multinational corporations (MNCs).

To take on this quest, we incorporated insights from behavioural economics and management studies. We conducted a case study within a Swedish MNC, interviewing 30 employees from various units operating within a matrix structure. Our findings reveal that employees often struggle to attend to all stakeholder claims, requiring conscious evaluation and prioritisation. Employees frequently prioritise competing demands that they perceive as most impactful on the organisation or themselves, with managers having more autonomy than non-managerial employees, subsequently using varied problem solving approaches through which competing demands are fulfilled.

Keywords: Decision-making, problem-solving, stakeholder salience, prioritisation, MNC, organisational structures

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1. Introduction

1.1 Background

The landscape of international business (IB) has undergone profound transformations over time, influenced by various factors such as globalisation, technological progress, political change, and economic shifts. These forces have shaped the way companies conduct business across borders, impacting their organisational structures, strategies, and interactions with stakeholders (Dicken, 2015, p. 42). At the heart of navigating this complex terrain lies decision-making, which serves as a critical determinant of success or failure for MNCs (Buckley & Casson, 2019, p. 1429). Organisational decisions, crucial for achieving desired outcomes, often deal with complex problems and limited resources to address them (Kaiser, Fahrenbach, Kragulj & Grisold, 2018, p. 4391), therefore necessitating the prioritisation of competing demands (Mitchell, Agle & Wood, 1997, p. 853). Early attempts to understand firms' decision to invest abroad characterised this process as a multifaceted series of actions shaped by both internal and external dynamics, constrained by strategies and available resources within MNCs (Aharoni, 1966 p. 49; 2011, p. 31). Initially, external stimuli was considered to prompt exploration abroad, and as the MNCs accumulate knowledge and commitment to cross-border markets, the international expansion process accelerates, reducing investigation costs and perceived risks (Johanson & Vahlne, 1977, p. 23)

As the MNC is understood as an amalgamation of differentiated and semi-autonomous units, the pursuit of competition-oriented decisions necessitates the consideration of the unique attributes of these units and their impact on firm success (Kostova, Marano & Tallman, 2016, p. 179). The structures implemented by MNCs govern the interplay of power dynamics, resource allocation, and tensions between units, all of which are pivotal in shaping MNCs' strategic trajectory (Hoenen & Kostova, 2015, p. 106; Raziq, Benito & Kang, 2023, p. 909). Furthermore, the decision-making outcomes of these interactions are often contingent upon the perspectives and relationships involved, whether within internal networks or amidst external institutional pressures (Peng, Wang, Jiang, 2008, p. 922). Therefore, MNCs may face tensions in reconciling internal and external demands while maintaining legitimacy in diverse institutional contexts (Kostova & Zaheer, 1999, p. 67), where operational fluency can face quick disruptions due to the highly dispersed nature of MNC operations (Lee, Yahiaoui, Lee & Cooke, 2022, p. 355).

Traditional hierarchical structures rely on executives to make decisions in top management teams (TMTs) (Cuypers, Patel, Ertug, Li & Cuypers, 2022, p. 482). The extensive operations and web of stakeholders that MNCs must engage with has led to other forms of organisational structures to handle varying levels of managerial complexity (Celo, Nebus & Wang, 2015, p. 183). These structures, ranging from formal hierarchical arrangements to network structures and matrix organisations, regulate the scope of activities and their interdependencies amongst units (Galbraith, 2014, p. 10). As a result, decision-making becomes increasingly intertwined, where decisions made in one unit impact another one, therefore requiring heightened coordination between MNCs units that facilitate synergy of actions (Raziq et al., 2023, p. 909). The complexities inherent in such organisational setups can be exacerbated when employees assume different roles in multiple reporting lines. These roles often come with different objectives, requiring employees to make decisions based on multiple, sometimes conflicting or competing demands (Wolf & Egelhoff, 2013, p. 59).

1.2 Problem discussion

Decisions undertaken in organisations that steer the course of its performance toward desired outcomes are largely the product of assessing and selecting the best course of action (Simon, Dantzig, Hogarth, Plott, Raiffa, Schelling, Shepsle, Thaler, Tversky & Winter, 1987, p. 11). In reality, human behaviour is inherently complex; decision-makers routinely depart from the rational choice model, influenced by cognitive biases and social contexts (Thaler, 2015, p. 27). Whereas traditional economic models operate under the assumption of perfect rationality where firms navigate in a world of complete information, accurately perceive constraints, and make choices that maximise profitability, behavioural economics challenges this oversight, incorporating insights from psychology and other social sciences into economic analysis (McKenzie, 2009, p. 113). Among notable contributions to this paradigm shift is the concept of bounded rationality, which suggests that individuals have limited cognitive abilities and cannot always process all available information, leading them to settle for satisfactory choices (Simon, 1955, p. 101).

Despite theoretical advancements highlighting decision-making deviations from rationality, IB theory tends to overlook the micro-foundations of this significant activity. In fact, the remark by Hutzschenreuter, Pedersen & Volberda (2007, p. 1057) that the majority of research addressing strategic decisions regard the firm as an obscure entity devoid of internal

examination remains as accurate now as it was two decades ago. Behavioural elements can be noted, to some extent, answer how decision-making occurs under uncertainty, and what factors contribute to decision-making behaviour in MNCs. For instance, what was once perceived as risky becomes more acceptable through experiential knowledge (Johanson & Vahlne, 1977, p. 23), which implies bounds of rationality. However, models such as transaction cost theory (TCT), resource-based view (RBV), and the eclectic paradigm share a common implication, despite offering distinct perspectives on strategic drivers, suggesting that MNCs make rational choices in response to external conditions, therefore not accounting for misinformation or bias (Drahokoupil, 2014, p. 205). How individuals in MNCs identify and assess relevant information remain largely unanswered (Aharoni, 2011, p. 34).

In the absence of micro-level explanations in the MNCs, research in other organisational contexts illustrate that managers often employ problem-solving techniques to address the discrepancies between current situations and preferred objectives (Newell & Simon, 1972, p. 59). In its classical sense, problem-solving is conceptualised as the transformation of underlying causes into clearly defined problem statements, facilitating the development of solutions (Baer, Dirks, Nickerson., 2013, p. 197). In recent years, scholars have increasingly associated organisational decision-making with the recognition of needs as a precursor to seeking solutions in a way that shrinks the problem formulation phase, facilitating a wider array of solutions and saving resources (von Hippel & von Krogh, 2016, p. 207; Kaiser et al., 2018, p. 4390).

Moreover, when faced with competing demands, individuals tend to address those deemed most important to them. In organisational settings, the varying claims of its stakeholders, understood as the people or groups affecting or being affected by the organisation, compete for attention (Freeman, 1984, p. 52). According to Mitchell et al. (1997, p. 853) by prioritising between these diverse stakeholders, managers are able to navigate through an array of interests, identify the most salient claims, and allocate resources accordingly. In their framework, individuals' perception of powerful, legitimate and urgent claims create the basis for the prioritisation. However, the influence of individual and contextual factors on managerial perception remains underexplored, limiting the applicability of research on topics such as stakeholder attributes (Joos, 2019, p. 4). Additionally, the attributes behind stakeholders claims within MNCs is largely undefined, calling for a re-evaluation and identification of forces influencing decision-makers (George & Schillebeeckx, 2022, p. 6).

In recent decades, IB scholars have increasingly acknowledged the role of microfoundations underlying macro-level phenomena (Foss & Pedersen, 2019, p. 1595; Meyer, Li & Schotter, 2020, p. 538). While these discussions have mainly centred around knowledge management, their recognition of a multi-level perspective of the MNC represent an overarching call for empirical examination of linkages between individuals, the teams and units they reside in, the firm which encompasses these structures, and external environment influencing firms (Meyer et al., 2020, p. 547). Particularly, the bottom-up perspective describing macro-level outcomes of micro-level phenomenon remains largely unexplored. Furthermore, existing studies have primarily centred around unit-level managerial behaviour, rarely attempting to discuss individual employees. While employees have been included in various studies, the behaviour and choices of those individuals have often been neglected in favour of their perspective on subsidiary- or firm-level phenomenon (Foss & Pedersen, 2019, p. 1611).

1.3 Purpose and research questions

This study aims to deepen our understanding of how individuals make decisions within MNCs. Through a single case study, we seek to bridge the knowledge gap pertaining to how employees identify and evaluate relevant information amidst the myriad of competing demands in international settings.

How do employees address decision-making within MNCs?

Based on our research, we have identified three dimensions of the overarching inquiry that will be addressed with the following sub-questions.

- I. What role does organisational structure play in shaping how employees engage in decision-making within MNCs?*
- II. What problem-solving approaches do employees utilise within MNCs?*
- III. What factors influence employees' prioritisation process within MNCs?*

To clarify, we believe that the role of an organisational structure in interaction with individual behaviour provides a basis for the decision-making context, and is necessary to understand given how the interdependencies of activities within the MNCs often necessitates greater

coordination between individual actors. In addition, considering how organisations constantly navigate complex problems and competing demands in international settings, but has been rarely applied to the IB realm, it is important to expand theoretical insights to the microfoundations perspectives on approaches and influencing factors driving decisions.

1.4 Delimitations

We set specific boundaries to define the scope of our research. Firstly, with little research to lean on micro-level decision-making in an MNC setting, we have constructed our theoretical framework with concepts from other research fields, namely behavioural economics and management studies. Secondly, this thesis draws insights from 30 participants at a Swedish MNC in the high-tech industry which operates with a matrix structure, therefore there might be contextual validity to this industry. The participants, comprising 17 employees and 13 managers, have primary roles in either function-oriented or business-oriented units and report to a project unit. With at least half-year of dual-role experience, they provide a thorough discussion on their approaches and priorities.

1.5 Disposition

Disposition	
Section	Description
<u>Introduction</u>	Firstly, we provide background information on the subject, identify gaps in research in the problem discussion, and outline our research question, purpose, and delimitations.
<u>Theoretical Framework</u>	In the absence of individual decision-making frameworks in IB theory, our literature framework incorporates insights from other disciplines while reflecting how they can be related to the MNC context, providing a foundation for our research.
<u>Methodology</u>	This chapter outlines the specific approaches and methods adopted to address the research objectives within this framework as well as conclude quality and ethical concerns of our research process.
<u>Empirical Findings</u>	Here, we present our empirical findings derived from semi-structured interviews
<u>Analysis</u>	Having presented the findings, we reflect and analyse them, utilising our theoretical model
<u>Conclusion</u>	Finally, we summarise the main conclusion, discuss implications and address limitations that can inform future research.

Table 1. Disposition of the thesis.

Authors' own compilation.

2. Theoretical Framework

2.1 Organisational structures

Building on the understanding that MNCs are complex organisations requiring management of disaggregated and geographically dispersed activities (Kostova et al., 2016, p. 179; Meyer et al., 2020, p. 538), organisation structures can be understood as formal management configurations facilitating the interactions between the MNC and its subsidiaries (Raziq et al., 2023, p. 909). Three dimensions of differentiation; key components of the organisation which enables success or failure, the primary coordination mechanism used to manage its activities, and lastly, the level of decentralisation in its decision-making process, interacts with the strategic objectives of the firm to inform its organisational structure (Lunenburg, 2012, p. 1; Mintzberg, 1980, p. 322).

Different organisational structures are equipped to navigate different levels of managerial complexity. Formal hierarchical structures, based on product categories or market areas with few reporting lines between HQ and subsidiaries, are generally better suited for environments where the boundaries between units are defined and cross-integration on a global level is not required (Nell, Ambos & Schlegelmilch, 2011, p. 86; Celo et al., 2015, p. 183). Meanwhile network structures, characterised by lack of dominant vertical relationships, lateral interconnectedness, and context-based coordination, are more flexible when facing complex settings, but require greater coordination, being prone to information asymmetry between units which can hinder decision-making (Raziq et al., 2023, p. 910; Celo et al., 2015, p. 185).

Understood as a formal hierarchical structure with features of network structures, a matrix organisation features multiple reporting lines, where two or more elementary dimensions, for example market areas, product areas, or functional areas, overlap (Egelhoff, Wolf & Adzic, 2013, p. 205). In a HQ-subsidiary context, this means that the foreign subsidiary could report to several dimensions of hierarchies through, for example, divisional HQ, regional HQ, or functional HQ (Ciabuschi, Dellestrand & Holm, 2012, p. 213; Wolf & Egelhoff, 2013, p. 592). This form of organisational structure lends the MNC with multidimensional integration, enhancing its adaptability to changing conditions. However, it is difficult to implement and manage, as internal conflicts of interests can occur due to varying objectives from overlapping dimensions inhibiting decision-making (Celo et al., 2015, p. 185; Wolf & Egelhoff, 2013, p. 593).

2.1.1 Decision-making structures in MNCs

Organisational structures also function to configure processes and interactions between individuals and groups within the MNC, delineating responsibilities, allocation of resources, and determining authority over decisions (Galbraith, 2014, p. 37; Lunenburg, 2012, p. 1). The variation in tasks and objectives assigned to, or developed by, each unit can create conflicts arising from interdependencies, whereby the decisions taken within one unit might negatively impact the performance of another (Celo et al., 2015, p. 185). To remain competitive in the global market, MNCs often rely on the coordination of interdependent units and functions. For instance, a new product might feature interdependencies between development, engineering, and procurement whereby the outcome of one function feeds another.

Given that the performance of a firm is likely to be enhanced when the decisions made by one interdependent unit reinforce the decisions made by another to achieve synergy of activities, the breakdown of organisation silos to facilitate communication linkages becomes necessary (Celo et al., 2015, p. 186; Galbraith, 2014, p. 10). The resurgence in the adaptation of a matrix organisation in modern MNCs can, to some extent, be seen as an outcome of this strategic shift. The matrix structure inherently features the cross-interaction between units which enables the multidimensional coordination MNCs require in order to implement these strategies while mitigating the conflict of interest in decision-making between units (Egelhoff et al., 2013, p. 206). However, while one of the objectives of a matrix organisation is to give equal priorities to multiple objectives or activities, the authority imposed by two overlapping hierarchies are unlikely to converge to form one, rather there is a tendency to shift between these competing hierarchies on a situational basis (Wolf & Egelhoff, 2013, p. 595).

According to Wolf & Egelhoff (2013, p. 595), three types of task-related conflicts can arise within a matrix organisation; goal conflicts based on diverging objectives, authority conflicts based on overlapping hierarchies, and evaluation conflicts where individuals utilise different viewpoints to evaluate an issue. The extent and nature of these conflicts are also dependent on the dimensions involved. They are more likely to arise between managers responsible for different profit-based dimensions, such as market and product areas, as they strive to maximise profits within the same subsidiary. On the other hand, when a functional dimension, which is more cost-oriented, is involved, the level of conflict between managers doesn't necessarily increase with overlapping hierarchies. Profit-based conflicts are often easier to

resolve vertically when one dimension is subordinate to the other but harder to resolve across units, while non-profit conflicts pose challenges in both directions Wolf & Egelhoff (2013, p. 598).

2.1.2 Towards individual-level decision-making

The significance of decision-making structures on the strategic implementation of firms are not limited to firm- or unit-level interactions. Although the individual decision-making is little researched in IB studies, literature on teams lend a closer view of individuals' behaviour. Given that firms consist of multiple individuals with specialised and diverse knowledge, coordination is required in order to ensure synergies between various operational processes (Grant, 1996, p. 104). Within MNCs utilising strategies that are based on cross-unit interdependencies, global teams play a critical role in coordinating expertise dispersed across units, geographical boundaries, and levels of hierarchy (Adenfelt & Lagerström, 2006, p. 385). These teams are often organised with diverse members, each with their own expertise, alongside a designated project leader. Together they break down the overarching problem into manageable segments, according to their areas of expertise, engaging in continuous decision-making processes that are assessed based on their correctness (Brehmer & Hagafors, 1986, p. 181; LePine et al., 1997, p. 803).

Despite the diversity of members in global teams, effective representation and sharing of perspectives are not always guaranteed. LePine et al. (1997, p. 803) note that teams characterised by hierarchical structuring often lack vertical and horizontal substitutability among members, where leaders hold authority and broad knowledge of staff responsibilities, and unique expertise among members is not readily interchangeable. While Zander (1998, p. 30) suggests that specific knowledge overlap within MNC networks and enhance operational efficiency, Adenfelt & Lagerström's (2006, p. 385) study found that information asymmetry among team members, and between management and these members hinder knowledge sharing. Coordination mechanisms such as rules and directives, and standardised operational routines are often used to mitigate these challenges and ensure consistency in operations. However, when faced with complex tasks, group problem-solving and decision-making may require more personal and communication-intensive processes (Grant, 1996, p. 115).

Within the typical matrix organisation, employees may find themselves managing multiple reporting relationships within several elementary dimensions (Joseph & Gaba, 2020, p. 278;

Wolf & Egelhoff, 2013, p. 595), which requires cooperation among internal stakeholders for successful arrangement (Keidel, 1995, p. 29). Cooperation is fostered by recognising strategic importance and shared practices, as members shape systems to their advantage (Adenfelt & Lagerström, 2006, p. 391). On the other hand, when employees across divisions do not share the same values to their team, it can diminish appreciation of each other's knowledge, affecting collaboration (Haas & Cummings, 2015, p. 53).

2.2 Approaches to solving problems

Decision-making often requires navigating complex challenges and uncertainties by employing various problem-solving methods to bridge disparities between the current and the desired state, where unfulfilled objectives are met (Newell & Simon, 1972, p. 59). In organisational contexts, scholars often address these concepts interchangeably, as decision-making frequently requires problem-solving, while problem-solving inherently involves making decisions. Therefore, seeing as decision-making is required at every stage towards reaching solutions, this thesis takes on the stance that decision-making drives how individuals navigate through the problem-solving process, from the initial state to the desired state.

In organisations, the approaches decision-makers employ can vary depending on the nature of the problem, availability of resources, and preference of the decision-maker. Drawing inspiration from the vast literature, two different techniques to arrive at the best possible solution depending on the situation were identified (Newell & Simon, 1972, p. 59; Simon et al., 1987, p. 11; von Hippel & von Krogh, 2016, p. 207). The approaches and their associated components are presented in Figures 1 and 2, respectively.

2.2.1 Classical problem-solving

The organisation's response to external stimuli, such as choices of investment and product improvement, involves both retrospective analysis to understand the cause and prospective planning to determine how to move forward and create a solution (Simon, 1987, p. 62). Illustrated in Figure 1., a fundamental assumption underlying the problem-solving process is the *identification of an issue* in need of resolution (Volkema, 1983, p. 640). This identification entails recognizing surface-level issues and looking beyond the symptoms to uncover deeper underlying causes to *formulate problems* (Baer et al., 2013, p. 197). Once a cause has been

identified, *finding solutions* involves formulating strategies to address it. Simon (1977, p. 309) emphasises that most problems encountered in the real world are initially ill-structured and only become well-structured by problem formulators' efforts to make it more amenable.

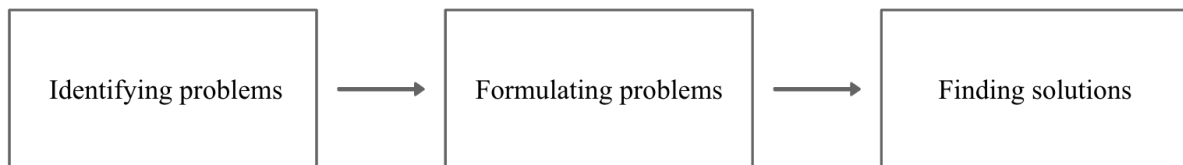


Figure 1. Problem-Solving Process.

Compiled by authors based on Newell & Simon (1972).

Newell & Simon (1972, p. 59) introduced the concept of a “problem-space” to represent the various paths to find a solution, emphasising that these paths often face constraints when aiming to reach desired outcomes. Firstly, the human cognitive ceiling limits the solutions available to the problem-solver. Secondly, certain types of problems offer such a large space of possibilities, it is not feasible to account for all potential pathways. As a consequence, heuristics, defined as rule of thumbs or mental shortcuts to simplify judgements, contribute to understanding how individuals are biased by subjective perceptions over objective probabilities (Tversky & Kahneman, 1974, p. 1124). Further, it has been recognised that heuristics are most often utilised for highly complex problems where the path towards the decisions are ambiguous (Gigerenzer, 2008, p. 21). Contemporary heuristics often make use of data tools based in different systems and technologies to compare and eliminate solutions (Michalewicz & Fogel, 2004, p. 55).

In MNCs, problem identification and formulation can be as critical as solution-searching activities. Through their study on problem-solving and solution creation of MNCs, Tippman et al. (2012, p. 754) found that divergence between devising a local solution versus a global one arises early in the problem formulation phase, where managers determine whether the issue is localised or spans across units globally. Global problems are perceived to be common across units, with the solutions potentially offering firm-wide benefits, thus more resources can be allocated to derive a long-term solution. Consequently, global problems can be

misinterpreted due to knowledge limitations at the local subsidiary level, resulting in localised outcomes where solutions remain confined to the unit (Tippmann et al., 2012, p. 762).

2.2.2 Alternative problem-solving

The problem-solving process, as traditionally imagined, can be both resource- and time-consuming, particularly during the problem formulation stage (Kaiser et al., 2018, p. 4390). In many cases, the problem-space is not well understood or articulated, and decision-makers may not be able to express their needs accurately, hindering organisational performance. An alternative approach to problem-solving shifts the focus from problem identification and formulation to identifying needs of affected actors, such as stakeholders, and matching them with potential solutions. By focusing directly on identifying needs and potential solutions, organisations may explore a broader range of possibilities and potentially discover novel solutions that might not have been considered within the confines of a traditional problem formulation (von Hippel & von Krogh, 2016, p. 207).

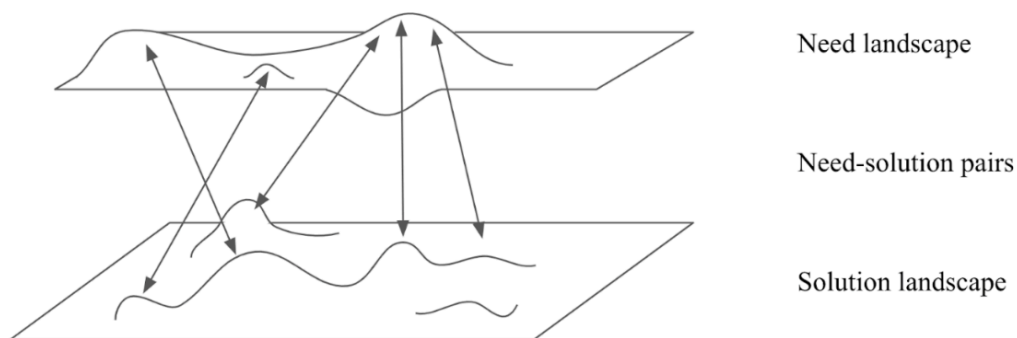


Figure 2. *Need-solution pairs.*

Compiled by authors based on von Hippel & von Krogh (2016)

With this understanding, von Hippel & von Krogh (2016, p. 210) conceptualised the problem-solving connecting specific points on a “need landscape” with corresponding points on the “solution landscape” to form "need–solution pairs.". "Need landscapes" and "solution landscapes" act as repositories of information related to needs and potential solutions, respectively. Illustrated in Figure 2, each arrow indicates the benefit or cost of each pair; a viable pair is formed when the benefit derived from the solution outweighs the cost of providing it (von Hippel & von Krogh, 2016, p. 211). Building on the idea that needs are discovered before the intentional design of solutions, Kaiser et al. (2018, p. 4390) stress the

importance of understanding their relationship. Needs are necessities toward a purpose, while solutions, as satisfiers, are concrete ways to address those needs. The relation between the two is described as one-to-many, as such the possibilities contained in the exploration area will depend not only on the need itself, but also the individual's view.

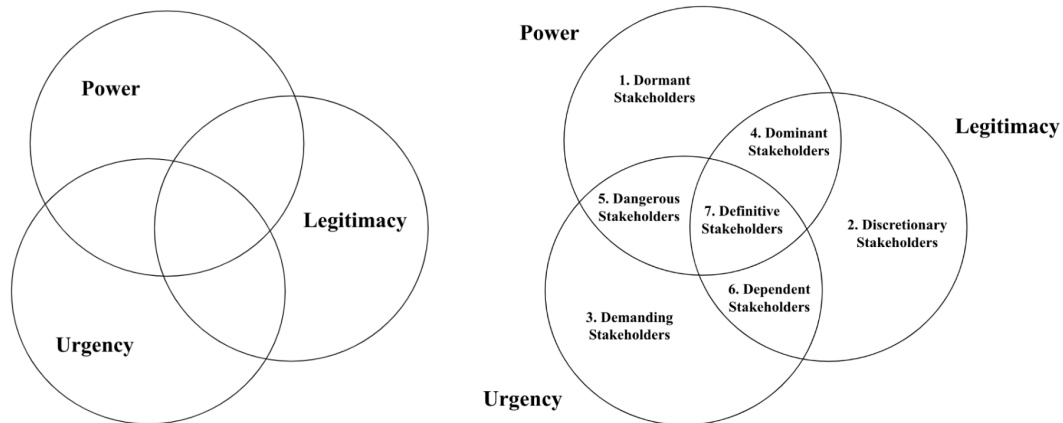
Defined as “a discipline that uses the designer's sensibility and methods to match people's needs with what is technologically feasible and what a viable business strategy can convert into customer value and market opportunity” (Brown, 2009, p. 86), design thinking applied to the business context contains elements of need-based problem-solving. Matthew & Wrigley (2017, p. 43) notes that firms with international operations often face complex and changing problem environments due to the diverse interests of stakeholders. By combining existing design tools with a strong understanding of these varied needs, businesses can potentially increase their discovery of opportunity and unmet needs. Initial exploration of this topic in relation to business innovation models demonstrates the possibility and benefit of incorporating a need-based perspective into the business context (You, 2022, p.1).

2.3 Stakeholder salience

For an organisation to ensure harmony among various interests of the stakeholders that it relies on, it is crucial for key actors at the centre of the organisation to pay attention to these interests and mediate conflicts (Mitchell et al., 1997, p. 871). In other words, the perspective and actions of these decision-makers play a vital role in managing the diverse interests within the organisation and its environment, determining how organisational resources are allocated in response to stakeholders' claims. Within stakeholder theory, which views businesses as entities accountable to various parties beyond just shareholders, a crucial aspect lies in prioritising the long-run interests of both the corporation itself and the broader society from which it derives its existence and resources (Agle, Mitchell & Sonnenfeld, 1999, p. 522; Freeman, 1984, p. 52).

Mitchell et al. (1997, p. 853) emphasised the importance of identifying and prioritising stakeholders based on their significance to the organisation to help managers navigate diverse interests. Anchored in stakeholder theory, their framework explores the relationships between organisations and the individuals or entities that wield influence over, or are impacted by, the firm's actions. At the core of this construct is the concept of stakeholder salience, which is

defined as “the degree to which managers give priority to competing stakeholder claims” (Mitchell et al., 1997, p. 854). Accordingly, salience is determined through three fundamental attributes within stakeholders: power, legitimacy, and urgency (Figure 3). Entities lacking power, legitimacy, or urgency concerning the firm are not considered stakeholders and will be deemed insignificant by the firm's managers (Mitchell et al., 1997, p. 873).



*Figure 3. & 4. Salience attributes & Stakeholder typology.
Compiled by authors based on Mitchell et al. (1997)*

The combinations of these attributes result in different classes of stakeholders, illustrated in Figure 4. Stakeholders with low salience (areas 1, 2, & 3), are labelled as ‘latent’ stakeholders, having only one attribute. These stakeholders are unlikely to significantly influence managerial decisions due to their limited ability in impacting the firm's strategic directions (Mitchell et al., 1997, p. 874). Moderately salient stakeholders (areas 4, 5, and 6) possess two attributes and are referred to as ‘expectant’ stakeholders, anticipating a response. Among them, dominant stakeholders, with power and legitimacy, are most influential, followed by dependent stakeholders, who have urgency and legitimacy but need support from powerful actors to influence managerial decisions (Mitchell et al., 1997, p. 876). Highly salient stakeholders (area 7) possess all three attributes, often resulting in immediate managerial action (Mitchell et al., 1997, p. 878).

Taking on the understanding by Mitchell et al. (1997, p. 871) that individual managers’ perception influences identification of stakeholders, subsequent research has aligned with this. Parent & Deephouse (2007, p. 1) found through their research on two sporting event organising committees that managers most often identified power and legitimacy in

stakeholder claims, leading stakeholder types primarily including dormant-dominant-definite. Agle et al (1999, p. 520) study on CEOs on the other hand accounted most often for all attributes to stakeholders, denoting definite stakeholder type. In a study comparing the response of two different decision-making groups, managers and shareholders, Magness (2008, p. 177) identified differences in their reactions to environmental incidents in the mining industry, concluding stakeholder status to be transient and subjected to the view of the decision-maker.

2.3.1 Power

In organisational settings, power manifests in various forms, categorised by the nature of resources utilised in its exercise. Etzioni's (1964, p. 59) classification of power into normative, utilitarian, and coercive served as a foundation for Mitchell et al. (1997, p. 865). Normative power derives its influence from shared values and norms, shaping actions within the organisational framework. Utilitarian power is grounded in the possession of material or financial assets. When exchanged, stakeholders' power is based on the idea of bringing value to the firm through their resources. Coercive power, on the other hand, draws upon the ability to inflict negative consequences, such as sanctions, fines, or other punishments, to assert control over others if they fail to meet certain standards (Etzioni, 1964, p. 59).

The MNC setting requires an understanding of power in a multi-dimensional construct whereby stakeholders might possess power in one function and be a receptor in another (Hoenen & Kostova, 2015, p. 106). This interplay can be interpreted through the RBV, which posits a link between power and controlled resources, encompassing tangible assets such as physical infrastructure and human capital, predominantly residing at the subsidiary level, while intangible assets such as financial resources and reputation are often associated with the firm-level (Drahokoupil, 2014, p. 204). MNC units often accrue power through the possession of critical resources and capabilities, which enhances their bargaining positions vis-à-vis the overarching MNC structure (Mudambi, Pedersen & Andersson., 2014, p. 103; Drahokoupil, 2014, p. 204), compromising the traditional control between the HQ and subsidiaries (Birkinshaw, Holm, Thilenius & Arvidsson, 2000, p. 325).

The significance of resources within organisations extends beyond mere possession, as it can also be seen as relative to each actor, where the perceived power stemming from these resources depend on the context and interests of the parties involved (Frooman, 1999, p. 196).

Emphasising the importance of relationships among stakeholders, the network view highlights the role of these relationships as a source of influence. Within MNCs, leveraging intraorganizational ties becomes crucial in negotiation and coordination between different units or departments, while interorganizational bonds contribute to opportunities with external entities such as suppliers, partners, or regulatory agencies (Hoenen & Kostova, 2015, p. 104; Meyer et al., 2020, p. 540). These relationships reinforce social embeddedness which entails the degree of interconnectedness and influence within unique networks, shaping organisational dynamics (Nell & Ambos, 2013, p. 1089).

The distribution of responsibilities and decision-making power is often characterised as a source of dissension between the HQ and its subsidiaries. The resulting tension can have adverse consequences on the long-term performance of firms and create uncertainty on the units' alignment of overarching firm objectives (Kostova, Nell & Hoenen., 2018, p. 2611). In contrast to prevalent presumptions that the primary authority of decisions within MNCs lies at their units and managers therein, Geppert & Dörrenbächer (2014, p. 237) acknowledged the microfoundations of MNCs. In their view, power relations can result from the continuous construction of social relationships from the perspective of individual-level actors, irrespective of the formal structures and roles they operate in. Thus, the behaviours and interactions of individuals influence the overall functioning of the organisation, and the motivations behind micro-level actions can contribute to the root causes of misalignments or tensions toward firm objectives.

2.3.2 Legitimacy

Legitimacy is not an inherent quality of an organisation or its stakeholders; rather, it is gained by aligning with different forces that influences their perceptions of each other. A legitimate stakeholder is someone whose behaviours and demands are perceived as fitting, correct, and favourable within the framework of the social system they operate in. This perception of legitimacy stems from a recognition of their rights, interests, and contributions, as well as their adherence to accepted norms and values within the given context (Suchman, 1995, p. 571).

Legitimacy takes on added complexity due to the diverse stakeholders and environments in which MNCs interact. Taking an institutional perspective, MNCs' units can face pressure from formal institutions, such as laws and regulations, and informal institutions, including

norms and cognitions, affecting strategic behaviour and firm performance (Peng, Wang, Jiang, 2008, p. 922). Externally, pressure may arise from actors in the host market that demand conformity to regulatory frameworks and social norms, influencing the MNC's legitimacy in that environment. Internally, a unit of the MNC can gain the approval of other units, particularly the parent company, by conforming to corporate policies and principles, ensuring internal alignment (Kostova & Zaheer, 1999, p. 72; Peng, 2012, p. 97). Internal standards may vary from the expectations of the host countries, especially when there is substantial disparity between the home countries' institutional frameworks. In such cases, adjusting to external expectations can contribute to internal inconsistencies (Rosenzweig & Singh, 1991, p. 345). Between this dual pressure, coined as external and internal isomorphism, the former has been understood to exert a greater influence on the MNC (Xu, Pan & Beamish, 2004, p. 288).

MNCs' desire to gain legitimacy can also affect ownership structures of their subsidiaries (Chan & Makino, 2007, p. 633). While traditional viewpoints prioritise economic factors in deciding how firms enter new markets, firms may select their entry modes and organisational structures primarily to establish legitimacy among both internal and external stakeholders. From this perspective, considerations such as enhancing organisational efficiency and competitiveness are viewed as secondary concerns, with legitimacy being the primary driver of decision-making (Yui & Makino, 2002, p. 667).

2.3.3 Urgency

Urgency denotes the perceived consequence of a stakeholder's claim being both time-sensitive and critical. Ranging from loss prevention to goal achievement, a consistent factor is the attention-grabbing nature of urgent claims (Mitchell et al., 1997, p. 867). The emotional state of the decision-maker, such as heightened pressure, can also increase the sense of urgency. Under stress, decision-makers tend to prioritise short-term comfort over long-term organisational needs (Simon, 1987, p. 62; Zhu, Yang & Hsee, 2018, p. 674). Mitchell et al. (1997, p. 867) emphasise that while power and legitimacy are distinct factors in stakeholder identification, they fail to capture the dynamic nature of their interactions. Introducing the concept of urgency among stakeholders enriches the model, moving it from a static to a dynamic framework.

In an MNC setting, urgent claims often relate to situations of crisis, where the health and survival of the organisation are endangered (Sayegh, Anthony & Perrewé, 2004, p. 183). Emerging risks are particularly susceptible to escalating into crises during periods of societal unpreparedness (Hoon Oh & Oetzel, 2022, p. 232). In recent decades, events such as global pandemics and financial crises have demonstrated disruptions and resource constraints to the critical operations of firms, revealing their vulnerabilities (Gepper & Dörrenbächer, 2011, p. 3; Lee et al., 2022, p. 355). Moreover, pressure from stakeholders, such as accusations of MNC misdeeds in relation to corporate social responsibility (CSR), has a risk of escalating through the mass media, causing financial and reputational losses (Zhao, Tan & Park, 2013, p. 656). Seeing that internationally dispersed firms are subject to different levels of emergencies, it calls for coordination of resources between units for enhanced resilience (Lee et al., 2022, p. 356). In cases of firm performance failing to meet expectations, the attention-based view (ABV) of the MNC posits that managerial focus may be directed to business-critical issues to build competitive advantage, resulting in more risk-seeking behaviours or neglect of other areas, affecting the firm's ability to adapt to changing environments (Gaba & Joseph, 2013, p. 1102; Andrews, Fainshmidt, Ambos & Haensel, 2022, p. 2).

2.4 Conceptual Model

To explore how employees address decision-making in MNCs, a conceptual model has been developed (Figure 5), drawing from key elements identified in the theoretical framework. It encompasses the paths individuals take to reconcile disparities between the present state and desired objectives, along with the attributes of salience assigned to stakeholders, performed within the organisational structure. The conceptual model is grounded on a number of assumptions on how these elements interact and shape decision-making processes within the organisational context, which will be presented in the following discussion.

Firstly, the literature posits that organisational structures determine the management configuration within MNCs, including the degree of decision-making decentralisation and strategic objectives (Lunenburg, 2012, p. 1). This study operates on the understanding that the organisational structure of an MNC, in this case, a matrix structure, represents the frame for decision-making, delineating the nature and scope of problems encountered and the decision-making authority individuals have over them. Studies on matrix organisations suggest, for instance, that potential conflict of interests arising from multiple reporting lines

can impede decision-making, requiring increased coordination between actors in interdependent units (Celo et al., 2015, p. 182).

Secondly, this study operates on the understanding that decision-making permeates the problem-solving process. Utilising Simon et al.'s (1987, p. 11) definition that problem-solving involves identifying, formulating, and finding solutions to problems, this process necessitates that individuals need to make decisions at various stages of the process. These decisions can include identifying which problem to address, determining which information is relevant, selecting potential solutions, and implementing the chosen solution. In essence, decision-making can be seen as a broader process that encompasses problem-solving strategies as one of its key components. Accordingly, decision-making often relies on problem-solving skills to identify and define the problem, generate alternatives, and assess the consequences of different choices.

Thirdly, the literature has revealed different approaches for problem-solving which will be reflected in this study to gain insights related to their manifestation in the MNC setting. The pathway to a solution in its traditional understanding involves identifying and analysing underlying causes to formulate a problem (Simon, 1987, p. 52). To contest this, an alternative path has been suggested as the need-solution process, which bypasses the problem formulation, and approaches issues through the lens of needs (von Hippel & von Krogh, 2016, p. 210). This thesis operates under the assumption that employees have problems to solve when performing their tasks or activities in their organisation, constructed through one of or the combination of these two processes designed to achieve a desired outcome.

Lastly, the conceptual model draws from Mitchell et al.'s (1997, p. 853) stakeholder salience framework, where stakeholders who possess power, legitimacy and urgency, are considered more salient and are likely to have a greater influence. In a corporate setting characterised by limited resources and numerous choices, employees frequently face the challenge of determining whose demands to prioritise. In this context, this study posits that the importance of stakeholders can profoundly shape employees' decisions and actions. In other words, a given task is considered more important to initiate and deliver when it is promoted by a salient stakeholder, as their demands prompt tasks, indicating their significance to the organisation.

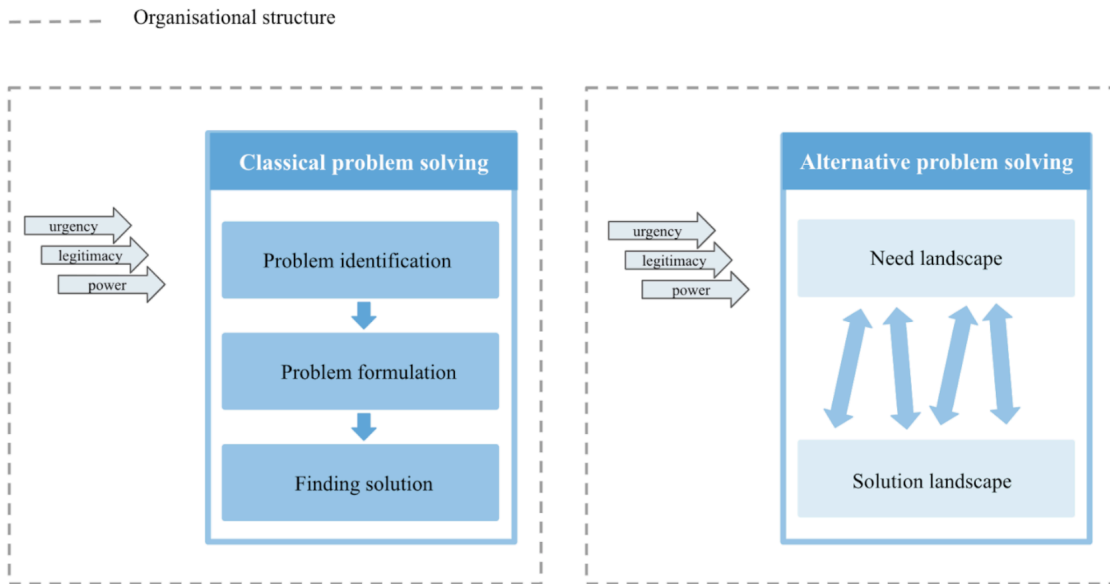


Figure 5. *Conceptual model.*
Author's own compilation

Based on our assumptions, we have created a conceptual model (Figure 5.) representing how individuals engage in decision-making in MNCs. The two conceptualisations, problem-solving process and stakeholder salience are central to this model; with problem-solving approaches representing the methods decision-makers utilise to reach a desired state, while stakeholder salience represents the perceived importance of stakeholders' demands, influencing the decision to initiate one task over another. In the context of this study, organisational structure, shown as the dotted line, represents the environment where problems are encountered. Within this organisational frame, individuals are faced with an array of problems requiring their attention and limited resources to resolve them, necessitating the decision to prioritise one demand over another. In our view, perception of salience attributes power, legitimacy, and urgency determine which claims are attended by individuals, and a problem-solving process is initiated through one or combination of both processes to find a solution for the claim.

3. Methodology

3.1 Research strategy

3.1.1 Qualitative research

In this thesis, the adoption of a qualitative research approach proved central in comprehending decision-making processes at the micro-level of an MNC, with a quest to capture rich and nuanced empirical insights that would go beyond mere surface-level observations (Marschan-Piekkari & Welch, 2004, p. 16). The research endeavour was specifically motivated by a desire to delve deeply into the personal experiences and perspectives that the academic literature suggests to inherently shape individual behaviour, namely within the overlooked realm of individual decision-making in complex organisational contexts, such as those encountered in cross-cultural negotiations and strategic planning.

In an alignment with the qualitative research approach, there is an acknowledgment of an individual's dynamic and subjective social reality over an objective and generalisable one, which makes this approach well-suited for the generation of new theoretical frameworks (Bell, Bryman & Harley, 2019, p. 35). This characteristic renders it especially suitable for our research, as we merged research streams that were rarely integrated within the IB understanding of individual behavioural aspects. We combined insights from behavioural economics with approaches to problem-solving, and integrated concepts from management studies with stakeholder salience. In addition, the qualitative approach fosters an increased understanding when contemplating the 'how' and 'why' a certain phenomena unfold the way they do (Eriksson & Kovalainen, 2015, p. 3).

3.1.2 Abductive approach

Abductive approach served as a pivotal form of reasoning in this thesis. Initially, the observed gap in the literature regarding micro-level decision-making within MNCs served as the starting point, akin to the anomaly in empirical phenomena that abductive reasoning seeks to address (Patel & Davidson, 2019, p. 24). Subsequently, contact with representatives of the case company provided insights into the working structures and challenges therein, which were crucial for refining our understanding of the research problem in an MNC setting. Importantly, these discussions also allowed for the emergence of unexpected insights and

perspectives, which is characteristic of abductive reasoning (Alvesson & Kärreman, 2007, p. 1265).

Following these impressions, we returned to theory, not as a fixed framework to be confirmed or rejected but as a resource to help interpret and make sense of the empirical findings. In other words, the initial theoretical framework served as a compass for this research, yet it has evolved through findings along the way. For instance, as we understood that decision-making in MNCs can occur in various organisational structures, we included ‘Decision-making structures in MNCs’. Similarly, the framework was revised after analysis, for instance incorporation of authority as a power type, as this was not initially discussed in the stakeholder salience framework. This iterative movement between theory and empirical data exemplifies the abductive process, where researchers continually engage in a dialogue between pre-existing knowledge and observed phenomena, steering the development of a different theory (Patel & Davidson, 2019, p. 24).

3.2 Research design

3.2.1 Exploratory research

Due to the limited and inconclusive treatment of our research topic in existing IB literature, our research purpose necessitated the adoption of an exploratory research design. With our strive of illuminating fresh insights and explanations regarding individual decision-making within the MNC setting, this type of approach provides the requisite flexibility to investigate underlying complexities of the phenomena at hand more broadly. Consequently, the expectation of a clear or singular outcome becomes secondary, as this study does not operate on rigid propositions, but rather focuses on achieving its overarching purpose (Yin, 2003, p. 22). As Swedberg (2020, p. 17) notes, undertaking such research is inherently risky as it involves venturing into uncharted territory with uncertain outcomes, however, without the ambition to uncover something novel research would inevitably stagnate, remaining within the limits of existing knowledge.

3.2.2 Single case study

The purpose of deriving in-depth, context-specific findings was best served by a single case study. We had consulted an MNC and within its parameters, identified individuals who held

positions characterised by multifaceted roles and responsibilities where they exercised frequent decision-making. Furthermore, given that literature revealed contextual factors weighing on decision-making, such as organisational dynamics (Geppert & Dörrenbächer, 2014, p. 237), we immersed ourselves in the case environment during the research process, for instance by having periodic dialogue with key representatives of the MNC, in order to grasp its uniqueness. Aligning with Fletcher & Plakoyiannaki's (2011, p. 173) classifications of unit of analyses in case studies, our focus was directed towards the individual unit of analysis, to observe the phenomena's presence within an MNC.

The organisational setting, from which individuals were inquired for interviewing, is a Swedish MNC operating within the high-tech industry. The company employs a vast global workforce, with subsidiaries in 6 continents. The different units of the company are organised based on various business areas which encompass defined activities typically found in MNCs, including but not limited to, sales and marketing, finance and accounting, legal and compliance, and research & development. The company utilises a matrix organisational structure, where employees often wear multiple hats by engaging in project teams, extending different units and reporting lines.

3.2.3 Developing the theoretical framework

This study began with a literature review on decision-making, primarily focusing on literature from IB by incorporating elements of the systematic literature review (Bell et al., 2019, p. 94). This review process involved comprehensively dissecting relevant studies in an Excel sheet, categorising them based on themes such as 'decision-making in MNCs', and 'individual decision-making in MNCs', while also noting any calls for further research. To enhance credibility, selection criteria included peer-reviewed journals and citation counts as indicators of status (Bell et al., 2019, p. 100). Articles were identified using various keywords such as 'organisational/individual decision-making', 'MNCs', 'problem-solving' and 'prioritisation', primarily sourced from search engines such as Google Scholar and the Gothenburg University Library.

However, it became clear early on that studies in MNC settings discussing the micro-level behaviours were scarce. Thus, we expanded our research to explore how other academic fields have addressed this phenomena, leading to the inclusion of insights from diverse disciplines. Behavioural economics and management studies played a significant role in

shaping our conceptual model. For example, ‘decision-making’ and ‘problem-solving’ were often used interchangeably in the IB context. Moreover, the bounds of human rationality had been little integrated into the MNC context, resulting in neglect of the process by which individuals make decisions, therefore we deemed it appropriate to include problem-solving approaches in our exploration of individual decision-making.

Additionally, conversations with key contacts at the case company shed light on factors such as organisational structures, where employees balance multiple reporting lines, contributing to ongoing challenges in their daily work, particularly regarding task prioritisation. This increased our confidence in the relevance of researching this phenomenon. Hence, we incorporated the stakeholder salience framework from management literature to explore how competing demands can be prioritised. Continuously adjusting our framework as inspiration emerged from findings allowed us to reflect on how this could manifest in an MNC setting. Following narrative literature review protocols, our aim was to construct a comprehensive picture of the topic area, unveiling relevant issues to multinational contexts, which helped formulate compelling research questions (Bell et al., 2019, p. 98).

3.3 Empirical data collection

3.3.1 Data sources

Drawing from the principles of qualitative research, the empirical results of this thesis relies on primary data gathered through interviews, owing to their capacity to elicit comprehensive insights, for example into various experiences that have shaped individual behaviour (Bell et al., 2019, p. 436). Such an approach is particularly suited for exploratory research, focusing on identifying the nature and attributes of a phenomenon through the experiences of individuals (Patel & Davidson, 2019, p. 82). Additional information was provided in the form of the company's internal documentation and meetings with key informants. For instance, we received assistance in understanding the different reporting lines, functions and departments, and grasping the company-specific terminologies, which proved critical in interacting with participants in their own terms and for the analysis of data.

3.3.2 Sampling procedure

To recruit participants for this thesis, we utilised purposive sampling, a technique commonly used in qualitative research and chosen for its alignment with our research goals (Bell et al., 2019, p. 389). Through discussions with our key informants within the MNC, we outlined criteria for relevant participants. Moreover, we integrated elements of snowball sampling by leveraging insights provided by referrals from interviewed participants, tapping into their networks to reach the planned sample size and identify candidates who could contribute to our study (Fletcher & Plakoyiannaki, 2011, p. 180).

Relevant criteria were established ahead of choosing the sample for our research. The employees needed to have more than one reporting role, currently or previously held within the case company, to ensure they can give their accounts of identifying and choosing between tasks. They needed to have a minimum of half a year of employment within these roles, as it can take time settling in. Having outlined this criteria, we had the impression that the employees would have gained a comprehensive familiarity to their roles.

To adhere to the research call for diverse representation of the microfoundations in MNCs (Foss & Pedersen, 2019, p. 1611) we sought individuals with varying levels of expertise, ranging from seasoned professionals to more recent hirees, and managerial responsibilities to those without. Additionally, we included participants from diverse backgrounds, encompassing different departments, and our sample spanned across a dozen geographical locations within the MNCs units. Finally, as we were informed by our company contacts that the number of criteria-relevant participants to reach consisted of over hundred employees, it gave us the confidence that we would be able to gain a large enough sample aimed to enrich the depth and breadth of our data.

Sample group

Initially, the number of participants was planned to comprise 30 individuals. Having mapped out a timeline for this research, we believed that this approach would be feasible within the allotted time and that the collected data would sufficiently encompass diverse and nuanced dimensions of the phenomenon under study, ensuring the reliability of our findings. We were pleased to meet interest in participating, reaching our planned sample size.

Sample distribution

The eventual pool of participants is compiled in Table 1 below, where E(X) refers to an employee and M(X) refers to a manager, in addition to duration of interview, years in the industry, generic function in the organisation and geographical location.

Participant	Time	Position	Years in industry	Generic function	Location
E1	40min	Employee	20-30	Business	Europe
E2	39min	Employee	30-40	Business	Europe
E3	40min	Employee	20-30	Business	Europe
E4	39min	Employee	> 40	Functional	Europe
E5	32min	Employee	20-30	Business	Europe
E6	49min	Employee	20-30	Functional	North America
E7	38min	Employee	10-20	Functional	Europe
E8	38min	Employee	10-20	Functional	Asia
E9	50min	Employee	20-30	Business	Europe
E10	33min	Employee	30-40	Business	North America
E11	27min	Employee	10-20	Business	Central America
E12	32min	Employee	> 40	Business	North America
E13	32min	Employee	10-20	Business	Asia
E14	30min	Employee	10-20	Functional	Asia
E15	40min	Employee	10-20	Functional	Asia
E16	51min	Employee	20-30	Functional	Europe
E17	52min	Employee	20-30	Business	Europe
M1	44min	Manager	20-30	Business	Central America
M2	30min	Manager	10-20	Business	Asia
M3	39min	Manager	10-20	Business	Central America
M4	37min	Manager	20-30	Business	Europe
M5	45min	Manager	20-30	Functional	Europe
M6	30min	Manager	30-40	Business	Asia
M7	50min	Manager	20-30	Functional	Europe

M8	38min	Manager	20-30	Business	Europe
M9	35min	Manager	20-30	Business	Europe
M10	42min	Manager	20-30	Business	Europe
M11	51min	Manager	20-30	Functional	Europe
M12	38min	Manager	20-30	Business	Europe
M13	37min	Manager	20-30	Functional	Europe

Table 2. Sample distribution of participants.

Compiled by authors.

3.3.3 Semi-structured interviews

It was important to this study to gather empirical data in a way that encouraged the participants to give their experiences and perception of events and behaviours, rather than imposing a frame of reference or following a rigid schedule (Bell et al., 2019, p. 436). Such a flexibility was provided in semi-structured interviews, which employed a predetermined set of questions, known as the interview guide, but still allowing the researchers to ask follow-up questions, and the interviewee to elaborate on their responses. This was particularly important as this study did not intend to steer discussion from genuine descriptions with our own preconceptions. Accordingly, the questions are left as seemingly general and open-ended, with the exception of background information, often varying in order and wording by adapting to each situation. This aimed to provoke rich and in-depth answers as opposed to standardised closed questions resulting in ‘yes’ or ‘no’ answers.

The interview guide, as illustrated in Appendix 1, was developed with a thematic structure based on our theoretical framework. Three themes were identified, namely background to participant, approach to problem-solving, and prioritisation. This preparation ensured that we would gather a ‘facesheet’ of general information to contextualise the answers, and each theme surrounding individual choice - problem-solving approaches, and stakeholder attributes increasing salience - would be adequately addressed (Bell et al., 2019, p. 440). While the guide provided a prompt outlining the scope to be covered during interviews, it was not always specifically in full order in case of overlapping answers with several questions, in order to not disturb the discovery of various paths and perspectives. By allowing respondents

to express themselves freely, we gained insights into, for instance, how theoretical themes often intersect and uncovered elements not addressed by existing theory.

3.3.4 Conducting interviews

The interviews were scheduled via email and occurred between March 19 and April 26 2024. The participants received details of this thesis beforehand, including the purpose, data considerations, and consent, which made sure that participants could make an informed decision to take part in this study (Bell et al., 2019, p. 118). Due to distance in physical location, the interviews were held utilising video conferencing technology via Microsoft Teams. Virtual interviews, while limiting face-to-face observation forms such as body language and other subtle cues (Eriksson & Kovalainen, 2015, p. 107), provided benefits such as greater time efficiency, in addition to being largely utilised meeting form by the participants. All interviews were, with permission, recorded and thereafter transcribed to facilitate thorough analysis. The interviews were held in English.

Both authors of this study were present at all interviews, with a predetermined responsibility area of questions, during which the other focused on taking notes. Given the nature of the interview questions aimed for intuitive accounts, the authors of this study made the deliberate choice to not share the whole interview guide beforehand, rather its overarching themes. As the questions were constructed with openness that could be interpreted as vague or general by the participants, we presented a clarification of this in the beginning of the interviews in addition to restating the research objectives. The clarification established to the participants that the questions have been intentionally left open, with the intention of not guiding the responses to steer towards any potential pre-concepts that we could have generated from our literature framework, such as salience attributes. In this way, we believed that being aware of the question's intentions, it would enhance trust to describe their experiences more openly.

In order to not lose immediate impression after interviews, we followed recommendations by Bell et al. (2019, p. 441), which involved summarising areas of covered topics, and noting cooperativeness and openness of the participant. Having systematically gathered context of the data and nuances that might be otherwise forgotten in this way helps maintain integrity, providing more rich and accurate descriptions of the interviews. It also facilitated better analysis and interpretation of the findings, enhancing the overall validity. The participants were shortly followed up with a copy of their specific interview via email to confirm that no

aspect had been wrongly transcribed. In some instances, we deemed it necessary to clarify via email a question we found unaddressed. With their confirmation, the transcriptions were then utilised in data analysis.

3.4 Data analysis

We have analysed our dataset in an iterative manner, aligning with an abductive research approach. By consistently integrating our theoretical analysis with ongoing data collection, the theoretical framework has evolved in tandem with the data collection method (Bell et al., 2019, p. 24). Roughly 20 hours of interviews, or 250 pages of transcriptions, made up the final portion of our empirical data. To unravel the unstructured data set, our process can be described as thematic analysis, due to its high flexibility by not being tied to any specified steps (Bell et al., 2019, p. 520). Based on the first impressions we had gathered, we were able to build an overview document that would act as a compilation for the patterns and differences of the findings, such as noting specific steps taken in problem-solving. In this Excel sheet, we initially analysed their relevance to the research objectives, and gained confidence in the initial findings (Bell et al., 2019, p. 520). After completing around a third of the interviews, we continued a more detailed coding scheme by systematically coding data into recurring themes.

The transcripts were entered into Nvivo, a software program that facilitated the creation of a codebook by manually assigning relevant excerpts into particular codes. We initially managed the data to umbrella categories 'Problem-solving', 'Salience attributes', reflecting the key theoretical concepts. Within each category were supported with subcategories, for instance, under salience included attributes 'power', 'legitimacy', and 'urgency'. However, we found that in the MNC setting, especially differences between a powerful or legitimate claim is more ambiguous. Therefore, we were careful in identifying statements and dissecting which attribute they were indicative of. For example, as noted by E14 "*I can't think of a conflicting tasks [...] my manager usually knows what I should prioritise*", such a statement pointed to management authority (power) while viewing their actions as aligning with what they think is right (legitimacy), while E16's "*The requests, [from manager] I don't see they are not always realistic for what we have to do*" described a situation where appropriateness of the demand was questioned. After getting an idea of the scope of the participants' work, we grouped together findings, for example 'managerial responsibilities', 'non-managerial but

self-prioritising' and 'relies on others/established methods to decide' based, for instance, how much flexibility they had in prioritisation.

3.5 Quality of research

Considering our qualitative approach, we were careful in considering the criticism this research process has faced due to its subjectivity on the researcher's part. The traditional focus on reliability and validity, particularly prominent in quantitative studies, poses challenges when applied to qualitative research. The nuances of these criteria in qualitative contexts have led to debates regarding their applicability (Bell et al., 2019, p. 362; Patel & Davidson, 2019, p. 106). To address this, we adopt a framework by Lincoln and Guba (1986, p. 76), which emphasises trustworthiness as a key criterion for assessing a qualitative study. This framework comprises four criteria: credibility, transferability, dependability, and confirmability, which will guide our analysis of research quality.

3.5.1 Credibility

In qualitative studies, credibility refers to the alignment between findings derived and reality, focusing on the depiction of a true picture of the phenomenon under study (Shenton, 2004, p. 63). In enhancing research credibility, Lincoln and Guba (1986, p. 77) advocate strategies such as respondent validation and triangulation. To minimise the risk of misinterpretation, a method of respondent validation was employed (Bell et al., 2019, p. 364). This involved providing participants with finished transcripts of their interviews, allowing them to review and confirm the accuracy of their statements. This approach not only ensures the integrity of the data collected but also fosters transparency and trust between the researcher and participants. Furthermore, we had frequent debriefing sessions with key informants at the company and university supervisor, in addition to peer seminars with other thesis groups, receiving their feedback on our work, thus increasing credibility (Shenton, 2004, p. 67).

3.5.2 Transferability

Transferability, denotes the applicability of a study in other contexts (Lincoln & Guba, 1986, p. 77). In qualitative research prioritising depth over breadth, transferability can be challenging as studies often involve a smaller participant pool, limiting the applicability of findings across different settings. While our unit of analysis may not fully represent the broader phenomenon, our emphasis on thick descriptions facilitates analytical generalisation

to theoretical propositions (Fletcher & Plakoyiannaki, 2011, p. 185). In essence, the empirical findings were utilised to derive theoretical insights that may extend to other contexts. By offering thorough descriptions of our research process and outcomes, we aim to enable other researchers to evaluate the applicability of the findings beyond the context of our study (Shenton, 2004, p. 70).

3.5.3 Dependability

To achieve dependability, it is important to provide a detailed account of the processes used in the study, to allow future research to replicate the work, even if they do not achieve the same results (Shenton, 2004, p. 70). We have strived to leave a thorough documentation throughout this methodological chapter to let the reader evaluate whether appropriate research practices were followed. In addition, we have reflected on the strengths and weaknesses of the methods used, allowing for the assessment of how well the inquiry captured the objectives and providing insights into the overall dependability of this thesis.

3.5.4 Confirmability

Confirmability refers to the extent to which the findings and interpretations of a study are free from the influence of the researcher's personal biases, values, or theoretical preferences (Bell et al., 2019, p. 365). Although complete objectivity may be unattainable as conducting research will inherently be filtered through the lens of the authors, every effort has been made to maintain a neutral stance throughout the research process. We had no prior familiarity with the participants or the company environment, and we have practised reflexivity, reflecting on our individual assumptions, values, and norms to ensure they do not unduly influence data interpretation and analysis. Furthermore, scrutiny from peer groups and supervisors served as another way to reduce investigator bias (Shenton, 2004, p. 72)

3.6 Ethical considerations

We have conscientiously implemented ethical considerations in the research process, following four, often overlapping principles compiled by Bell et al. (2019, p. 114), which encompass assessing potential harm to participants, ensuring informed consent, safeguarding against invasion of privacy, and abstaining from the use of deception. In discussions with our tutor and key informants, we outlined necessary steps to adhere prior to collecting data. We provided comprehensive information about the study's objectives and procedures such as data

policy, detailing the usage and disposal protocols, ensuring that participants were fully informed and could make voluntary decisions about involvement. We began interviews by restarting ethical considerations, only after participants' permission would we record. We aimed at being attentive during interviews to enhance the participant's comfort. All data were securely stored and accessible only to authorised research team members, and transcripts were provided to respective participants to review. Participants' identifying information were removed in the final output to prevent their identification. In addition to this, we provided participants with contact channels to clarify questions or concerns. Finally, adhering to the Swedish Research Council's guidelines (2017, p. 10), this thesis does not have any commercial interest, refrains from unauthorised use of other research results, and maintains truthfulness in research.

4. Empirical Findings

4.1 Background of the case setting

The 30 interviewed individuals were inquired from a Swedish MNC operating within the high-tech industry. With a vast global presence across over 6 continents, the MNC utilises a matrix structure, illustrated in Figure 6. The participants had two reporting lines: a primary one in a business-oriented or functional-oriented unit, and another in a project unit. In broad strokes, business-oriented units were aligned with external business drivers, where 19 participants reported to, while functional-oriented units were aligned with internal supporting processes, where 11 participants reported to. The project unit represents an organisation-wide, functional-oriented initiative. In this setting, 17 of our participants were employees without managerial roles, while 13 had managerial roles. To facilitate the reader's understanding, they are hereafter referred to as employees and managers, respectively. It is important to note that the participants were not necessarily reporting to each other, i.e. an employee referencing their manager may not refer to a manager in this study.

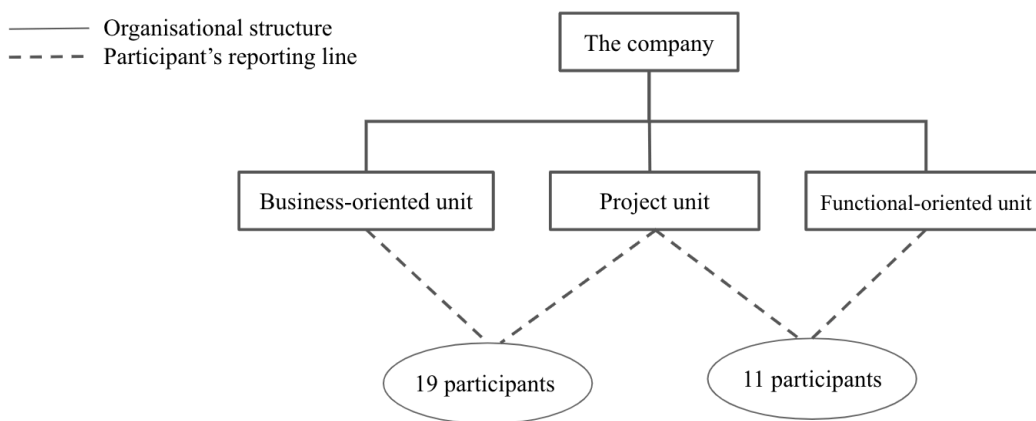


Figure 6. Simplified organisational and reporting structure of participants.

Authors' own compilation.

It is evident that the participants utilise various problem-solving and prioritisation approaches to balance different tasks related to these roles. As a rule of thumb, being part of these reporting lines, 70% of their working hours should constitute their primary assignments and are generally recognised as their predominant roles within the company. The other 30% are meant to be allocated to work in the project unit. Currently, many participants struggle to maintain the predetermined distribution of time to perform tasks within these roles, as it has been estimated that around 10% of their schedule is dedicated to the project unit. With this understanding, the discrepancy provides grounds for exploring the participants' problem-solving and prioritisation approaches.

4.2 Approaches to solving problems

The participants described their problem-solving approaches in various ways, often reflecting their roles within the organisation as well as personal experience. Through the interviews, we distinguished two key dimensions; participants' identification process, referred to as *receiving problems* and *identifying needs*, and their process towards solution, referred to as *systematic breakdown* and *connecting solutions*. The identification process related to how participants identified what tasks needed to be done, and ranged in terms of the sources through which they became aware of them. The process towards solution related to the methodologies utilised by participants to perform those tasks.

4.2.1 Classical problem-solving

Among the 30 participants, the majority were on the receiving end of problems, leaving them often reactive to incoming demands. These participants often approached problems systematically by breaking them down to identify the root cause. This process sometimes required iteration to narrow down solutions based on new information.

Receiving problems

Around two-thirds of the participants received tasks directly from their managers. This was the most common introduction to tasks for employees, managers occasionally were recipients as well. These tasks were typically delegated in meetings and formal communication channels like emails. The presentation of problems ranged in the form of project briefs with a set of expectations outlined such as key performance indicators (KPIs) and deadlines, to more immediate or business-critical demands like network problems and infrastructure issues, most often in the participant's primary unit. Some participants highlighted how certain criteria like expectations were mutually discussed and developed with their manager and team. Another common way to receive tasks originated from a structured, computerised workflow where they received and performed incoming inquiries, such as requests for processing data. This identification of tasks was assumed for either one or both reporting lines, most commonly within the project unit.

The participants described how the structured systems for receiving and performing activities were often mutually defined with their colleagues. For instance, standardised procedures could be established during the team or functions' initial set-up, and then it often became more of a routine. At times, participants were asked to temporarily take on extra tasks, such as supporting colleagues who were on vacation or facing resource constraints. In such cases, the established processes aimed to facilitate knowledge transfer and integration for both new and existing team members, enabling access to relevant information. When participants themselves were constrained by conflicting tasks, they often stressed that the team was intentionally structured in a way that no single member could be the only one with the expertise to perform a specific activity.

“Because we as a team are a global team [...] and the objective is that we should be able to back up each other. For example, if one of my teammates is on a longer leave, or there's some

issue that has happened, or maybe they need support because that region is overburdened with day-to-day tasks, I should be able to step in and support that particular region.” - E8

Systematic breakdown to understand the problem

When tackling tasks, both employees and managers in varying degrees, emphasised the need to systematically break them down to gain a comprehensive understanding of issues. Before choosing to commit to them, certain work processes included an initial objective to systematically capture information of incoming inquiries, such as their purpose, complexity and development requirements. Other times, participants found themselves grappling with either insufficient information regarding the root causes of problems or a lack of previous experience or guidelines from similar situations. This stage could be delegated to other units within the organisation, for instance, by designing a supplementary study for an engineer to perform, which would provide a breakdown of the issue on behalf of the participant. Without a thorough understanding, one participant highlighted the difficulty of decision-making under these circumstances:

“The most difficult decision-making is when neither of those things are true; there's no options and there's no data, just the presentation of a problem. [...] Then it might need more guidance than a decision, right? Here's where we need to start thinking about formulating options. Here's where we need to start looking at the data.” - E16

Occasionally, the requester assumed the symptoms of a problem to be the cause. In these cases, participants motivated that through experience, they had learned to understand that instead of taking issues at face value, they needed to probe deeper to uncover the cause.

“Usually it is someone that approaches me, ‘This doesn't work’, or ‘It is your fault’. My approach is to try to really get down to the root cause of things. [...] Usually, it's not what someone says is the problem that is actually the problem.” - M10

The participants valued making decisions based on verifiable information and leveraging data analysis tools. By doing so, they were able to monitor performance, identify gaps, and drive improvements based on the insights gained from the data analysis. It was not only important for the employees themselves to interpret, but it also played a vital role in communicating with stakeholders. For instance, it facilitated discussions about resources needed to address

issues and document achievement of KPIs. Particularly business-critical disruptions always necessitated understanding the underlying causes through data in order to not exacerbate it further. Several participants emphasised the significance of capturing knowledge from such problems to inform future responses and help prevent similar issues from happening.

“You can guarantee every single day there's some incident that needs managing; and in those cases, you have to trust that the process will drive the actions of people to resolve those incidents, to create a knowledge article so that we can inform people how to get over the problem the next time, or we do a root cause analysis and change some technology so it doesn't break next time.” - M11

Iteratively eliminating causes to derive a solution

Participants whose approach was to systematically dissect issues often described how they engaged in iterative steps to refine their initial findings, where each step built upon the previous one. The number of iterations often depended upon the complexity of the problem or lack of previous solutions for a comparison. As an example, the following participant illustrated a case of being tasked with a project, where the objective was to solve why a data field caused errors. As a team effort, after initially assessing the situation and the extent of errors, they delved deeper into understanding why the data was flawed, comparing them to foundational data elements. Based on the new findings, they received more information to develop strategies to fix the issue.

“We started gathering data to see, how bad is the data? [...] There we found that in like 50% of the cases it was different, so it was really bad. Then the next step is doing a little bit digging into, why is it so bad? [...] Then as a final step, how do we actually fix this?” - M9

Sometimes participants resorted to iterative steps due to their understanding that existing frameworks do not always offer universally effective methods. When faced with problems beyond the scope of documented ways of working, participants described investing effort in repeating steps until a suitable solution was achieved. Setbacks were not viewed as failures but rather opportunities for refinement. Additionally, participants frequently set milestones to measure progress and identify areas for improvement early on, embracing a fail-fast mentality.

“When you have no blueprint, you have, of course, a lot of documentation, a lot of best practices and so on, but the shoes are not the best for different people. [...] We tried to go on the way to see if it was the right path, if we can achieve the goal or the objective of that respective milestone. And if not, we try to adjust on the way.” - E17

Participants also often exhibited a strong sense of collaboration and teamwork, valuing the feedback from their colleagues. Although certain activities in projects were individually performed, they often sought out team members and colleagues from other units when they encountered challenges. These collaborative efforts often stemmed from the individual's accumulated experience within the organisation, allowing them to discern which colleagues possessed certain expertise to aid them in specific areas. These extended to interactions with the stakeholders behind the requests to confirm their expectations. This way, participants aimed to refine deliverables based on collaborative efforts rather than waiting to create a perfect solution solely based on initial understanding.

“If someone is asking me something, I don't have a perfect asset to share with them, but I have something preliminary. So I say, 'For now you have this reference, go back and come and let me know whether this is serving your purpose or not.' Now, this helps me to keep my focus on what I am doing.” - M2

4.2.2 Alternative problem-solving

Approximately one-third of the participants, most of whom held managerial roles, related their approach to tasks by identifying them based on a variety of factors, such as the objectives promoted in different levels of the organisation, or through discussion with stakeholders. This often led them to delegation of activities to their team members.

Identifying needs

Managers often described their approach to tasks in more abstract ways. This entailed acting as the identifier of their own activities, typically reflecting on what was needed to achieve in the organisation, through a combination of strategic planning and continuous improvement. While these participants may have referred to them as ‘needs’, the underlying conditions leading to these discoveries were sometimes based on problems, creating ambiguity in compartmentalisation. To exemplify, a manager could describe that there is a need to improve

a system due to inefficiencies hindering productivity. This ‘need’ arises from the recognition of a problem - the inefficiencies - which must be addressed. Nonetheless, these activities were observed across different contexts, whether it was for themselves to systematically dissect, or creating a project outline for their team. The outlook on what is important was not only limited to the organisation as a whole, but also encompassed what is essential for the well-being and productivity of team members.

“I would say that listening to pain points from the business as stakeholders, and see how my organisation can contribute to resolving and mitigating these pain points, is another very important task. And that can be by simplifying a process, or reduce the admin burden in the business, or anything to further optimise and streamline processes.” - M5

Many managers acknowledged how their position allowed them to engage in seeking out their own tasks rather than always being the recipient of them. They reflected on their earlier careers, recalling the need to adhere to more methodical approaches. As they had advanced to more senior roles, they observed a shift towards less strict and more dynamic ways, reflecting on how participants' approaches evolved alongside their positions and experience within the organisation. Several managers also mentioned how they have encouraged a proactive mindset to their team-members and colleagues to bring forth suggestions and present options, rather than coming up to them with problems.

“Many people do it the other way around, starting by inputting information and then expect a certain outcome. I think the other way around, what am I looking for, if I am looking for a decision, or to inform people, or maybe to engage people, it is all different.” - M1

Comparably, among employees, there were instances where they took the initiative to identify areas for improvement rather than simply reacting to problems as they arose. These individuals noted that the flexibility of their job descriptions allowed them to take ownership of their day-to-day activities. Specifically, they demonstrated a proactive approach to identifying opportunities for improvement, even when no obvious problems were present. As they progressed to performing their tasks, they found it necessary to adopt a more systematic approach. For example, some participants described situations where they recognized the need for new tools to optimise certain systems, yet the development of these tools required a thorough approach, as they were the ones creating them.

Connecting needs with solutions

After identification, managers' succeeding actions often included delegating them to their team. In this way, delegating activities became their solution, while their team executed the activities to reach the end result. The managers typically had a broad understanding of what was required to solve specific problems, and before delegating tasks, some described elements of systematic breakdown. This was related to setting a general structure and requirements like goals, timelines, and identifying components for each employee to work on. They claimed to often construct these plans based on familiarity with the overall process rather than on detailed, granular knowledge, as one manager described not needing to have the 'nitty gritty detail' of what each employee needs to do. Instead, they relied on experience to create instructions that were actionable by teams, or developed them together with the team. As the plans evolved, some emphasised the need to adjust the team composition to match the evolving requirements. For instance, the following manager exemplified bringing more operational expertise suited to the new phase of the project.

“Then, as these kinds of tasks progress, you change that team and you say, ‘OK, now we're more into finding the root cause of the problem’, so then maybe we need other people in that because they are more operational” - M9

A few employees also described connecting solutions to presented problems without extensive work to refine them, typically based on previous situations, whether from their own experience or documented guides. For instance, one participant recounted how their team discovered an existing mechanism within the company's testing platform. This discovery enabled streamlined data enablement across all testing platforms without having to search or iterate options as they typically would. Some employees acknowledged instances where incoming tasks fell outside their designated roles and responsibilities, therefore they sought to delegate these tasks to others better suited for their execution.

In discussion among participants with managerial roles, many reflected on the unique demands inherent in their roles, particularly regarding the authority to reassign tasks. This authority, while empowering, was also emphasised by a sense of responsibility. Managers recognized the necessity of flexibility in managing unforeseen circumstances, which often require swift reactions, task reassignments, and occasionally assuming additional duties.

However, they ultimately bore the responsibility for the outcomes themselves, even if they were not necessarily the ones performing these activities. One participant captured this dynamic by noting how employees may not always have broader organisational concerns, expecting instructions from management:

“Sometimes, even if you have the power to delegate things, it can be harder because you can delegate the task but not the responsibility. Meanwhile, if you are just a developer in principle, you don't care about that as long as you have your task defined; those issues would be for the manager to manage.” - M8

4.2.2 Summary of problem-solving approaches

From these findings, we created a summary in Figure 7. It depicts two overarching approaches as interpreted from the participants' responses, namely problem identification approach (Y-axis) and problem-solving approach (X-axis). In this figure, employees are plotted along the axes based on their responses, where managers are illustrated with a light blue square, and non-managerial employees are illustrated with a dark blue circle.

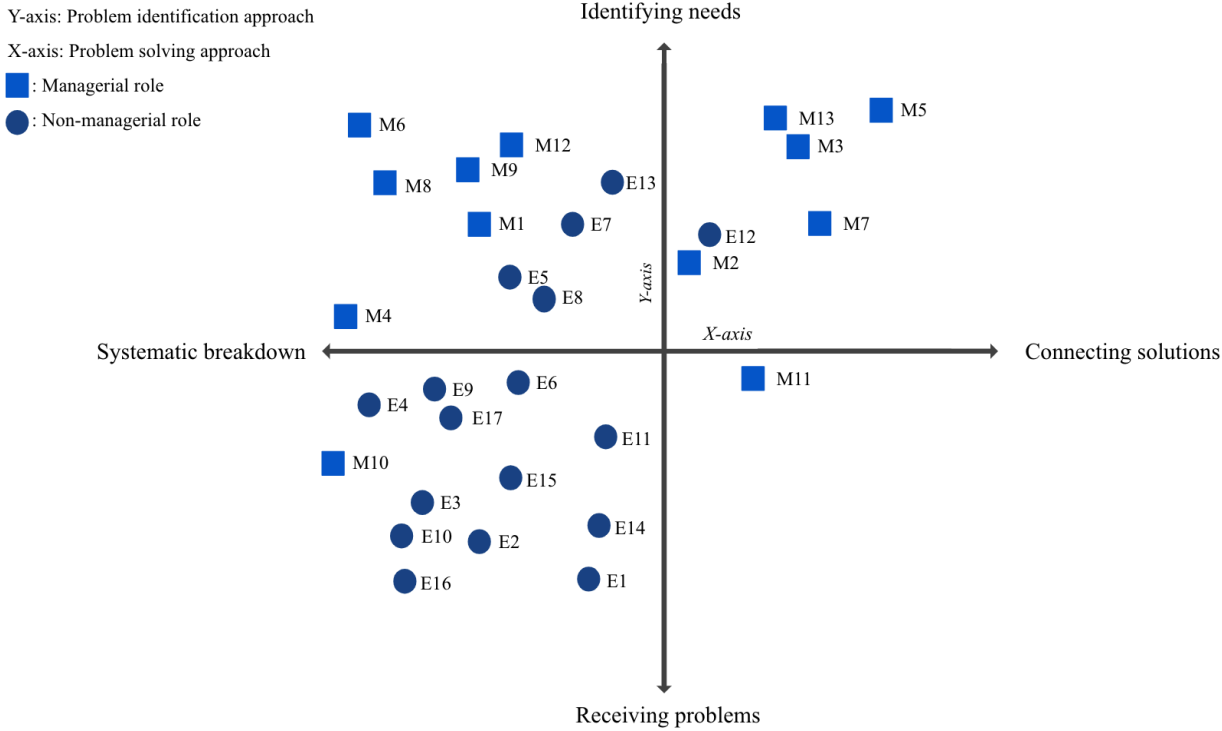


Figure 7. Approach to problem-solving of participants.
Authors' own compilation.

The main dichotomy between both approaches became evident in terms of autonomy and process. Oftentimes, the role and predefined work processes in the units was a defining factor whether an employee identified the problems for themselves, or were subject to receiving them, as illustrated in Y-axis. Regardless of role in the organisation, most participants described being delegated tasks by their superiors. On the other hand, employees who had more autonomy in their roles or otherwise proactive attitudes were not solely confined to delegated tasks. The identification of tasks were in most cases within the managers responsibilities towards themselves and their team.

In terms of solving a given problem, as illustrated in X-axis, employees were more likely to rely on systematic procedures to perform them. The nature of the problems often necessitated understanding their root causes, such as business-critical cases, or otherwise lacked necessary information, or previous examples on solving them. Further, this process often accompanied an iterative process in collaboration with internal or external stakeholders. Conversely, managers typically connected the identified tasks for their team to perform as their solving approach, although not disregarding the overarching responsibility of it. They often used elements of systematic breakdown, albeit to a lesser extent than employees, identifying components for their teams.

4.3 Salience attributes

Participants described prioritisation in various ways, typically based on how well stakeholder claims aligned with common values, and the potential impact of addressing them, which will be presented in detail in sections on *power*, *legitimacy*, and *urgency*. The influence of stakeholders often varied depending on participants' role and activities, and perception of the different actors they had proximity to. We categorised stakeholders into five groups: *management*, *team members or peers*, *internal* and *external customers*, *regulatory authorities*, and *the company* itself. These groups consist of multiple actors, classified based on common attributes for easier understanding. For example, a participant might report to multiple managers: we refer to this collective as *management*. Furthermore, *the company* was often referred to interchangeably with *executive management*, for instance when firm-level objectives were discussed. To avoid confusion with the *management* that participants directly report to, we use the term *the company* for executive-level mandates.

4.3.1 Power

Power appeared in every stakeholder's claim that prompted participant's to prioritise them. The types of power were influenced by various factors, including values, established norms, impact and risk on the company as well as the individual, and organisational position.

Values

Shared values served as an influencing force across the board. Nearly all participants consistently anchored their choices on the company values, spanning technological advancement, digitalisation, ethical conduct, stakeholder relationships, and operational excellence. In this context, stakeholders' influence frequently hinged upon their ability to maintain alignment with those values. When confronted with initiatives which were considered to lack clarity in terms of alignment with these core values, participants showed greater tendency to exercise caution. Every so often, the perception of ambiguity surrounding value alignment did not pose a definite barrier; rather, certain participants proactively sought opportunities to further investigate ideas. In such cases, they often referred to external customers, for instance, when they saw the prospect of receiving resources.

“What does it bring to the company and is the demand on the table supporting the [company values]? If the answer is yes, it is easy to make a call. If the answer is no, perhaps it needs a little more investment and collecting arguments before deciding that it's not a priority.” - M5

Often these participants expressed that values and their alignment is a two-way street, particularly when they relied upon the investment from stakeholders. They emphasised the importance of ensuring that actions taken together are mutually agreed upon and aligned with each other's expectations and objectives. In this way, collaboration and consensus were highly valued. Participants occasionally compared a stakeholder's claim to their personal values, without explicitly referencing the company's values. While these values echoed those promoted by the company, participants articulated what could be thought of as ownership over these values. To exemplify, instead of pondering whether a claim aligned with transparency as advocated by the company, participants said that they personally advocate for it.

“To me, it has to come with a clear communication. I always expect the [internal customer] to be open about their expectations because that is my values.” - E14

“I’m an advocate for transparency. I always want to be open, honest and transparent.” - M7

Established norms

Established norms emerged as drivers shaping decisions in relation to established work processes. They ranged from static, long-term expectations and commitments to more dynamic ones that were subject to change from project to project. Standardised work processes had also been developed in teams, with participants highlighting dependency on each other to perform tasks when encountering conflicting activities. According to most participants, adherence to defined standards set forth on a project basis was one of their highest priorities. These standards were established during the planning of activities and measured through various metrics, providing clear benchmarks for performance evaluation. Correspondingly, fulfilling external customer contracts to satisfaction was described as a highly important activity for the recorded metrics involved.

“If at all it's something related to retention or something related to quality, which is going to degrade and impact your KPI calculations and things like that which are going to contractually hit you.” - E10

Similarly, 6 employees discussed external institutions, including regulatory agencies, whose requirements were recognized as a high priority, ensuring compliance to industry practices. These employees stressed the significance of consistently maintaining internal processes with up-to-date standards and safeguarding accessibility to sensitive information. For them, prioritising the implementation of new regulatory mandates or addressing disruptions relating to this area took precedence due to regulatory bodies' claims being enforced by laws and regulations. One participant illustrated that, although the task might not have been intuitively interesting or engaging, it was important to comply with industry standards.

“We also have very boring items, but we need to prioritise them because they are legal or compliance related requirements. With all of this GDPR stuff, last year we had to prioritise a lot of work based on legal and compliance related requirements because the company has to have it.” - E7

Moreover, informal norms of peer support had organically evolved, with individuals readily diverting attention from their tasks to assist non-managerial colleagues. A few participants brought up the well-being and concerns of their team members as one of their priorities. As concluded that ‘work is always going to be there’ by Manager 1, these individuals valued supporting their team members, even if it meant temporarily shifting priorities to accommodate personal matters. They also highlighted their expectations of adaptability and collaboration that persisted among their unit and team members therein. For these individuals, this peer-oriented mindset extended to embracing unexpected tasks that were perceived as contributing to broader organisational goals, even if the subsequent activities were not explicitly within a predefined framework.

“One of my teammates will come to me and say, ‘I need your help on something’ [...] Those types of things kind of just pop up and you put what you're working on aside and you get those sorts of things done. You help out wherever you can.” - E6

Tangible positive business impact

The influence on economic performance, or other tangible benefits, had the ability to influence decisions for around half of the participants. This included aligning resource allocation with the likelihood of success and the magnitude of impact. Particularly, new product innovations and quality assurance stood out as priorities that were seen as critical components for maintaining competitiveness and meeting strategic business objectives. In relation to this, participants often stressed the importance of stakeholders being well-informed about the project's objectives, progress, and resource needs, which was seen as essential for ensuring stakeholder buy-in.

“That's the prime weight, so to say. To which extent does the demand or requirement have an impact on the company's overall process? If that is medium to high, then it will always be a priority.” - M5

However, Manager 7 aptly summarised a pervasive reality: “All companies have more tasks, more goals to achieve than resources”. Correspondingly, when confronted with conflicting tasks, many participants exemplified turning to a cost-effectiveness matrix to evaluate

options, enabling them to focus on activities that generated the greatest benefits relative to their costs. Some participants considered ‘the lowest hanging fruit’ as their priority to generate incremental impact, meaning that they sought to satisfy and keep a stakeholder engaged by delivering a partial result of the overall agreement while garnering resources required to finish it. Notably, 11 of the participants discussed that customer-facing activities, particularly those external to the company, were highly valued due to the direct monetary and competitive contributions they brought.

“Unfortunately we had to say, ‘Both of the use cases are super interesting, but I only have resources for one. We need to focus on the external side, because that's how we generate revenue. We can't support you at the moment’. So a very typical example of how we would prioritise customer facing activities.” - E7

In what Employee 7 described as their typical situation of prioritising between external and internal demands due being faced with limited resources, they had to delay internal commitments due to external claims being more compelling. While internal processes were often acknowledged as vital due to interdependencies, fellow employees were often considered more amenable to negotiation in less critical business scenarios. When individuals had an indirect impact on external customer deliveries, effective communication of expectations emerged as a key aspect.

“Sometimes we also work with internal customers, in those cases, it is not so bad, they are still [company] employees and you can talk and agree with them, ‘If this doesn't disturb the contract with the final customer, can I delay this delivery with you?’. ” - E3

Intangible positive business impact

Around one-third of the participants angled their prioritisation from activities that would lend long-term contributions to the company, with less immediate or tangible outcomes. These individuals most often were employed within functional-oriented units, where their activities commonly centred around supporting internal customers. They often expressed that they were contributing to building the capabilities of the company in an accumulative manner. They considered that the benefits would manifest over time, such as improved efficiency or automation. The project unit was similarly associated, by all participants, with long-term commitment. Those participants belonging to functional-oriented units typically expressed

little trouble balancing the two reporting lines, citing the similar long-term approach to activities. For example, when they were part of enhancing data quality in their project work, it had the potential to streamline their workflows and led to reduced risks in their primary unit.

“I feel that sometimes, when I'm doing any task, that it is not only with respect to the [project unit]. [...] At the end of the day, it is also improving the [functional-oriented unit] that I am responsible for maintaining. I take it that way.” - E8

Negative business impact

Some participants angled their prioritisation on safeguarding the organisation against risks. Encompassing the imperative of ensuring the company's financial stability, the underlying rationale for prioritisation extended beyond the maximisation of utility. For instance, 3 participants motivated that any delays or breaches in service level agreements to external customers could have financial consequences such as loss of investment. Adherence to laws and regulations was highlighted by 3 additional participants, recognizing the consequences of misdemeanour, such as fines or increased cost of trading. Some participants felt a heightened sense of importance when the MNC underwent an external audit to ensure compliance.

“When we start these bigger initiatives, we want, and we try to have, the proper business case for it. Not necessarily that it should be a positive business case, because when we're dealing with trade compliance, it is a lot about being compliant with regulation and what's the business case of being compliant with regulation? You don't get a fine if you get caught.” -

M9

A few participants also considered instances where operational functionality was disrupted by abrupt issues, such as network downtime. The decisions that ensued were driven by the possibility of reputational risks stemming from dissatisfaction voiced by stakeholders. Additionally, the threat posed by phishing attempts, which rely on manipulative tactics to steal sensitive information, was highlighted as another area of concern due to the risk of sending information to unauthorised parties. In this way, previously identified vulnerabilities had shaped prioritisation strategies.

“It's often based on where you have either seen problems occur before, so you think paying attention might avoid the problem being repeated in the future, or where the risk and impact in a particular area naturally leads you to prioritise more time and attention to it.” - M11

Impact on self

Occasionally, participants discussed how priorities emerged due to the impact on themselves. These actions aligned with broader organisational objectives but also benefited their personal interest in the sense of fostering collaborations with individuals who could reciprocate assistance or support in the future, such as other units and colleagues therein.

“Things that help me progress with other tasks [...] that could be both things that have management attention, but also things that in one way or another benefits my personal agenda, helping people that will help me. [...] You make sure to answer fast enough on those types of things because you know it will help you when things get complicated.” - E4

A few participants encountered challenges in prioritising when they perceived a lack of personal gain. The reluctance to prioritise was particularly expressed towards their project unit, where they felt an imbalance between the effort expended and the rewards received. Specifically, they cited constraints imposed by limited resources, which hindered their ability to fulfil all demands within the allocated time frame.

“These kinds of collaborations should represent a minority of my time because if I'm not paid for that, I cannot justify dictating 50% of my time. [...] That can be so unrewarding, the conflicts between line and project.” - M8

The anticipation of uncertain times within the workplace, such as potential downsizing was noted by a few participants. These individuals described how their prioritisation during such times revolved around ensuring their own professional survival rather than considering the intrinsic importance of the tasks to the organisation. For example, one participant emphasised the need to focus on delivering visible results, such as creating tangible impact from external activities. As such, they prioritised tasks that showcased their immediate performance rather than those considered important for the organisation's long-term success.

Authority from organisational position

It became evident that authority in certain positions within the organisation influenced participants' decisions. There was a noticeable trend in which stakeholders in higher positions in the hierarchy were increasingly prioritised, where any currently performed activity would have a higher chance of being sidelined. Two-thirds of the participants mentioned that they typically refer to their immediate managers' instructions or decisions when faced with emerging tasks such as strategic or urgent matters.

“If there's higher level executive actions or my boss wants something, you would tend to prioritise upwards a little bit more than maybe sideways or downwards in that instant.” -

M11

Amongst the employees, 5 posited that they do not themselves differentiate between the importance of tasks or partake in prioritisation of them. Rather, the decision to prioritise comes from their manager. As motivated by Employee 1, “I think this makes people actually burnt out and sick, because they think they have to solve it themselves.”. Some of these individuals' discussed that it was up to their manager to delegate them activities, while some also related their reliance to the sense of supportiveness they felt from their manager.

“When that happens, there's a conscious decision made by the program managers that something has to stop. It's out of your hands on the actual prioritisation of the work yourself, because you've been asked by different programs.” - E5

Several participants were simultaneously influenced by their managers' directives and their own evaluations. Around two-thirds of the participants typically governed their own day-to-day decisions. However, when faced with emergent tasks, they were more likely to investigate them if requested by an authoritative figure. These individuals noted that relying solely on the manager's input for prioritisation was not always adequate. In such cases, they emphasised the importance of thoroughly communicating tasks and their dependencies before finalising the priority of activities.

“Usually when they come and say something, that’s when I start to look at it to see – is this more important? I try to ask those questions to them, because it is not always that they know how prioritised it should be.” - M10

Some participants acknowledged that being involved in multiple projects complicated their priority-setting. When they did not have a common authority figure to report to, participants were partial to their manager in their primary unit. Conversely, when their activities were overseen by the same manager, there was often a shared interest in serving the same stakeholders, which facilitated the resolution of conflicts or competing priorities.

4.3.2 Legitimacy

While different forms of power behind a stakeholder's claim influenced all participants in one way or another, several participants, often employees, had varying perceptions on the validity or appropriateness of them, particularly towards established work processes and management decisions.

Legitimacy of values and norms

While the participants delved into the importance of value alignment, they did not discuss instances where they had not perceived a value behind a stakeholder's claim as appropriate. Therefore, we interpreted that the values that stakeholders aligned with were perceived as legitimate. However, the participants shared differing views on legitimacy related to norms, namely work processes. One such perception stemmed from participants relating the demands to the maturity of stakeholders. In their view, mature stakeholders are likely to adhere to standardised and trustworthy work processes that facilitate streamlined operations, enabling a more informed prioritisation decision. Conversely, a less mature stakeholder often faces challenges, such as poor data quality and absence of standardised procedures, leading to difficulties in prioritising and increased time investment in each task. As a result, these participants developed an understanding of whose requests to fulfil first, as they could anticipate the potential impact involved and discern superficial requests.

“With less mature stakeholders, you might easily run into a situation where, ‘I just want to have a dashboard with 50 metrics because I need to put them on the PowerPoint slide for my manager.’ The more mature, the more they think about real impact.” - E7

Another common theme emerged on the validation of established norms imposed by internal stakeholders, namely the project unit. The overarching goal of strategic digital transformation was recognised as important, but the processes to achieve it were favoured by certain participants more than others. About one-third of participants considered the processes valid, in addition to often aligning with their main reporting line. These participants also cited that regular check-ins played a vital role, helping them internalise the significance of their work. However, there were also instances where they needed to invest personal time to be able to perform these tasks. The sense of responsibility to perform these tasks beyond the predefined schedule was particularly strong among those who had been part of the initial setup of these processes, which participants described giving them a fundamental understanding.

“I think they [team members] understand the benefits it will have also to regular work. I think if it is like that, then it's much easier to do it than if they didn't feel it was contributing to the good for their other responsibilities.” - M4

“I think it helps me to know that in some way I have responsibility. [...] I had hands-on experience creating it, whereas for someone who didn't have that experience, they may struggle a bit more [...]” - E6

For around half of the participants, the engagement in the project unit was tempered by a few concerns. Many of them emphasised that the project unit had a good foundation in their values, however, they believed that the activities served only a few requesters' interests or lacked impact on tangible value generation. Additionally, some were overwhelmed by the volume and perceived a lack of alignment on what they considered “right” or “important” activities to pursue. Participants with this view mentioned inadequate contact with the project unit and mutual feedback. This lack of clear boundaries and guidance led to uncertainty about how much time they should dedicate to the unit's activities, particularly given their primary roles' demands. Other times, participants claimed that they try to satisfy them without committing much time or resources to the activities.

“When we're doing high-level work, it seems that we cannot quickly see the results. Usually, the gap is mapped out, but there is no immediate action and no one is being allocated or funded. So that [gap] will stay open because the problem is always much more than the solutions.” - E13

“To be really honest, I don’t think the [project unit] and the [primary unit] are really aligned, so it is very hard to understand how they are organised in relation to what I do primarily. It is very abstract which means that if you need to prioritise you take away the more abstract things that are unlikely to backfire if you don’t do them” - E4

Several employees were concerned about the unit’s visibility in the wider organisation. This need for increased visibility was particularly emphasised by those who felt their efforts were not adequately recognised with the broader organisation. Some participants were critical of their main units’ reluctance to align with the project unit’s objectives, stressing that this process should be reciprocal, with both units showing willingness to collaborate. One manager exemplified how their manager advised against spending time on the project unit’s tasks due to being uncertain about the unit’s position in the organisation. Some pondered that limited sponsorship slowed the delivery process and reduced value perception for internal stakeholders.

“If you go to the different [business units], there is nothing written in there about our assignment, whether operations or strategy. People are willing to cooperate and always open to listen and everything, but in the end, they are going to prioritise what is in their tasks or assignments. That is the main challenge, I guess, sponsorship or the way to connect strategy with this [project unit] is not strong enough” - M3

Legitimacy of authority

Many participants discussed whether they viewed management claims as valid or not. Occasionally, participants stated that, while they do not perceive the management's decisions to be always correct, they performed these tasks as a part of their role. On the other hand, several participants illustrated that there was not always a clear alignment between decision-making at higher levels and realities at the operational level. In their view, some demands from management were detached from the day-to-day realities of the organisation.

“I will be open with you and say that sometimes my upper managers might come to me and say, ‘Please do this, please do that’. For me, it was impossible to do exactly what they said, because maybe they didn't have the right understanding of all the details needed to understand that before we do this, we need to do four other things.” - E17

This became particularly evident in discussions with participants who occupied more operational roles. These individuals described themselves as more data-driven, regularly interacting with different systems and understanding the details of different performance metrics. In their view, higher in the hierarchy, managers are more reliant on theory-driven decision-making. One participant emphasised the need for better translation of data-driven insights to senior management, suggesting that sometimes the organisation lacks the capability to bridge the gap between detailed operational knowledge and high-level decision-making.

“The higher up you go, the less operational people become and the less understanding you have of the operational tasks and the data. So once we move upwards, it's this shift towards theory-driven decision-making. [...] That's a bit of a challenge for us, as in any organisation, big decisions are made by very senior leaders, and sometimes they lack the data foundation, and they rely on theory a lot when making decisions.” - E7

“What often happens is that what is decided on the highest level does not roll down in a proper way in the company. That is also what in very different areas happens by default. Bad decisions are taken on a high level, but it is not rolling down in a proper way in the organisation.” - M12

4.3.3 Urgency

Majority of the participants provided insights on how urgency contributed to prioritisation in different contexts, due to deadlines, limited resources, persistent communication, and operational disruptions. Particularly stakeholder demands that held power or legitimacy claims enhanced this attribute.

Time- and resource-constraints

Impending deadlines, including for projects, customer deliveries, or the implementation of legal requirements, increased the urgency for the majority of the participants. The sense of urgency was not exclusively dictated by set time-frames; it was also influenced by the amount of competing demands relative to the time and resources available to address them. Some participants exemplified that they use online calendars to map out and monitor how much they spend on activities per each role and reserve needed time when faced with simultaneous

inquiries. The participants also mentioned viewing competing claims through the Eisenhower matrix as a framework on an instinct, where they organise tasks by their urgency and importance. Notably, external deliveries were frequently prioritised over internal ones, relating to for instance, the potential for negotiation with fellow employees.

“I think there is a balance every day; quite often there are more meetings than you have time, and then you need to make an urgent decision. [...] I try to personally have a matrix like if it's urgent and if it's important, and if it falls under both of them, I might do that. But if it's not important or not urgent, then I don't do it.” - M4

Occasionally, participants conveyed how they struggle with saying ‘no’ to emerging requests, often aiming to attend simultaneously to many of them even when their schedules were already filled with tasks. For instance, the following participant indicated a sense of responsibility and commitment to meeting deadlines even at a personal cost, citing how it can impact their work-life balance.

“It's not really professional practice, but this is how I manage it. When I get this kind of ad hoc request [like this thesis interview], if I think that it's important to deliver in the short term, definitely I prioritise that and then I stretch my capacity to deliver.” - E9

The sense of not having enough time or resources to fulfil incoming demand was most prevalent among employees. Some of them discussed that the sense of managerial or peer support helped their prioritisation. In relation to this, a couple of managers discussed how people tend to take on too many tasks without knowing fully all the details, advocating for a more balanced approach where team members feel empowered to critically assess requests before agreeing to them, ensuring that commitments are realistic and manageable.

“My team is a lovely team, and they are very nice and kind people. So, if they have a request, they always say yes, yes, I will do this for you immediately. But it's not good. You need to be aware of the details, you need to be aware of whether it is doable or not.” - M7

Several participants reflected on past experiences from their career of taking on too many tasks without fully understanding their complexity or time requirements. From these experiences, 13 participants recognized how they have learned to communicate more realistic

expectations with stakeholders, and by building their network within the company in terms of contact with different employees, they had become comfortable seeking colleagues with varying expertise for advice.

“Knowing people in all pockets within the company, if I receive a question, I can immediately translate that into ‘I know this guy in trade’ or ‘I know this guy in legal’. I don’t have the answer myself but let me ping him. That is a result of years of working in projects, in multiple functions, and organisations.” - M5

Interdependencies and disruptions

For approximately half of the participants, the sense of urgency stemmed from the interdependence of tasks. In cross-functional efforts, teams relied on each other’s timely completion of tasks. This dependency was particularly notable in relation to the flow of business-critical tasks, often related to the availability of services, meeting regulatory requirements or addressing issues that directly impacted customer satisfaction. Similarly, many participants stressed the importance of swiftly resolving issues during disruptions, aligning with the avoidance of negative consequences. According to a few participants, certain projects or initiatives often fail to gain interest or resources from internal stakeholders until such a time when these initiatives interrupt the continuous operations.

“Let’s say you’re working in operations, and a priority issue arises, like the network being down for a thousand subscribers. [...] Also, the fact that many customers are affected implies dissatisfaction and unmet requirements, making it time-critical.” - M6

Persistent communication

The sense of urgency was also attributed to persistent communication by stakeholders, often perceived as impatience from the requester. Some participants recounted how an external customer had consistently inquired about the progress of an agreed activity even before the deadline, which made them more likely to focus resources on fulfilling that demand. Additionally, some participants recalled instances where management had repeatedly contacted them, which made it difficult to reject their claim. Despite their initial priorities, these individuals were influenced to change the course of their currently performed activities. However, with repeated contact, one respondent illustrated the resulting dilemma:

“When you are working for two managers and one of them gets impatient and calls you repeatedly, you tend to bend and serve that, but then you may neglect the other one that doesn't, but that's a time bomb that will explode at a later time. Then that's gonna be stressful, because it's gonna be perceived as a lack of professionalism from you.” - M8

In the previous example, both managers possessed authority, but the impatience from one created a sense of pressure to temporarily prioritise them over others to avoid conflict. However, this was perceived as a short term solution, where the anticipation of the unresolved issue caused stress. Conversely, a few participants recalled instances of colleagues within the organisation making persistent inquiries, but their claims were not viewed as particularly business-critical. Moreover, these inquiries often required minimal intervention, as the participants expressed that from experience, they could anticipate the level of importance based on the requester. Some participants illustrated how they have found that the requester could resolve issues themselves with just a simple nudge, such as inquiring for more details.

“In many cases, the loudest orphans just want to be served. What they want and need is typically not important, not urgent. So, not just not doing something, just pass it back to them and maybe at the end of the day, they will answer their own question.” - M7

4.3.4 Summary of Saliency attributes

From the interviews, we have interpreted that most often, each stakeholder group that a participant identified was associated with multiple saliency attributes, summarised in Table 2 below. The columns of the table represent the stakeholder groups: *the company, management, internal customers, external customers, external institutions and team members*. Each row represents a participant, followed by their ranking of each identified stakeholder. A rank of 1 indicates the stakeholder most likely to influence the participant's prioritisation, and the row lists the saliency attributes associated with each stakeholder group.

Stakeholder classification perceived by participants						
	The company	Management	Internal customers	External customers	External institutions	Team members or peers
E1		1 P ² , L				
E2			1 P, U			

E3		1 P, L, U	3 P	2 P, L		
E4	2 P		1 P ² , U		3 P ² , L, U	4 P, L
E5		1 P ²	3 P	2 P ²		
E6		1 P ² , L	2 P ² , L, U	4 P		3 P, U
E7		3 P ² , L	4 P, L	2 P ² , L	1 P, L, U	
E8			1 P, L, U		2 P, L, U	3 P, L, U
E9	2 P, L		1 P ² , L, U			
E10		1 P, L, U				2 P, L
E11			1 P			
E12		2 P ²	1 P, L			
E13		1 P ² , L	2 P, L			
E14		1 P ²	2 P, U			
E15		1 P ²	2 P ² , L, U			
E16	2 P, L	1 P ³ , L	3 P, L, U			4 P, L
E17	1 P, L	6 P ²	3 P, L, U	2 P ² , L, U	5 P, L	4 P, L, U
M1			2 P ² , L, U	1 P ² , L, U		3 P, L
M2			1 P ² , L, U	2 P ² , L		
M3	1 P, L	2 P	3 P			
M4			2 P, L		1 P ² , L	
M5	1 P, L	2 P ² , L	3 P, L			
M6			2 P, L	1 P ³ , U		
M7	1 P, L	2 P ² , L	4 P, L, U	3 P, L, U		5 P, L, U
M8	1 P ²	2 P ²	4 P, U	3 P ² , U		5 P, L
M9		3 P ²	2 P, U		1 P ² , L, U	
M10		1 P, U	3 P, L, U		2 P ² , L, U	
M11		1 P ² , L, U	2 P, L, U			3 P, L, U
M12		2 P ² , L	1 P, L	3 P, L		
M13	1 P, L	3 P ²	2 P, L, U			

Notes. P^x indicates the number of power types. Attributes: P=Power, L=Legitimacy, U=Urgency.

Table 3. Stakeholder Attributes and Rank perceived by participants.

The stakeholders identified with only one attribute, *power*, included the company, management, and internal and external customers, with management being the most frequent. These stakeholder claims were associated with shared values or norms, authority, resources exchanges or potential negative consequences. For instance, management was prioritised due to their senior roles, while external customers could bring benefits or impose fines depending on contracts. Participants often assessed the appropriateness, referring to *legitimacy*, in tandem with stakeholders power, where internal customers or management's requested activity were not always seen as appropriate, reducing their perceived legitimacy. Claims supplemented by *urgency* could increase priority. Participants close to external institutions often described them as having all attributes. This was also true about half the time for internal and external customers.

5. Analysis

5.1 Problem-solving

Organisations face complex and changing problems due to the diverse interests of stakeholders across international borders (Matthew & Wrigley, 2017, p. 43). The perspectives presented by the participants of this study provide additional evidence enforcing this view; the issues encountered were dynamic, ranging from unforeseen disruptions to routinely received inquiries, emphasising adaptability in managing emerging demands. Furthermore, our study exemplifies the processes employees utilise to solve problems within the MNC setting. According to Newell & Simon (1972, p. 59), decision-makers often use problem-solving methodologies to reach their desired outcomes, as acknowledged in the findings. The participants' descriptions of their problem-solving approaches reflect a blend of classical and alternative frameworks tailored, for instance, to their specific roles and preferences for both managerial and non-managerial participants. The prevailing acknowledgement in existing literature at the MNC contexts positions the units or managers therein as the primary decision-makers (Cuypers et al., 2022, p. 482). Given that studies on individual problem-solving in the IB literature are few and far between, this thesis shows that employees in different levels of the MNC participate in the process of bridging the gap between current and desired state.

5.1.1 Receiving problems and systematically breaking them down

Classical problem-solving literature posits that the process begins with identifying problems needing resolution (Volkema, 1983, p. 640). In our study, participants, both managerial and non-managerial, discussed encountering problems through external sources, such as managers or structured workflows, therefore ‘identifying problems’ step in the MNC can be understood as ‘receiving problems’. According to the literature, most problems are ill-defined and surface-level issues, requiring effort to comprehend (Baer et al., 2013, p. 197; Simon, 1977, p. 309). Similarly, whether problems arose from project briefs or spontaneous business needs, participants often had to thoroughly understand tasks before addressing them, necessitating a ‘systematic breakdown’ of the issues, reflecting the classical approaches’ ‘problem formulation’.

The quest for a thorough understanding of the problem was related to the desire to make informed decisions. Non-managerial participants, in particular, tended to describe a more gradual process with measurable steps, refining the problems by eliminating causes. In line with literature, this process often involved collaboration within diverse teams (Adenfelt & Lagerström, 2006, p. 385). In instances, where lack of experience or unclear instructions prevailed, a systematic approach became particularly essential, serving as a precaution and a way to gather resources or dismiss misaligned demands, a practice that was common in one or both of the participants' units. Further, the literature on group problem-solving associates the uncertainty of tasks with increased requirement for coordination (Grant, 1996, p. 115). Given MNCs’ limited resources relative to demands, it is often necessary to engage in the exploration of the problem landscape, particularly when taking into account the interdependency between units with dispersed capabilities (Celo et al., 2015, p. 185). Thus, while this process has been argued to be resource-consuming (Kaiser et al., 2018, p. 4390), in the MNC setting it can be seen as helping to prevent wasting major investment.

Similar to the classical process of arriving at ‘finding solution’, employees in the MNC context reach this stage by ‘eliminating causes’. In line with Newell & Simon’s (1972, p. 59) illustration that individuals face constraints in accounting all possible solutions due to limited cognitive capacities, participants indicated various ways in using heuristics to simplify decisions. They valued data, often having observed for instance deviations from foundational data rather than conducting complex analysis each time. Instead of gathering all information independently, they relied on personal experiences, insights from peers, or existing

knowledge articles. These processes were reflected also when having to prioritise between stakeholders, such as using different decision-matrices like impact-urgency. Further, the reliance on team members with similar knowledge and skills contributed to horizontal substitutability, which is often missing in a hierarchical structure (LePine et al., 1997, p. 803). These approaches reduced cognitive load and decision-making time, emphasising practical, experience-based techniques over exhaustive, manual analysis, which is a hallmark of heuristics. This finding highlights that MNC decision-makers are indeed boundedly rational, making decisions with limited information and cognitive constraints, an often overlooked factor in IB research (Drahokoupil, 2014, p. 205).

5.1.2 Identifying needs and connecting them to solutions

The alternative approach of ‘identifying needs’ rather than ‘problems’, as proposed by von Hippel & von Krogh (2016, p. 206) was evident in one-third of the participants, mainly managers. Similarly, employees who had more autonomy in their roles described defining their activities, although resorting to systematic ways to solve it themselves. The managers described identifying activities to address overarching needs within the MNC, often proactively identifying strategic areas for improvement, which aligns with the literature’s emphasis on understanding needs first (Kaiser et al., 2018, p. 4390). By focusing on needs, managers could determine the required capabilities to address them, often delegating them to employees with specific expertise, or discussing the agenda collaboratively, aligning with Grant’s (1996, p. 104) view of employees as a source of knowledge. Our findings indicate that while ‘connecting solutions’ through task delegation may not provide the end-solution to the overall issue in the MNC, it can be likened to forming a need-solution pair (von Hippel & von Krogh, 2016, p. 211). Further, it reflects recent literature’s emphasis on need-based thinking in meeting diverse stakeholders' unmet needs (You, 2022, p.1).

Parallels to cognitive processes can be drawn similar to the classical approach. When managers reflected on their earlier careers, noting a shift from methodical to dynamic approaches, it indicates the use of heuristics based on experience to navigate complex problems (Newell & Simon, 1972, p. 59). Similarly, adjusting team composition to meet project needs demonstrates an accumulated understanding of the workforce, simplifying choices without needing to analyse individual skills and competences from the ground up. While the process of mapping different components for employees to perform incorporated elements of systematic breakdown, experience-based heuristics simplified their

problem-solving process, enabling managers to connect between need and solutions. Studies on problem-solving at the unit-level emphasise the critical role of managerial decisions in this initial identification process, particularly in defining objectives for employees (Tippman et al., 2012, p. 754). Thus, managerial decisions can be seen as laying the foundation for solutions in the MNC.

5.1.3 Synergies between the problem-solving approaches

In the MNC, problem-solving is rarely an individual effort, as no single actor identifies problems as well as creates a definite solution alone. Hence, we observe synergies between the problem-solving approaches, as they collectively guide the journey from the initial state to the desired state, rather than occur at different levels. Figure 8 illustrates the activities of different decision-makers, namely managers and employees.

Steps 1a-2a. Manager’s problem-solving
 Steps 1b-3b. Employee’s problem-solving

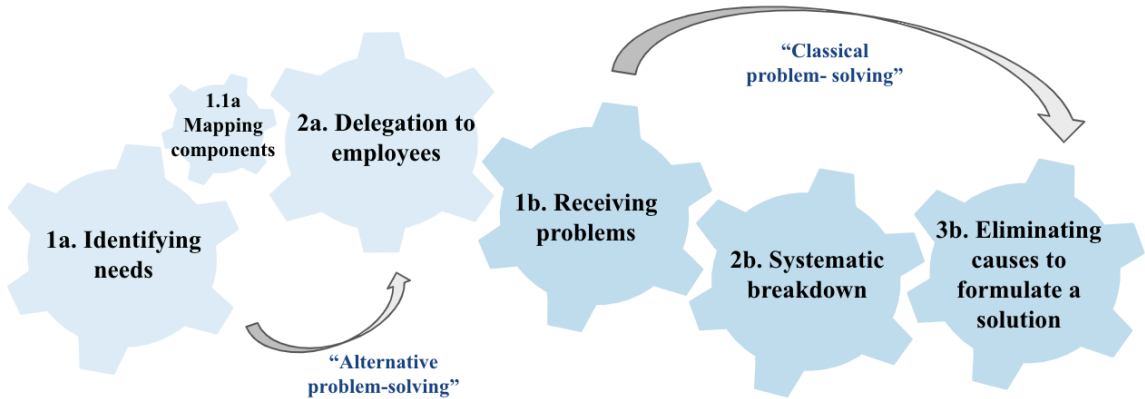


Figure 8. Synergies in problem-solving processes in an MNC. Authors’ own compilation

The managers commonly began with identifying needs and connecting them to relevant expertise to solve, forming a need-solution pair (steps 1a-2a). In this way, they bypass an extensive search phase but rather map out resource requirements (step 1.1a). Thereafter, another process begins when the problem is received by these individuals (step 1b). With a systematic breakdown, these teams are able to understand the underlying cause (2b). Thereafter the solution path is successively refined through an iterative process (3b).

The key connection between these approaches is evident in steps 2a. and 1b., where the viability of need-solution pairs can be seen depending on the understanding between managers and employees. Our findings reveal a misalignment between managers' identified needs and the operational reality, posing a challenge in problem-solving. Consistent with Adenfelt & Lagerström (2006, p. 385) and LePine et al. (1997, p. 803), our study agrees that while managers have authority of the overall solution and general knowledge of employees' expertise, the hierarchical team structure leads to information asymmetry between managers and team members.

5.2 Stakeholder salience

Mitchell et al.'s (1997, p. 853) stakeholder salience framework highlights the importance of identifying and prioritising stakeholders based on their impact on the company. Similarly, our findings show how participants in MNCs balance competing claims on the company's success, however, the participants also considered personal impact. This became apparent from, for instance, prioritisation of activities that had a positive effect on themselves, such as external-facing activities that gave them visibility in the organisation. Further, it became clear that authority and unit-level emphasis on tangible impact had generally the biggest impact for both managerial and non-managerial employees when faced with competing demands. With that said, our study argues that prioritisation also occurs among employees at lower levels of the hierarchy, extending previous research focusing on managers (e.g., Agle et. al, 1999 p. 507; Parent & Deephouse, 2007, p. 17). Additionally, by applying this framework to the MNC, we exemplified the interplay of salience attributes, *power*, *legitimacy*, and *urgency* in the multinational environment. While our study confirms these attributes' importance in increasing stakeholder claim salience (Mitchell et al., 1997, p. 853), the MNC context introduces ambiguity in defining and distinguishing the attributes boundaries, which will be explored further in subsequent sections.

5.2.1 Salience attributes

Power as the most impactful attribute

All participants described various forms of power in stakeholder claims. Previous research defines stakeholder power as the ability to influence an organisation through *normative*,

utilitarian or *coercive* means (Mitchell et al., 1997, p. 86), all of which were observed in the MNC setting.

Akin to *normative power*, participants frequently based their decisions on firm-level values, personal beliefs, and established normative practices within the MNC. Although IB literature often highlights misalignment in values between MNCs units due to differing unit-level objectives (Kostova et al., 2018, p. 2611), our findings indicate that most participants recognised and adhered to firm-level values. Further, participants were more hesitant to fulfil claims of internal units where value alignment was unclear. In line with the literature, this indicates that units are able to gain approval from internal actors within the MNC by aligning with firm-level principles (Peng, 2012, p. 97). Some participants also conveyed ownership over these values, reinforcing their influence through personal beliefs. Likewise, participants were highly affected by both formal and informal norms in their decision-making, aligning with unit-level understanding of norms affecting behaviour (Peng et al., 2008, p. 922). Participants also described adherence to informal norms of peer-support, occasionally delaying other activities to aid team members. Literature on knowledge management and global teams underscores the recognition of shared practices as a factor contributing to collaboration (Adenfelt & Lagerström, 2006, p. 391; Grant, 1996, p. 115). Accordingly, our findings indicate that participants with peer-oriented mindsets were often more willing to perform emergent tasks outside of their personal workflow, showing a commitment to collective success of their team.

The prioritisation of resource exchange confirms the appearance of *utilitarian power*. The participants often focused on tangible benefits, consistent with the RBV where resources shape power dynamics (Drahokoupil, 2014, p. 204). Long-term or intangible benefits that accumulate over time could also be viewed as utilitarian power, aligning with the RBV's recognition of intangible assets as resources. However, external customers were often prioritised over internal customers, therefore it could be said that bargaining positions increase rather through tangible resources (Mudambi et al., 2014, p. 103). Certain units being both resource-providing units internally, while relying on external stakeholder buy-in highlight the multi-dimensional nature of power in MNCs, where subsidiaries may have power in certain functions due to resource control, but remain subordinate in others (Hoenen & Kostova, 2015, p. 106). However, participants showed great appreciation for communication and negotiation with internal stakeholders, which reflects the flexibility and

relational power dynamics, and the importance of intra-organisational ties (Frooman, 1999, p. 196; Hoenen & Kostova, 2015, p. 104). As a departure from literature discussing impact on the firm, our findings also point out individual motivations for personal gain influencing these activities.

Conversely, proactive avoidance of negative impact, such as fines imposed by external institutions for failing to comply with regulations represented the appearance of *coercive power*. This practical emphasis echoes the literature discussing MNC non-compliance and the subsequent financial and reputational repercussions (Zhao et al., 2013, p. 656). While IB studies have highlighted the claims of external authority in relation to legitimacy (Peng, 2012, p. 97), our findings indicate that the inherent ability to impose punishment upon MNC also lends coercive power to these external institutions. This power influences individual decision-makers not only to react to any changes, but also to engage in activities to align with these stakeholders proactively.

Coercion also appeared in more subtle ways, such as when participants prioritised activities to prevent previously observed vulnerabilities. This aligns with the ABV framework of MNC, suggesting that managers tend to focus on business-critical issues (Andews et al., 2022, p. 2). Additionally, workplace uncertainty could be perceived as a form of coercion; when participants experienced heightened pressure from senior management, it reflected stress-induced decisions that favour immediate, short-term solutions over long-term needs (Simon, 1987, p. 62; Zhu et al., 2018, p. 674). These instances led participants to prioritise their own impact, focusing on tangible value generating activities to increase their visibility within the MNC. This reinforces the finding that prioritisation impacts not only the firm but also the decision-maker themselves.

Furthermore, we argue that the authority inherent in senior organisational positions is a necessary addition to the types of power in the MNC. Managers were frequently identified as stakeholders with significant authority influencing decisions. While this notion has not appeared in previous organisational contexts utilising the salience framework, Bass (1960, p. 260) defined *position power* as stemming from a person's formal position or title within an organisational hierarchy. Thus, positional power can be seen as inherent to leadership roles, especially in matrix organisations, where the participants balanced multiple reporting lines and overlapping hierarchies. Wolf and Egelhoff (2013, p. 595) posit that employees in such

settings shift between influences rather than being simultaneously affected by both, challenging their ability to balance multiple objectives. Similarly, our findings indicate that when lacking a common authority, participants often referred to managers within their primary units, prioritising their demands above other activities, including those within the project unit.

Legitimacy as a complementary attribute reinforcing power

The literature defines legitimacy as the perceived validity or appropriateness of a stakeholder's claim, based on socially accepted standards like values, norms and laws (Suchman, 1995, p. 571). Our findings support this view by highlighting that legitimacy is not inherent; rather it depends on aligning with different forces that shape the individual's perception of validity. Participants, particularly employees, discussed legitimacy in conjunction with common norms and authority, reflecting on their perceived validity.

In IB literature, legitimacy has mainly focused on the unit-level dissonance between values enforced by internal and external institutions (Peng et al., 2008, p. 922; Kostova & Zaheer, 1999, p. 72). In our findings, external demands were generally viewed as legitimate by participants, while claims from internal stakeholders faced more stringent scrutiny, supporting the notion that external isomorphism often has a great influence on MNCs (Xu et al., 2004, p. 288). On the other hand, several participants highlighted how, while viewing internal values as appropriate, they were concerned that actors in the MNC did not acknowledge the project unit, which contributed to them not wanting to prioritise tasks that were not perceived to be legitimate by other people. Therefore, individuals in this context can reflect on their own perception as well as other actors' perceptions of legitimacy.

Additionally, as firm-level values adapt along hierarchical structures as suggested by Wolf & Egelhoff (2013, p. 595), our findings agree that differences in interpretation may arise due to variations in the unit's objectives, leading to goal conflicts in cross-unit interactions. Participants often internalised values adapted within their primary units, for instance when individuals from business-oriented units valued activities with more tangible benefits, creating internal inconsistencies when faced with long-term objectives. In line with this, Haas & Cummings (2015, p. 53) argued that such misalignment affects collaboration across divisions, as evidenced by the prioritisation of the project unit. Additionally, our study finds that legitimacy can be perceived relating to the maturity of a stakeholder behind their claim.

Several participants discussed the appropriateness of management claims. While they generally acknowledged the authority of managers, some described dissonance between managerial instructions and the practical reality at employee level. This discrepancy can be attributed to several factors. Firstly, teams in hierarchical structures lack vertical substitutability between leaders and team members due to the differences in expertise and knowledge (LePine et al., 1997, p. 803). Secondly, positions in the hierarchy often determine ownership over certain decisions (Galbraith, 2014, p. 37). As a result, it can be concluded that managers and employees inherently have different viewpoints. In our findings, participants were often more concerned with the systems they worked in, while managers were required to have a broader view of the processes within their teams. These diverging views can lead to a misalignment in understanding the viability of activities. This micro-level misalignment, as argued by Geppert & Dörrenbächer (2014, p. 237) appearing regardless of individual's formal roles and organisational structures, can hinder the overall functioning of the firm. Despite these challenges, some participants felt compelled to perform activities as instructed by managers, even when it diverged from their perception of appropriateness, highlighting how powerful, authoritative claims influence decision-making.

Urgency enhancing powerful and legitimate claims

The participants demonstrated the influence of urgency in various situations, ranging from meeting established deadlines to addressing unexpected disruptions. Accordingly, Mitchell et al., (1997, p. 867) posit that urgency involves stakeholder claims demanding immediate attention, often due to time sensitivity or the criticality of the issue. Our findings suggest that this attribute by itself did not determine prioritisation, instead it enhanced priority when combined with power and legitimacy.

Previous literature in the MNC setting supports the idea that risks to a firm's critical operations often becomes an urgent matter, and unpreparedness can lead to crises (Hoon Oh & Oetzel, 2022, p. 232; Sayegh et al., 2004, p. 183). The participants seemed to prioritise based on their desire to avoid past vulnerabilities, indicating that while MNCs cannot completely eliminate risks due to their dispersed operations, proactive risk mitigation can reduce their escalation. Further, our findings reveal that the interconnected nature of tasks were particularly prone to receiving support. With dispersed activities, interdependencies are common between units specialising in different operational areas. To ensure resilience in the

operational flow, they require coordination (Lee et al., 2022, p. 356). Our findings reveal that deadlines were utilised to manage completion times between different units and stages, ensuring timely delivery of the final product. However, due to limited resources, deadlines with external customers denoted a higher urgency. While the literature suggests that focusing on business-critical issues can result in more risk-seeking behaviours and neglect of other areas (Gaba & Joseph, 2013, p. 1102; Andrews et al., 2022, p. 2), our participants valued negotiation and peer-support when overburdened with tasks. Hence, our interviews did not reveal neglect as such, but a temporary and informed shift in focus.

Our study uncovers additional dimensions to urgency within the MNC context that previous stakeholder salience findings have not discussed. We suggest that persistent communication, marked by ongoing inquiries from stakeholders can influence urgency. For instance, when managers with authority or customers with resources consistently contacted on the progression of specific projects, participants felt compelled to act promptly. Meanwhile, internal customers gained less traction with these tactics, as participants evaluated their claims more critically. Although persistence relates to urgency on the surface, we note that such instances can become coercive, for instance from heightened pressure. This further supports that without power, many claims cease to exist in the MNC setting.

5.2.2 Identified stakeholder types

As interpreted from the participants and their descriptions of salience attributes, our study finds 4 out of the 7 possible stakeholder types, including *dominant*, *definitive*, *dormant*, and *dangerous* (Table 3).

Summary of stakeholder types perceived by participants							
	Definitive (P, L, U)	Dominant (P, L)	Dependent (L, U)	Dangerous (P, U)	Dormant (P)	Discretionary (L)	Demanding (U)
The company	0	7	0	0	2	0	0
Management	3	8	0	1	9	0	0
Internal customers	12	7	0	5	4	0	0
External customers	3	4	0	2	2	0	0
External institutions	5	2	0	0	0	0	0
Team members or peers	4	4	0	1	0	0	0

Table 4. Summary of stakeholder types.

Authors' own compilation.

Participants predominantly identified *dominant* stakeholders—those with power and legitimacy—and have assured influence over the company (Mitchell et al., 1997, p. 876). These attributes were most frequently associated with internal stakeholders such as management with authoritative positions, or internal customers due to prevailing norms. With the addition of urgency, they were classified as *definitive* stakeholders, frequently seen as the foremost priority (Mitchell et al., 1997, p. 878), which was most prevalent with internal customers. On the other hand, internal customers whose claims were supported only by power through established norms could be considered *dormant* stakeholders, as participants did not always see the legitimacy or urgency of claims. Lastly, *dangerous* stakeholders can primarily be associated with internal customers with time-sensitive or persistent demands.

However, as noted in Table 2 (see 4.3.4), definite internal customers were not always ranked as the top priority, which deviates from the framework's assumption that stakeholders with more attributes become the most salient. Often dominant stakeholders including management without urgent claims were deemed most important. Therefore, this thesis demonstrates that individual-level decisions in the MNC are primarily influenced by stakeholders with direct claims to the decision-maker, or the organisation, particularly those who wield authority or tangible resources. From our interpretation, while values and norms were highly regarded, they rarely had an immediate effect on the decision-maker. Consequently, when participants faced conflicting demands, normative means would play a lesser role.

5.4 Reciprocal influence of stakeholder salience & problem-solving

We conclude that these two conceptualisations, problem-solving and stakeholder salience, are inherently intertwined, constituting a dynamic approach that employees engage in when making decisions. Instead of viewing the frameworks as separate entities, we recognize their interconnected nature.

Stakeholder salience can serve as the foundation on which problem-solving frameworks are constructed. Understanding the significance of various stakeholders provides the necessary context for identifying and prioritising demands that require attention, and performing actions

to address them. For instance, when individuals do not perceive the value behind stakeholder claims as legitimate, but are bound by norms to attend to them, they may be less inclined to invest resources to solve the problem, therefore limiting the scope of possible solutions. Conversely, problem-solving can be seen as shaping how stakeholder salience is addressed, which can take effect at different stages of the process, such as prior to accepting and during fulfilling these claims. For instance, resource-seeking managers who are identifying needs may be more open to emergent claims from external customers, thereby their on-going activities may become obsolete, while an employee focused on their routinized workflow may be more oblivious of the impact derived from solving different claims.

We also note that these concepts have common factors that influence decision-making in the MNC setting. Contextual elements, such as role, organisational structure, and availability of resources, provide the framework wherein stakeholders demands are identified and addressed. Role and organisational structure determine autonomy and nature of stakeholders' demands that the individual has proximity to, while the viability of options or solutions is contained within available resources. Additionally, individual factors, including knowledge, experience, attitude, and interpersonal skills, shape the way individuals analyse information, and engage in decision-making. Their knowledge and past experience allow for informed judgments, while proactive attitudes strive to identify improvements. Interpersonal skills such as communication and teamwork can foster collaboration and consensus-building, mitigating conflicts of interest prevalent in cross-unit collaboration.

Our findings have underscored the reciprocal nature of decision-making where stakeholder claims and problem-solving approaches to address them present themselves in various stages, calling for a revision of the conceptual model presented in section 2.4 (see Figure 3). With that said, Figure 9 illustrates the manifestation of these concepts in the MNC. From the top left, the salience attributes of power, legitimacy, and urgency are perceived by the decision-maker. Their view is shaped by contextual and individual factors as discussed earlier. The resulting evaluation leads to identified stakeholder types, definite, dominant, dangerous, or dormant based on their salience, therefore, determining the prioritisation of their claims.

On the lower half, the revision also depicts the two problem-solving approaches, signified in different colours. The alternative approach on the left, represents the individuals often in

managerial roles who seek needs to solve. The approach on its right represents the recipient of problems who systematically breaks down problems and eliminates them to arrive at a solution. Between the two approaches, the dotted line from ‘connecting solutions’ to ‘receiving problems’ indicates the synergies of these processes. We see that need identification occurs often as a first stage by the manager who then delegates tasks to the employees. As discussed, these two frameworks, problem-solving approaches and stakeholder salience, mutually influence each other, represented by the two blue arrows between them. This interaction occurs separately as the decision-maker changes from manager to employee.

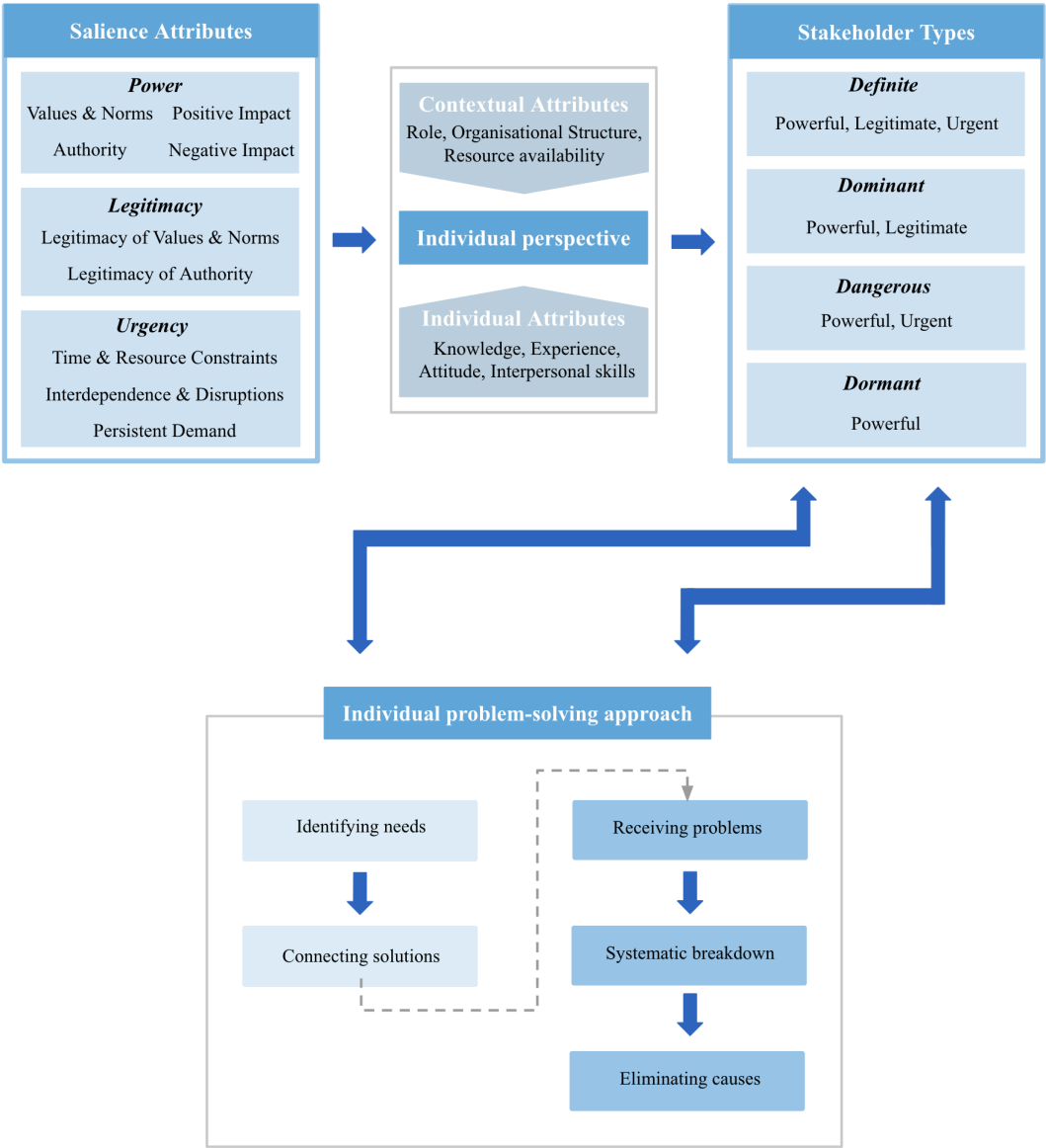


Figure 9. The revised conceptual model. Authors' own compilation.

6. Conclusion

6.1 Research questions

Decision-making is an integral part of any MNCs success, yet the microfoundations of this important activity has been largely overlooked. Indeed, our empirical findings agree that individuals face various issues and competing claims to solve, and engage in conscious evaluation of them. Therefore, employees cannot attend to all and choose the most salient ones. With this understanding, we will answer the sub-questions addressing different dimensions of our overarching question:

“How do employees address decision-making within MNCs?”

- I. What role does organisational structure play in shaping how employees engage in decision-making within MNCs?*

As discussed earlier, literature on organisational structure posits that the choices available to individuals are constrained by their designated role and position within the hierarchical structure of the MNC. The empirical evidence agrees with this notion in that managers, who occupy positions of authority, possess the ability to engage in more autonomous behaviour, while non-managerial employees are more limited by their role. Especially, the matrix organisation necessitates employees to navigate multiple reporting lines with different values and objectives, increasing decision-making complexity and dependency on managerial coordination to direct their activities. IB literature has discussed decision-making conflicts resulting from the development of unit-specific values, extending on this, our study finds that individuals engaged in different cross-unit initiatives under the matrix organisation often experience a conflict of interest, complicating their decision-making process. Importantly, our findings not only highlight contextual factors shaping individuals engagement in decision-making but also factors attributed to the individual themselves. For instance, our findings suggest that although employees may not have the same autonomy as their superiors due to their roles, they show similar traits such as proactiveness in seeking improvements within their work, and evaluate potential impacts also based on personal belief. Therefore, individuals are not solely subject to their organisational environment.

II. What problem-solving approaches do employees utilise within MNCs?

As previously argued, literature has underlined different problem-solving approaches that individuals resort to when facing complex situations, where they may seek underlying explanations for problems and thereby dissect a solution, or bypass the extensive research phase and directly identify needs and connect solutions to satisfy said needs. The empirical findings confirm that such processes are utilised, often in adaptation based on the employees' autonomy provided by their role and the nature of problems they encounter. Moreover, the study reveals synergies between different problem-solving approaches, emphasising the collective effort from problem identification to solution implementation. Managers play a crucial role in identifying needs and providing direction, while employees contribute through systematic breakdown and iterative refinement of solutions. However, challenges arise from the inherent information asymmetry within hierarchical structures, necessitating alignment between managerial insights and operational reality. Nonetheless, both literature and findings indicate that individuals, being boundedly rational, utilise various heuristics to navigate the vast amount of information. Particularly knowledge and skills acquired from previous experiences stood out as factors that simplified decisions. Moreover, our findings stress that this is not merely an individual effort, as it emphasises clear communication with various stakeholders to arrive at a desired state. The systematic breakdown of problems, identification of needs, and reliance on heuristics underscore the complexity and adaptability required in MNCs.

III. What factors influence employees' prioritisation process within MNCs?

As highlighted in the literature, there are various ways in which decision-makers evaluate which competing demands to prioritise. Being a part of a globally dispersed organisation, requires understanding of various claims in the face of limited resources to evaluate who to serve first. The findings support the view that individuals balance competing demands by considering the power, legitimacy, and urgency of stakeholder claims, with an emphasis on authority and tangible outcomes. Additionally, while employees generally shared firm values, they did not only consider impact on the organisation but also their own benefits, such as increased visibility. Potential ramifications as a result of not fulfilling claims, exemplified through the need to mitigate risks and avoid negative impacts further drove employees to

prioritise certain tasks. Moreover, legitimacy played a crucial role in shaping prioritisation decisions, with stakeholders' claims being evaluated based on their alignment with socially accepted standards and perceived validity. Managers' authority also significantly influenced decision-making, although discrepancies between managerial instructions and practical realities sometimes arose, highlighting micro-level misalignments within hierarchical structures. Urgency could enhance the prioritisation of stakeholder claims, such as timely responses to critical issues, however not when said claims competed against authority or tangible benefits. Ultimately, prioritisation decisions reflect a blend of organisational goals and individual motivations, highlighting the complex environment in which MNC employees operate.

6.2 Theoretical and practical implications

Previous research in the MNC context has put forth little explanation on microfoundational behaviours (Aharoni, 2011, p. 34; Foss & Pedersen, 2019, p. 161). This study has provided two conceptualisations that underlie employees' decisions. Firstly, we have exemplified different problem-solving approaches utilised by individuals in the MNC setting, noting how autonomy and the nature of problems affects one's approach. By doing so, we have revealed that they are not merely dichotomous variables but occurring at different levels, establishing how individuals engaged in dispersed activities and together contribute to overarching progression from initial state to desired state. Secondly, this thesis has extended the understanding how prioritisation of competing claims happens within the MNC, bridging existing literature from management studies, through the stakeholder salience model, to delineate when and how these prioritisation decisions are made by employees. Particularly noteworthy, this thesis has utilised empirical evidence to demonstrate how various attributes of stakeholder salience manifests within the MNC, defining specific factors making up these attributes, which led to the inclusion of authority as a type of power. As a departure from Mitchell et al.'s (1997, p. 853) initial argument, our study does not find that more salience attributes automatically translates to prioritised stakeholder, rather certain underlying attributes, namely authority and positive, tangible impact, has the highest implication when faced with competing demands. Another differentiating factor in the micro-level of MNCs is the perceived impact on the decision-maker themselves, not only on the firm. Finally, we note the reciprocal influence between problem-solving and stakeholder salience, illustrating how

stakeholder salience provides the context for identifying and prioritising demands, while problem-solving approaches determine how these demands are fulfilled.

In practical terms, our findings reveal that employees struggle balancing competing demands, particularly as they are part of multiple units with differing objectives, and not enough resources to satisfy all. A commonality between many participants' motivations indicated that, while firm-level values were held in high esteem, they faced difficulties adhering to the established ways of working, particularly when their primary unit presented more tangible outcomes to pursue. As we exemplified the intertwined nature of problem-solving and stakeholder salience shows, these instances can have a tendency to be neglected, hindering the possibilities of solutions. From this view, one of the most important motivations for employees is to feel acknowledged for their work, and when they do not perceive it, they do not feel that the claim is worth investing in. Another factor contributing to decisions was authority. Alignment with what is perceived right on the operational level evidently can affect efficiency. In line with Grant (1996, p. 104), employees with specialised knowledge of tools and operation represent the primary decision-maker in devising solutions to fulfil the objectives of the MNC, while managers are agents of coordination. However, our findings suggest that coordination efforts were often lacking particularly in the transfer of problems from managers to employees. Participants cited how they do not align in understanding the realities at the operational level compared to the manager's identified needs, constraining their willingness to adhere. Communication arises as a crucial step in aligning understanding to arrive at successful solutions.

6.3 Limitations and future research

This study provides an in-depth exploration of micro-level decision-making in MNCs. Nevertheless, it is important to acknowledge its limitations, which may have impacted the results and can inform future research. The 30 participants, including both managerial and non-managerial employees, were engaged in the same project unit but represented diverse perspectives from functional-oriented and business-oriented units, enabling the identification of individual-level decision-making patterns influenced by contextual and individual factors as previously outlined. Given the limited IB studies on individual behaviours, we integrated decision-making concepts from other research streams. However, more studies are evidently needed in the MNC setting. Additionally, constraints on resources and time led to limitations

in participant scope. For instance, most participants were male and located in the Western markets, including Europe and America. Future research focusing on demographic or cultural factors could provide a more comprehensive list of influencing factors on individual-level decision-making.

While this thesis captured a broad outline of decision-making within an MNC, the matrix structure of the case company has led to the exclusive consideration for participants with multiple reporting lines. Future research could benefit from examining decision-making processes within single hierarchical structures or network structures without dominant vertical relationships, allowing for comparisons across different organisational structures and decision-makers therein. As a final recommendation, we also suggest conducting longitudinal studies to capture changes in decision-making over time. Our empirical findings, based on a specific point in time, may have been influenced by participants' recollection of the most recent priorities or problems. Since organisations face various daily challenges, our findings suggest the individual decisions are dynamic and subjected to periodic and situational changes, such as during downturns or operational disruptions.

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Appendix

Appendix 1 - Interview guide

1. Introduction

- a. Please describe your role and tasks as part of the line organisation and data office?
- b. How would you describe the balance in practice between the two roles?
 - i. Same or different line/domain managers?
- c. When did you join [company]? Briefly describe your previous work experience?

2. Approach

- a. Could you describe your tasks within these roles? Complementary/Conflicting?
- b. What problem statements, or task breakdowns, are normally presented to you about your tasks? (From / amount)
 - i. When you receive such a task, are you able to modify it along the way? Could you provide an example when it is needed? How (often)? Why?
 - ii. Is the process similar in both lines of organisation?
- c. What do you tend to focus on when developing a solution for a task?
- d. Could you walk us through the steps you usually take to resolve a task?
 - i. Could you provide an example of a problem or decision that was challenging, how did you resolve it?
 - ii. Does your steps of solving a challenge or making a decision change based on the task you encounter?
 - iii. Has your approach or focus changed over time? In what way?

3. Prioritisation

- a. Among those tasks that belong to each role, how do you decide which ones to start with?
 - i. What makes a task particularly important? / What are the reasons for choosing this task? If there are conflicting tasks, how do you resolve them?

- b. Were there tasks that could not be fulfilled because other parties/matters involved were deemed more important? Why?
- c. How was this decision made? By whom?
 - i. How would you organise the parties identified in terms of impacting the order of initiating tasks? Why?
 - ii. Has this order changed over time? In what way?
- d. What would you describe being the challenges to balance the demands and tasks within the two roles?