



**IDENTITY AND MULTINATIONAL CORPORATIONS  
- BUILDING UNITY WITHIN DIVERSITY**

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# ABSTRACT

## Identity and Multinational Corporations – Building unity within diversity

This study is motivated by an important and topical dilemma in contemporary business; namely, how multinational corporations, resulting from multiple mergers and acquisitions, manage to promote a unitary understanding of the organisation among its employees. To address this topic, the study draws largely from the organisational identity literature and the related concept of identification. The aim of the study is divided into the following sub-objectives: 1) *What are the drivers of organisational identification? Do the drivers of identification vary across cultures, and, if so, why?* 2) *What type of organisational features may induce shared understanding and thus, be considered as organisational identity referents in an MNC?* The study is based on a qualitative single-case approach. The empirical data comprise 266 interviews from ten countries across four continents.

Based on the findings it is suggested that organisational identification is driven by corporate values or opportunities related to career and professional development. A critical finding of the study is that the drivers of identification are regionally bounded. To exemplify, in the Latin American region the identification was enforced by organisational values emphasising e.g. 'fairness', 'equality' and 'treating people with respect'. In the other regions (i.e. North America, Australia and Europe), it was mainly a question of career or professional identification driven by opportunities offered by the company to its employees. Thus, these employees' self-perceptions were linked to the company's professionalism and top quality products. Consequently, it is proposed that at the case company there exist at least two pertinent and mutually constitutive organisational identity referents: corporate values and the company's competitive products.

A contribution to the field of IB lies in introducing organisational identity as an element that provides coherence and continuity in the MNC undergoing a strategic change. The main contributions to organisational identity and identification literatures lie in the multi-cultural focus and understanding of cultural and identity-related processes in multinational organisations. Moreover, the cross-level identity approach, interpretive study approach as well as explaining identification by the meanings that individuals assign to their organisation present novel approaches to the field.



# TIIVISTELMÄ

## Identiteetti kansainvälisessä yrityksessä – Yhtenäisyyden rakentuminen monikulttuurisessa ympäristössä

Tämän tutkimuksen lähtökohtana on vastata tärkeään ja ajankohtaiseen nyky-yrityksiä koskevaan haasteeseen: miten yritysostojen seurauksena kasvaneet kansainväliset suuryritykset pystyvät luomaan yhteisymmärryksen ilmapiiriin organisaation työntekijöiden välille. Tutkimus keskittyy organisaatioidentiteetin ja identifioitumisen käsitteisiin ja kirjallisuuteen. Sen tavoite voidaan jakaa seuraaviin osakysymyksiin: Mitkä tekijät johtavat identifioitumiseen? Miten kulttuuriset erot vaikuttavat työntekijöiden identifioitumiseen? Mitkä organisaation piirteet ja elementit voivat johtaa yhteisymmärrykseen, ja täten toimia osana organisaation identiteettiä? Tutkimus perustuu laadulliseen tapaustutkimukseen, jossa tarkastelun kohteena on kansainvälinen suuryritys. Tutkimusaineisto koostuu 266 haastattelusta, jotka on toteutettu kymmenessä eri maassa.

Tutkimustulokset osoittavat useita kulttuurisidonnaisia identifioitumiseen vaikuttavia tekijöitä. Keskeisin tulos on se, että Latinalaisessa Amerikassa yrityksen arvot ovat pääasiallinen identifioitumisen kohde identifioitumisen perustuessa normatiiviseen identiteettiin. Muilla alueilla (Pohjois-Amerikka, Australia ja Eurooppa) identifioituminen kohdistui pääsääntöisesti uraan ja ammattiin, joissa vaikuttavina tekijöinä nähtiin olevan erilaiset mahdollisuudet, joita yritys tarjosi työntekijöilleen. Tutkimuksessa kävi myös ilmi, että tapausyrityksessä on kaksi keskeistä organisaatioidentiteetin osaa: yritysarvot ja yrityksen ydinosaan perustuvat kilpailukykyiset tuotteet.

Tutkimuksen kontribuutio kansainvälisen liiketoiminnan tutkimusalalle liittyy organisaatioidentiteetin esittämiseen elementtinä, joka luo yhtenäisyyttä ja jatkuvuutta strategisten muutosten kohteena olevassa kansainvälisessä yrityksessä. Tutkimuksen kontribuutiot organisaatioidentiteetin ja identifioitumisen tutkimusaloille liittyvät tutkimuksen monikulttuuriseen lähestymistapaan sekä, kulttuurin ja identiteetin välisen yhteyden selvittämiseen. Muita tutkimuksen kontribuutioita ovat eri identiteettitasojen yhdistäminen, tutkimuksen tulkinnallinen lähestymistapa sekä identifioitumisen selittäminen työntekijöiden yritykseen liittämällä merkityksillä.



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“See the forest for the trees” is an expression that in my opinion describes well a doctoral journey. The beginning of the process is loaded with random questions and ideas that towards the end crystallize, make sense and become almost self-evident. Having reached this far requires a great amount of work, but it also gives the researcher an immense amount of satisfaction, feelings of accomplishment, and even relief. In addition to unwavering internal motivation a doctoral candidate is dependent on the support of various people along the process. Thus, in the following I wish to express my deepest gratitude to the key persons that have helped me in this journey, one way or the other.

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What I have also learnt is that there is still a lot to learn. Thus, this journey has not ended, not even close. It is just beginning.

Mogi das Cruzes, Brazil, 3<sup>rd</sup> of May 2015

Johanna



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PART I

INTRODUCTORY ESSAY



# 1 INTRODUCTION

## 1.1 Multinational corporations in a turbulent and multicultural business world

*“There are many truths in the end, but finding something that binds people together is the key” (author unknown)*

Today, ambiguous, dynamic, international and complex business environments inflict many challenges on organisations. At the very least, they forecast changes and the need for companies’ adaptive capabilities when trying to survive, prosper and address prevailing complexities. Inevitably, changes are inherent in ordinary corporate life. Technological advances, increasing globalisation, mergers and acquisitions (Marks & Mirvis, 2001; Cartwright & Holmes, 2006) are examples of these tendencies that can lead to organisational re-structuring, renewal of strategies or other major developments. Organisational rigidity is detrimental (Child & McGrath, 2001) and the survivors and winners are those who are able to adapt or make changes as quickly, efficiently and painlessly as possible.

The bearing that these conditions have on employees, the companies’ most valuable resource, is at least twofold. First, organisational changes engender feelings of insecurity, anxiety and fear for the future among employees (Kets De Vries & Balazs, 1999). Currently, due to, for example, repeated mergers, reorganisation and poor management, there are many organisations in which identity-based trust is weak (Lind & Van den Bos, 2002). Such feelings can result in the company losing some of its most valuable personnel (Raukko, 2009). Second, employees play a central role in the adaptation and implementation of changes. For example, it is widely acknowledged in the merger and acquisition literature that the success of mergers and organisational integration depends on personnel: their buy-in and the way they merge, bond and work together (Birkinshaw, Bresman & Håkanson, 2000; Marks & Mirvis, 2001; Lind & Van den Bos, 2002; Erez-Rein, Erez & Maital, 2004). Ultimately, it is personnel who need to adapt to the changes and amend their behaviour accordingly (Kets De Vries & Balazs, 1999). Considering that changes are commonplace in contemporary organisations, we need to investigate both how to facilitate the acceptance of changes (Lind & Van den Bos, 2002) and, more importantly, how to profoundly engage people with organisations.

The ability to build and maintain strong relationships with their employees lies at the core of successful companies (cf. Løwendahl & Revang, 1998). It is suggested that strong, trustworthy and solid relationships between an organisation and its employees are needed to overcome turbulence, dispel uncertainty and engage people cooperatively on behalf of the company in various circumstances. Employee-organisation relationships are a newly emerging research theme in international business (IB). In their recent study, Ravlin, Liao, Morrell, Au and Thomas (2012) emphasised that, when competing for the best talent and endeavouring to manage their global workforces as efficiently as possible, multinational corporation (MNC) managers need to understand how individuals construct their relationships with their respective employers.

In the field of IB, these relationships are often investigated via exchange relations and psychological contracts that focus on employer-employee contracts and obligations (e.g. Kiessling, Harvey & Moeller, 2012; Ravlin et al., 2012; see also Rousseau, 1989). However, these models are insufficient for understanding long-term relationships, loyalty and trust. Arguably, focus on employee-employer obligations is not a sufficient approach in the dynamic global environment where a committed workforce is the key to a company's success (Tsui & Wu, 2005). Instead, Cartwright and Holmes (2006) propose that strong relationships are grounded on meaningful work that creates stability and future prospects. Meaningful work connects to individuals' self-identity and self-worth that help them to determine "where do I belong?" and "how do I connect and relate to others?" (Cartwright & Holmes, 2006, 202).

Within MNCs, meaningful work can have various interpretations: MNCs are contextually rich organisations (Michailova, 2010) in which the level of internal complexity stems from the extensive knowledge base of their employees (Løwendahl & Revang, 1998) and also from their embedded cultural variety (Ravlin et al., 2012). The current literature suggests that cultural differences lead to asymmetric experiences and perceptions resulting in organisational incongruity and imperfectly shared understanding (Veiga, Lubatkin, Calori & Very, 2000; see also Leung, Bhagat, Buchan, Erez & Gibson, 2005; Zander & Zander, 2010). A different approach is taken in this study. Following Hatch and Zilber (2012, 94) who state that "borders are separating lines that can be turned into meeting spaces", the study investigates how multinational organisations can promote a unitary understanding of the organisation among its employees.

Thus, the study proposes that organisational unity, trust, loyalty and integrity need to be promoted in response to change and volatility. In line with this thinking, organisational identity is introduced as a source of coherence and continuity in the MNC undergoing a strategic change (cf. Ravasi & Phillips,



2011). The aim of this study is not to find closure, nor to produce narrow empirical snapshots, but to comprehensively understand identity and the drivers and conditions for identity-based relations in a multinational corporation. As suggested in the quotation at the beginning of the chapter, finding out what binds different people together is the key.

This thesis can be described as an interdisciplinary study as it is positioned within two distinct research fields: international business (IB) and organisation studies. By combining the disciplines' external and internal perspectives on organisations, the study can address the question of how to build unity within diversity in a multinational corporation (MNC). In recent years the two disciplines have discreetly approached each other. Whereas IB scholars are now increasingly interested in firms' internal lives such as employee integration, organisation theorists have acknowledged the complexity and diversity embedded in organisational life dependent upon external surroundings. The study will attempt to bring the two disciplines another step closer by drawing from these two perspectives.

## 1.2 Positioning the study

### *1.2.1 International business: multinational corporations and cultures*

International business (IB) as an independent research field was established around the development of international trade, the global economy and the emergence of MNCs (Buckley, 2002). The field developed around two central research questions: 1) Why do MNCs (or foreign direct investments) exist? 2) How do MNCs operate efficiently? (Brannen & Doz, 2010). The answer to the former question seems rather straightforward: firms extend their operations outside their domestic markets because their goal is to maximise profits (Forsgren, 2013). The factors attracting companies to extend their businesses abroad might be related, for example, to resource or labour availability and cost, lucrative markets and customers. Depending on the company and market-specific characteristics and goals, expansion strategies and methods can vary. Although both questions remain equally important and relevant in business today, this study focuses on the latter question of how an MNC can manage multiculturalism and operate successfully in various social and cultural environments.

To date, the great majority of studies in the field have focused on foreign direct investment (FDI) and MNC activity. Herein, Dunning's (1998) definition of an MNC as a vehicle for cross-border transactions portrays well the field's traditional outlook on multinationals. In addition to this research

agenda and as urged by Dunning (1998), a substantial number of studies have explored the influence of location on different business and management practices. To date, cross-cultural comparative studies are one of the key pillars in IB (Vernon, 1994; Buckley, 2002; Shenkar, 2004; Brannen & Doz, 2010; Cantwell & Brannen, 2011). The effect of national cultures has been extensively examined, for example, in relation to the choice of foreign market entry mode (e.g. Kogut & Singh, 1988), knowledge transfer in MNCs (Bresman, Birkinshaw & Nobel, 1999) and cross-border M&As (e.g. Björkman, Stahl & Vaara, 2007; Moore, 2011). To date, however, culture and cultural plurality in the IB literature has been primarily linked to differences, problems and challenges that have to be faced and addressed by MNCs. In other words, “the environment is brought into the analysis in the guise of the market failure, not in terms of variation in the environment” (Forsgren, 2013, 77). From this perspective, cultural variety is perceived to multiply the problems normally faced by a single-nation firm operating in a single-culture (cf. Caves, 1998).

To date, cross-cultural studies in IB have applied approaches and measures such as Hofstede’s (1982) framework of national cultural dimensions, a derivative construct of ‘cultural distance’ indicating the degree to which cultural norms in one country differ from those in another country (Kogut & Singh, 1988; Kostova, 1999) and a negatively associated ‘cultural clash’ or ‘cultural friction’ (Luo & Shenkar, 2011). Although these measures remain extensively employed in IB today, they have also faced criticism. Principally, these measures have been criticised for their lack of dynamism and intercultural perspective (e.g. Brannen & Salk, 2000; Veiga et al., 2000). For instance, a fundamental deficit of cultural distance is that it focuses on the differences and voids that separate cultures, instead of their connecting interfaces (Shenkar, 2004, 2012; Björkman et al., 2007; Yagi & Kleinberg, 2011). Culture is mainly perceived as a measurable independent object, something that exists “out there” (Brannen & Doz, 2010, 239) that overlooks and diminishes the role of culture in the everyday lives of MNCs. Recently, Brannen and Doz (2010) have highlighted the need to understand and explain how people with different cultural backgrounds can work together in an integrated fashion. Accordingly, Yagi and Kleinberg (2011) have suggested replacing ‘cultural distance’ with the notion of ‘cross-cultural interaction’ and emphasis on understanding how people from different cultures relate to each other.

In the IB literature, studies incorporating culture in the lives of MNCs have principally been developed and conceptualised around theories adopted from other disciplines. Inherent to these theories is the assumption that an MNC can only be understood and conceptualised through explicit analysis of its environment’s characteristics. The firm’s relationship with its environment and its impact on organisational life is, however, perceived very differently. The

theories (i.e. contingency theory, business network theory and institutionalisation theory) provide different perspectives and core assumptions on issues such as, the structure of the firm, its core abilities, the role of its headquarters, its control mechanisms and influence on society (for a review, see Forsgren, 2013).

Contingency theory is a traditional equilibrium model assuming that change is infrequent and mainly predictable (Lawrence & Lorch, 1969). According to the theory, adaptation to and fit with the environment is the key to a firm's success. The company is a victim of its surroundings with no social role nor power to affect them. Management's central task is to find equilibrium between strategy and environment, and design and structure the firm accordingly to maximise its efficiency. Thus, instead of being a gradually emerging organism via its processes, routines and adaptations, the company is regarded as a managerial instrument evolving via managerial decisions (Lawrence & Lorch, 1969; Egelhoff, 1999; Forsgren, 2013). For contemporary MNCs, contingency theory is presumably too static and impersonal. Moreover, it does not address the strategic complexity faced by MNCs or the role of informal relationships in everyday organisational life (Egelhoff, 1999).

Business network theory, however, opposes homogeneity and acknowledges the internal complexity and need for strategic variance within the firm. The theory is suggested to go beyond descriptive definitions and categorisations of countries by extending the analysis to networks that function within the borders of one or several countries. Thus, the main proposition of the theory is that geographically dispersed groups are strongly affected by their external business environment and networks. Internally, each (geographically dispersed) group has its own goals and business agendas with the different groups being linked to each other primarily via business relations (Johansson & Mattson, 1988; Ghoshal & Bartlett, 1990; Forsgren, 2013). Hence, the theory perceives the MNC as an inter-organisational system rather than a unitary organisation. The key task of the headquarters is to keep the groups motivated and focused on the overall corporate goals (Ghoshal & Bartlett, 1990). According to the theory, shared values are presumed to ensure equal treatment of the groups and enhance internal motivation (Forsgren, 2013).

In this research, the influence of external networks is also acknowledged. However, considering the purpose of this study, the business network approach has many limitations. First, the fact that the theory perceives an MNC as a group of separate entities, not a united whole, is a principal concern. In this study, the focus is on internal cohesiveness, which is considered the main determinant enhancing motivation and interest for the common good. Thus, the factors and characteristics that keep the company together also determine its boundaries. In the business network theory, the

corporate boundaries are not clear or, at least, they might not be meaningful or widely recognised within the organisation. Arguably, in the absence of clear company borders and markers of entity, relationships between the corporation and its employees remain distant and irrelevant. Second and related, the role of culture is not incorporated into the model. Strong emphasis on market-like relationships within the firm diminishes the role of the normative environment. For instance, in the case of MNCs, the linkage between headquarters and units is considered problematic and weak due to large physical and cultural distances (Ghoshal & Bartlett, 1990). Controversially, the organisational values are suggested to be a source of motivation and control (Forsgren, 2013). However, if there is no common culture how can there be shared values? It therefore follows that a major weakness of business network theory is that the national cultures and organisational culture remain disconnected.

Institutional theory takes a broader perspective on the environment. According to the theory, companies need to modify their structures and processes to reflect the host country's institutional environment (DiMaggio & Powell, 1983; Rosenzweig & Singh, 1991). DiMaggio and Powell (1983) suggest that the homogenisation of organisational characteristics is best explained by the concept of isomorphism. Companies' motivation for compatibility in a particular nation can be driven by coercive isomorphism (e.g. legal and regulatory commitments), mimetic isomorphism (i.e. copying of other companies' best practices as a response to prevailing uncertainty) or normative isomorphism due to the need for particular professionalism in the market. Thus, the theory posits that dependence of other actors and environmental forces leads to isomorphic changes, which means that different parties eventually become similar (DiMaggio & Powell, 1983). Moreover, as the dependence is linked to a specific nation (e.g. its legal and cultural characteristics), the institutional environment and company characteristics are implicitly tied to national boundaries (Rosenzweig & Singh, 1991).

In the case of MNCs operating simultaneously in various nations, environmental isomorphism evidently leads to internal disparity within the organisation. Consequently, local units can face internal and external pressures of consistency. While they need to adapt to the local institutional, legal and cultural environment, they also need to remain consistent within the corporation (Rosenzweig & Singh, 1991). Thus, a central question for corporations is: what level of homogeneity is required or sufficient at a national level? Following Rosenzweig and Singh (1991), institutional environments do not affect all organisational elements equally. For instance, legal imperatives and regulatory pressures regarding, for example, labour practices and pricing policy are obligatory and need to be incorporated into subunit policies, whereas other elements relating to competition, technology and know-how can be affected

by other factors. From a business actor's perspective, resistance to features impeding competitive advantage of the corporation is vital (Forsgren, 2013).

The above theories incorporating culture and environment in the analysis of MNCs have all adopted an exogenous perspective on the firm's environment. Moreover, the models suggest that the influence of corporations and their local surroundings is one-way and conditional, and the interrelation is based on the level of achieved legitimisation. In the case of large and powerful firms, however, it is proposed that their influence might also be the reverse. Hence, we can also ask how corporations affect the environments and societies in which they operate (Rosenzweig & Singh, 1991; Forsgren, 2013). Following Buckley and Casson (1976, 44), "foreign investment itself is a mechanism for the transfer of social attitudes and social structures, so that similarities between nations not only influence, but are influenced by, foreign investment" (cited in, Rosenzweig & Singh, 1991, 353). In IB, the phenomenon has been approached via FDI spillovers; that is, the indirect influence of MNCs on local companies due to the diffusion of intangible assets in the host country (e.g. Buckley, Clegg & Wang, 2002; Meyer, 2004; Ghauri & Yamin, 2009; Pelto, 2013). Herein, the spillovers refer to assets such as technology, knowledge and skills (Meyer, 2004). In addition to these assets, it is proposed in this study that cultural artefacts and norms, such as values, can also be diffused, even to a larger societal context.

Nowadays, in global business, MNCs' critical success factors are their ability to collaborate, communicate and share knowledge, processes and technology within and across corporate units. Consequently, and as discussed above, business practitioners need to be able to build bridges and integrate cultures within complex organisations (Brannen & Doz, 2010; see also Kostova, 1999). To date in IB, few studies exist that focus on an MNC's internal coherence. Addressing this deficit, the MNC in this study is conceptualised as a social, culturally coherent entity with boundaries that are not demarcated by geographical borders but by meanings and identity, composed of shared goals, behaviours and values (cf. Kogut & Zander, 1996). Hence, the MNC is perceived as an institution with characteristics and capabilities distinctive to the company. Shared identity binds the employees and units together and creates feelings of coherence, loyalty and mutual belonging (Kostova, 1999.) The firm's relationship with its environment is reciprocal with internal consistency being emphasised over external consistency. External cultural pressures are addressed and dealt within the firm's normative boundaries and its borders are visible and well recognised by internal and external parties.

Returning to the focal question of how an MNC can manage its internal complexity (or richness) and operate successfully in various cultural contexts, this study suggests focusing on cultural integration within an organisation and

feelings of belongingness. For this purpose, exploring the borderlines of societies (i.e. national culture) and organisations (i.e. organisational culture) (Buckley, 2002; Shenkar, 2004; Tsui, Nifadkar & Ou, 2007; Brannen & Peterson, 2009) and focusing on individuals as mediators between cultures (Brannen & Doz, 2010) is suggested. Recently in IB, there have been calls for studies to bridge the micro-macro perspectives of culture (Shenkar, 2004; Cantwell & Brannen, 2011). Buckley (2013) has urged scholars to focus on heterogeneity at the different levels of analysis. Leung et al. (2005) emphasise the importance of understanding complex self-identity processes and their relation to behaviour and performance in an international setting. Similarly, Ravlin et al. (2012) urge scholars to focus on individual-level cultural values in the IB arena. To date, however, focus on employees positioned within national and organisational cultural interfaces is scarce (for a rare example, see Caprar, 2011). With a micro-macro perspective, this study aims to contribute to enriching and furthering our understanding on these matters.

Paradoxically in this global era, the vitality and future direction of IB has been debated (Buckley, 2002; Shenkar, 2004; Brannen & Doz, 2010). As companies are increasingly addressing international issues, international aspects in business are no longer unique to IB, and re-establishing or strengthening the position of IB in the IB agenda is required (Shenkar, 2004). This study proposes that focusing on cultural integration instead of separation might be a potential research agenda in the field. Overall, the study aims to build a more comprehensive picture of the MNC. Rather than perceiving the MNC as a 'vehicle' for cross-border transactions, it is seen as an 'umbrella' (Zander & Zander, 2010) under which different cultural perspectives and insights can be combined in a meaningful and productive way.

### *1.2.2 Organisation studies: organisational identity and identification*

Organisation studies are a large and heterogeneous research field encompassing distinct (and even discordant) beliefs, perspectives, methods and theories (March, 2007). Within the field, identity studies have been developed around the construct of organisational identity, which nowadays represents a popular, diverse and fruitful area of investigation (Hatch & Schultz, 1997; Ravasi & van Rekom, 2003; Alvesson, Ashcraft & Thomas, 2008; Gioia, Patvardhan, Hamilton & Corley, 2013). The popularity of identity studies has been increasing and is suggested also to increase in the future as identity has been recognised as an essential issue for organisations and a central concept for understanding modern organisational life (Gioia, Schultz & Corley, 2000; Alvesson et al., 2008; Gioia et al., 2013; Ravasi & Canato, 2013).

Identity research has gained momentum among contemporary organisational researchers due to its affiliation with meaning, emotion, motivation, loyalty, stability and change in organisational life (Albert, Ashforth & Dutton, 2000; Sveningsson & Alvesson, 2003). Hence, identity is suggested to be a positive organisational force offering an alternative perspective and solution to various organisational challenges and phenomena (Dutton, Roberts & Bednar, 2010). The strength of the concept comes from its ability to bridge micro and macro levels of analysis, and help to make sense and explain action at individual, organisational and societal levels (Albert et al., 2000; Corley, Harquail, Pratt, Glynn, Fiol & Hatch, 2006; Alvesson et al., 2008; Gioia et al., 2013).

At the macro level, the concept of *organisational identity* is a relatively recent topic in the field. The construct was first introduced by organisation theorists Stuart Albert and David Whetten in 1985. According to the founding scholars, organisational identity concerns first and foremost an entity's attempt to define itself. In their seminal work, the scholars drew from the individual identity literature and were first to elevate the notion of identity to the organisational level. Albert and Whetten (1985) suggested that the concept of organisational identity was especially relevant in situations where companies faced important fundamental questions concerning, for example, their culture, market position and strategy. In their words: "questions of identity will be raised when easier, more specific, quantifiable solutions have failed" (Albert & Whetten, 1985, 265). In such situations, organisations need to dig deep into the organisational essence and find responses to identity-related questions such as "Who are we?"; "What kind of business we are in?" and "What do we want to be?" (Albert & Whetten, 1985, 265). By finding answers to these questions, managers will know what to do and how to act.

For an organisation, a collective, shared identity among its members is important as it situates the organisation and unites its employees (Albert et al., 2000). Via *identification* (i.e. attaching organisational identity as a part of individual identity), employees become loyal, have positive attitudes towards the company, perform in concert with the group's objectives and engage in actions that promote positive outcomes for the organisation (Ashforth & Mael, 1989; Stets & Burke, 2000; Dutton et al., 2010; Miles, 2012). Thus, to find answers to the question of "Who are we?" at an organisational level, the question of "Who am I?" at an individual level needs to be considered and understood. At the micro level, the relevance of identity to individuals derives from its fundamental importance to humanity. According to Albert (1998, 10): "how one acts may depend more on who one is, who others think he is, and who one aspires to be than on any objective assessment of the opportunities and costs associated with a given direction". In other words, the concept is

linked to individuals' self-definitions and sense of self, influencing their understanding and actions (Gioia, 1998; Kostova, 1999).

Although identity and the related concept of identification are well established in organisation studies, some clear gaps exist in the literature. First and foremost, cross-level identity research linking the individual and group level analyses is scarce (Ashforth, Rogers & Corley, 2011). So far, studies have mainly focused on single level analyses failing to incorporate and intertwine the individual and group level perceptions. Second, regarding the concept of organisational identity, the majority of studies have focused on matters relating to change of organisational identity, largely ignoring the basic question of how organisational identity is formed. Thus, there is a call for studies to explore identity content and connect the *how*, *what* and *why* in organisational identity formation (Gioia et al., 2013). In addition to these basic questions, the impact of individuals' and groups' heterogeneity has not been properly addressed nor incorporated into existing studies. For example, the international perspective (i.e. understanding cultural variety and dynamism) remains largely unexplored. In their recent review, Gioia et al. (2013) revealed that most studies on organisational identity are conducted on companies located within single or uniform geographic markets and stable, developed environments (i.e. the US or Europe). This limited perspective ignores the reality of MNCs needing to cope with and manage geographic, cultural and institutional diversity. Furthermore, the general perception of cultural plurality in the organisational context in the field is rather pessimistic. It is argued that the external culture(s) can downplay organisational identity, leading to its weakness (e.g. Lind & Van den Bos, 2002). Similarly, concerning studies on identification, the focus has been on internal organisational processes neglecting the external forces. To date, the impact of culture on identification has not been explicitly considered in the extant literature. Although identity and identification have been empirically investigated in the past, they have seldom been studied within the context of a large organisation operating in multiple countries. Thus, in terms of research approaches, multiplicity and pluralism need to be incorporated into organisational identity and identification studies (Albert et al., 2000; Corley et al., 2006; Alvesson et al., 2008). Above all, there is great need for more empirical research (Alvesson & Willmott, 2002; Ravasi & Schultz, 2006; Gioia et al., 2013; Ravasi & Canato, 2013), case studies in particular (Brunninge, 2005) and operationalisation of the construct (Corley et al., 2006). In a response to these and the abovementioned deficits this study is built on an empirical case study of an MNC. The consequent study purpose, questions and applied research approach are presented in detail in the following sections.



### 1.3 The purpose of the study

This study is motivated by an important and topical dilemma in contemporary business; namely, how multinational corporations, resulting from multiple mergers and acquisitions, manage to promote a unitary understanding of the organisation among its employees. Although change is not at focus in this study, it is suggested to provide an ideal organisational setting to investigate identity related issues and reflections. The ongoing change is suggested to raise the awareness of the salient organisational features and evoke questions of ‘who are we’ at a collective level, and ‘who I am’ at an individual level.

To address this topic, the study draws largely from the organisational identity literature in which identity is defined as a collective sense of “who we are” (Albert and Whetten, 1985) and the related concept of identification explaining the self-referential meaning of an organisation to its employees (Dutton, Dukerich & Harquail, 1994; Pratt, 1998). Identity in an organisational context is seen as a multifaceted construct linked to micro-level self-perceptions, organisational-level shared understandings and corporate claims. To incorporate these different levels of analysis and untangle their intersections, the study’s purpose is divided into the following sub-questions:

1. What are the drivers of organisational identification? Do the drivers of identification vary across cultures, and, if so, why?
2. What type of organisational features may induce shared understanding and thus, be considered as organisational identity referents in an MNC?

The *first sub-question* takes an employee perspective and focuses on identification; that is, the process through which employees come to define themselves as members of a particular organisation by attaching their individual identities to the organisational identity (Ashforth & Mael, 1989; Haslam, Postmes & Ellemers, 2003; Ravasi & van Rekom, 2003). However, rather than focusing on the process of identification, this study explores the different drivers of identification. Instead of finding answers to how identification occurs and evolves, the study focuses on understanding why it occurs; that is, what are the features or characteristics of an MNC that initiate, guide and motivate the process? For this purpose, the study takes a bottom-up perspective and explores individual understanding and the variety of subjective meanings that members attach to the company. Instead of relying solely on the perceptions of managers and corporate leaders (Albert & Whetten, 1985), the study aims to take a wider perspective and incorporates a variety of organisational members in the study (cf. Elsbach & Kramer, 1996). Thus, in operationalising the construct, this study relies on employees’ perceptions and the corporation’s subjective meanings concerning their self-identities. The role of

employees' cultural background in the formation of these meanings is also evaluated. The first sub-question is addressed in research paper #1.

The *second sub-question* discusses the contents of collective organisational identity. Building on the findings in research paper #1, the purpose is to explore and identify the organisational elements or features that function as the bases of members' shared understanding comprising the group's collective identity. With the focus on both corporate level claims and individual-level understandings, a fundamental question is raised: "What can the organisational features be that define a group and connect its employees in an MNC?" The aim is not only to provide listings of such features, but to understand what makes them important to the organisation and its members. The nature of these characteristics and features is discussed in light of current models and theories from organisational studies and social psychology. The second sub-question is addressed in research papers #2 and #3.

Essentially, the study is as much about identity as on identification with focus on 'what' organisational identity is built of and, consequently, 'why' these organisational identity referents are meaningful to its members. The study aims to contribute to the cross-level identity research by linking individual and organisational level analyses (Ashforth, Rogers & Corley, 2011; cf. Ybema, Keenoy, Beverungen, Ellis & Sabelis, 2009), and to cultural understanding in identity and identification studies (Sveningsson & Alvesson, 2003; Corley et al., 2006; Gioia et al., 2013) by conducting the study in an MNC. Contextually, the MNC is believed to provide a distinctive research setting for the study as it embeds individual plurality reflecting a variety of national cultures, norms, values, beliefs etc. (Roth & Kostova, 2003) that may affect individuals' subjective perceptions and understanding. Such a rich setting has the potential to yield new theoretical explanations regarding individual, organisational and contextual interactions and consequently to enrich and extend the existing theoretical models of organisational identification and identity (cf. Michailova, 2011; Roth & Kostova, 2003). By bridging the individual and corporate perspectives, and allowing for richness and variety of perceptions and meanings via empirical data, *a real shared organisational identity* is expected to be discovered.

Finally, the thesis aims to elevate and highlight the relevance of identity in studies on MNCs. With this approach, the study challenges the abstract conceptualisations of identity in the context of multinational corporations. Accordingly, an MNC is defined as an entity bounded via shared meanings and understandings. With focus on cross-cultural interaction (Yagi & Kleinberg, 2011), the study aims to build an integrated picture of the MNC, focusing on the interfaces that connect the organisation, its employees and broader society.

#### 1.4 Research process and structure of the thesis

Qualitative research often produces unforeseen findings and researchers discover unexpected theoretical linkages (Miles, 1979). In this sense, this study is no exception: the research process can be described as cyclical and flexible. The study began with a focus on corporate branding and the empirical study was planned and the data collected accordingly. However, during the early phases of the data analysis, the concept of identity emerged strongly from the empirical data and this led the author to redirect the focus from brands to identity. The preliminary findings were not only interesting; they also received support from the literature. Shifting the focus was possible because the data were collected in a flexible manner at diverse levels in the case organisation and the interviews were based on the perceptions of individuals and their subjective understanding on the organisation. This inductive approach and flexibility of research focus provided a more fruitful area of investigation regarding the empirical material at hand.

With the focus on identity, three individual research papers were drafted. The emergence of the sub-topics was a cyclical process involving simultaneous data analysis and the literature review. The research papers evolved gradually with each having a different perspective and definite contribution to the overall study. The first research paper discusses identification drivers. The topic surfaced from the discovery of the various meanings that the corporation holds for its employees. The subsequent two papers build on these findings. The theoretical framework of the thesis was developed to link together the findings of the individual research papers and to explain their interconnectedness and mutual contribution to the studied phenomenon (see Figure 1).

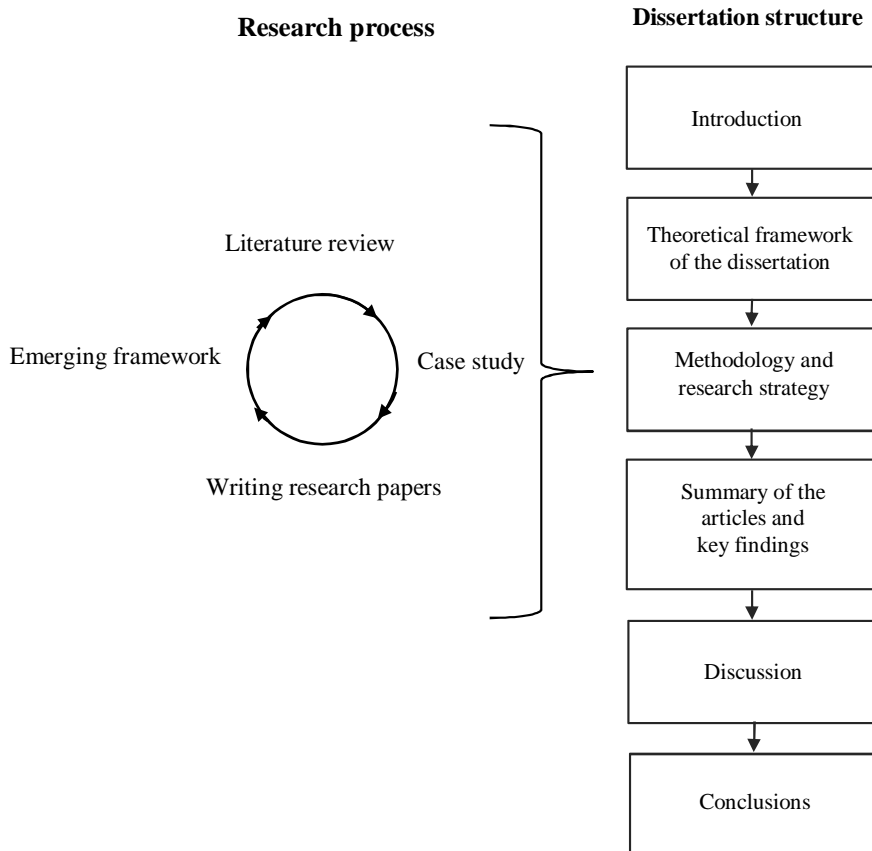


Figure 1 The research process and structure of the thesis

The structure of the thesis is divided into two sections comprising an introductory part and the research papers. The first section, Part I, of the thesis comprises seven chapters. The introductory part of the thesis presents study motivation, position of the study and the overall study purpose (chapter 1). The theoretical framework of the thesis is presented in chapter two. In chapter three the methodological choices are discussed and the chosen research strategy is presented. The three research papers and their key findings are briefly introduced in chapter four. Chapter five discusses the study findings in relation to the extant literature; a synthesis of the findings is presented and their interconnectedness discussed. Chapter six concludes the study with theoretical and practical contributions, study limitations and suggestions for future research avenues. Finally, chapter seven gives a summary of the study.

## 2 THEORETICAL FRAMEWORK

### 2.1 The roadmap for organisational identity studies

Since the inception of the *organisational identity* concept by Albert and Whetten in 1985, identity research in organisations has expanded and diversified. Although multiplicity and plurality are generally welcomed in the field, the resulting complexity and ambiguity have raised clear concerns. Part of the problem is that “identity can be linked to nearly everything” (Alvesson et al., 2008, 5). The power of the concept comes from its applicability and importance to a wide range of organisational issues. Indeed, the varied application of the concept ought not to be a problem, quite the contrary. However, to contribute to the field by criticising, building on or supporting the prevailing insights, the study needs to be solidly grounded or linked to the existing research, applied definitions and concepts. In an attempt to bring discipline to the field and to enhance the possibilities for theoretical advancement, Corley et al. (2006) have provided a roadmap for organisational identity research. According to the scholars, there are three focal questions that researchers need to address when conducting organisational identity studies: 1) “What is and what is not organizational identity?” 2) “Is organizational identity just a metaphor or is it truly a phenomenon?” 3) “How to define and conceptualize organizational identity?” (Corley et al., 2006, 86). To clarify the outlook and position of this study, these questions will be addressed next.

#### 2.1.1 *Defining organisational identity*

According to Albert (1998, 4, original italics): “*to define a term is to give it an identity, to indicate with which scientific and intellectual traditions it is to be identified*”. To position this study firmly in the organisational identity studies, Albert and Whetten’s (1985) seminal definition and conceptualisation are employed as the starting point. Their early work has served as the point of departure for cumulative understanding in organisational identity studies. Currently, their work remains widely referenced and employed as a theoretical framework in studies on organisational identity.

According to Albert and Whetten’s (1985) definition, organisational identity is self-referential and addresses members’ collective understanding on

who they are. It is built on individual-level cognition, whereby the organisation and its members are perceived to share parallel characteristics (Dutton et al., 1994). Similarly, organisational identity is also referred to as a set of shared meanings that function as a framework for employees' understanding (Gioia & Thomas, 1996; Hatch & Schultz, 1997; Brunninge, 2005; see also Smirnich, 1983). To avoid confusion in the field, Corley et al. (2006; see also Haslam et al., 2003) emphasise that we need to make a clear conceptual distinction between a company's collective characteristics and the process along which organisational members come to define and connect themselves with the organisation. The former refers to organisational identity and the latter is termed identification (see Chapter 2.2.1. for a discussion on identification and individual level understanding).

In the literature, identity is sometimes confused with the related constructs of culture and image. While distinct from identity, both culture and image are strongly related to and relevant in defining *who we are* and *who I am* (Albert, 1998; see also Hatch & Schultz, 1997). Organisational culture, perceived as underlying assumptions and visible manifestations such as shared values, beliefs and behaviours (Schein, 1985), is regarded as a *source* of identity (Stahl, Maznevski, Voigt & Jonsen, 2010) or a *context* in which individual and organisational identities are formed (Hatch & Schultz, 1997; see also Ravasi & Schultz, 2006). Accordingly, Fiol (1991) proposes that identity represents particular aspects of organisational culture such as values (see Corley et al., 2006; Dutton et al., 2010). The connection of identity and culture is evident, but their interrelation is determined somewhat differently in this study.

First, acknowledging that organisational culture and organisational identity are managerially driven and guided by corporate strategy (cf. Chatman & Cha, 2003) it is proposed that strategy, rather than culture, serves as the fundamental source of organisational identity. Initially, organisations are always creations of their founders and managers, who determine and manage its features and, thus, create its boundaries within which culture and identity understandings are allowed to form and develop (cf. Gioia, Price, Hamilton & Thomas, 2010). Second, perceiving culture as an end result of socialization, where the organisational norms, behavioral patterns and thought become internalized, coherent, automated and partly unconscious over time (e.g. Chatman & Cha, 2003) does not explicitly explain the motivation to identify with a particular group. Such a question is better explained by focusing on the concept of identity reflecting the self-referential perceptions. Finally and related, although organisational culture draws close to organisational identity by its definition as a set of cognitions shared by members of a particular social unit (Smircich, 1983) the constituents of these two notions are somewhat different. While culture is founded on values, and the normative beliefs and

behavioural outcomes of those values (Chatman & Caldwell, 1991), the basis of identity is anticipated to be wider. In particular, identity is suggested being tied to features or characteristics that are more concrete, visible and easily recognizable elements of the company (cf. Albert & Whetten, 1985; see Chapter 2.1.3. for a discussion on organisational identity criteria).

The concept of image has been accorded various definitions and meanings in the literature. In conjunction with organisational identity, Hatch and Schultz (1997; see also Alvesson, 1990; Hatch & Cunliffe, 2006) suggest that images reflect the various impressions that an organisation makes on its many audiences. In other words: “who we are, is reflected in what we are doing and how others interpret who we are and what we are doing” (Hatch & Schultz, 1997, 361). Similarly, Tripsas (2009) employed the term “external identity” when referring to what organisational behaviour scholars term image. The degree to which image influences the internal perceptions of organisational identity depends on the extent of internal-external dissemination and transparency (Hatch & Schultz, 1997). Herein, the alignment of individual perceptions and external images also plays a role. Dutton and Dukerich (1991) have taken a more internal perspective on image and its linkage to organisational identity by arguing that organisation’s image evolves from its members’ beliefs concerning what others think about the company. The difference between the two definitions lies in who makes the interpretation. Although the dissemination of external influence to internal perspectives is not explicitly explained in either of the studies, their focus is clear. Whereas Hatch & Schultz (1997) emphasise external interpretation, Dutton and Dukerich (1991) accentuate the internal interpretation of external beliefs. Considering the purpose of this study, the latter definition seems more suitable. With emphasis on the members’ interpretations, a relevant question would be: to what degree is self-identity in an organisational context influenced by internally and externally derived organisational perceptions?

The discussion above demonstrates the pitfalls caused by conceptual confusion in the field of organisational identity studies. It also presents potential pathways for studying organisational identity. For the purpose of this study, the theoretical framework is grounded on internal interpretation (i.e. identification) for the discovery of the content of organisational identity. Supposedly, if also *shared* and *managerially driven*, these elements are then the constituents of legitimate, collective organisational identity. Next, following the roadmap provided by Corley et al. (2006), consequent philosophical assumptions and choices are discussed.

### 2.1.2 *Ontological and epistemological assumptions in organisational identity studies*

Ontological and epistemological assumptions are critical for studies in social sciences. In essence, philosophical assumptions concern the nature of reality and the means how we are able to know it (Burrell & Morgan, 1979). Within the field of organisational identity, the studies are strongly divided on two different grounds. Thus, Corley et al. (2006) have urged organisational identity scholars to profoundly consider and justify their ontological and epistemological positions. A clear philosophical standpoint orients and sets the ground for the theoretical framework and methodological choices in the study. For organisational identity researchers, the critical questions to be addressed are:

- Ontological question: Is organisational identity a metaphor or a phenomenon (i.e. what is the nature of identity)?
- Epistemological question: Are organisations social collectives or social actors (i.e. how we are able to know it?)

In terms of ontological assumptions, scholars need to take a stand on whether they consider organisational identity to be a *metaphor* or a *phenomenon* (Corley et al., 2006). Proponents of the metaphorical perspective regard organisational identity as a matter of description linking together the ideational subjects of analysis: the individual and the organisation. The benefit of describing organisational identity in metaphoric terms derives from the variety of descriptions that can be provided on identity. Therefore, metaphors are suggested to have a heuristic value as they can lead researchers to discover new, apt and unexpected insights on the organisational domain (Cornelissen, 2002; see also Albert, 1998). A major limitation of the approach is, however, that metaphors are inadequate for explaining or predicting peoples' experiences or finding answers to questions such as: 'why', 'how' or 'when' things happen (Tsoukas, 1991; Whetten, 2006).

The mainstream of organisational identity studies is positioned in the phenomenological domain, which focuses on the above-mentioned questions. Herein, organisational identity is perceived as a real, lived and active organisational phenomenon. Following the majority of researchers, this study also defines organisational identity as a phenomenon with potential to uncover real and lived experiences, and explain behaviours and their outcomes (cf. Haslam et al., 2003; Corley et al., 2006). In particular, the phenomenological approach is expected to capture the varied meanings and connections between self and organisational identities. The selection leads to the next question: "if identity is 'real' and not metaphorical, then how is it real?" (Corley et al., 2006, 90). In an attempt to answer this focal question, the field is divided into two



epistemological camps: the currently prevailing ‘*social construction*’ perspective (e.g. Albert, 1998) and the formerly prevalent ‘*social actor*’ perspective (e.g. Whetten & Mackey, 2002). In essence, the difference between these two assumptions lies in the question of whether organisations are considered distinct social actors, making assertions concerning who they are, or whether they are regarded merely as contexts for individual and collective identity-building based on members’ shared meanings and interpretations.

The fundamental tenet of the social actor perspective is that organisations are more than mere social collectives; they are distinct social actors. Accordingly, the concept is defined as a set of formal features or claims that indicate the company’s own unique space and position in a larger institutional context and in relation to other companies and entities. Herein, great weight is assigned to the role of categories; that is, whether the company is, for example, a bank or a hospital (Brubaker & Cooper, 2000; Whetten & Mackey, 2002; Whetten, 2006). At the member level, organisational core attributes function as a source of collective understanding. Organisational members are referred to as agents whose behaviour and decision-making is guided by the formal identity referents. Thus, the member-agents act on behalf of the company as if it was the company acting on its own (Whetten, 2006).

What these identity referents can be and how they are formed, however, have not been explicitly explained. Whetten and Mackey (2002) determine the referents as specific categorical characteristics common to organisations of a particular type. Accordingly, they are perceived to derive from the founders’ and leaders’ decisions concerning organisational forms, structures and business agendas. More recently, Whetten (2006) has referred to them as characteristic ‘categorical imperatives’, leaving the discussion to date at a fairly abstract and general level. Consequently, a major weakness of the approach is its lack of empirical evidence; if an objective organisational identity exists then how can we know that it exists? (Brunninge, 2005).

In contrast to the social actor perspective, social constructionists believe that “organizational identity does not appear out of thin air” (Corley et al., 2006, 96). In fact, *it is built of members’ shared understanding and interpretation of what is central, enduring and distinctive about their organisation*. Scholars following this line of thinking perceive that organisational identity derives from and is maintained by social interactions (e.g. in symbols and language) among its members (Dutton & Dukerich, 1991; Fiol, 1991; Gioia et al., 2000; Corley et al., 2006; Ravasi & Schultz, 2006; Alvesson et al., 2008). However, the collective ‘identity understanding’ (Ravasi & Schultz, 2006) is strongly tied to peoples’ diverse and personalised meanings (Alvesson et al., 2008). A clear distinction to the social actor perspective is also recognising the dynamic aspects of the social world and characterising identity as an evolving,

fluid and context-sensitive construct (Gioia et al., 2000; Fiol, 2002; Corley et al., 2006; Alvesson et al., 2008).

Critics of social constructivism in organisational identity research argue against the ideas of identity being fluid and an analogue of individual identity (Whetten, 2006). Principally, according to the critics, the notions of “identity *in* organizations” and “identity *of* organizations” should be kept separate (Whetten & Mackey, 2002, 395). Brubaker and Cooper (2000) perceive that the prevailing constructivist stance on identity enables the emergence of ‘putative’ identities that blur the concept. Moreover, Whetten (2006) has pointed out that the regeneration of the organisational identity concept offered by social constructivists is incomplete with regard to Albert and Whetten’s (1985) original definition. The original work contains three principle components: ideational, definitional and phenomenological. The ideational component refers to the employees’ shared understanding on ‘who we are’, the definitional component links to the conceptual domain and defines the organisational features (i.e. what) and, lastly, the phenomenological component focuses on identity-related discourse and questions such as how, when and why. Constructivist research, however, focuses mainly on the ideational component and treats it as if it were the whole, causing conceptual confusion and only partial, incomplete and even false understanding in the field (Whetten & Mackey, 2002; Whetten, 2006).

A third more recent perspective, complementing the social construction and social actor approach, termed ‘institutionalist’, locates identity in broader frames of meaning arising from industry, culture and other societal institutions (Gioia et al., 2013). As such, the institutional approach has elevated the study of identity from the organisational level to a more macro, collective level (Gioia et al., 2013). Traditionally, institutional studies have emphasised similarity and isomorphism (Glynn & Abzug, 2002), but nowadays they also acknowledge the dynamism and distinctiveness enabled by institutional processes (Hsu & Hannan, 2005). This distinction is clearly important. After all, there is a big difference between organisational identity formation being *influenced* by external forces rather than being *determined* by them (Gioia et al., 2013, 181).

Today, most research conducted on organisational identity within the field of organisational studies follows social constructionism. Recently, however, some scholars have suggested bringing together the different streams of research for the benefit of the construct (Corley et al., 2006; Ravasi and Schultz; 2006; Alvesson et al., 2008; Gioia et al., 2010). Brunninge (2005), for example, has emphasised that we should avoid taking an overly objectivist or overly subjectivist stance to identity as both of these extremes problematise identity. Recent studies in the mainstream tradition have also recognised the

isomorphic influences of institutions on organisational identity (Gioia et al., 2010). In an attempt to build bridges, Ravasi and Schultz (2006; see also Corley et al., 2006; Gioia et al., 2010; Gioia et al., 2013) suggest that acknowledging organisational identity stemming from dynamic interplay between institutional claims and collective understanding would enable researchers to build a more comprehensive and accurate picture of the construct and its underlying dynamics.

The utility and benefit of a wider perspective is acknowledged also in this research. Therefore, the study follows the idea that organisational identity is the property of both the organisation and the individuals acting on behalf of the organisation. Organisations are perceived to be creations of their founders and managers who determine its strategies and goals, and also its position in a larger institutional and industrial context. Consequently, organisational reality is in part external to the individual members: it exists 'out there' in structures, processes and organisational properties (e.g. Albert & Whetten, 1985). Identity is thus context dependent. However, to be legitimate and real it also needs to be meaningful and acted upon at an individual level. Thus, leaning towards social constructionism, the study perceives that deeply personal, individual-level meanings and shared understandings bring alive and validate organisational identity within organisational frames.

Finally, identity is also influenced, possibly even partly determined, by external social contexts. At a macro level, organisational identity is comparative and relational in the industry in which it operates and the society in which it is embedded (Gioia, 1998). When evaluating distinctiveness, for instance, similar measures are applied for comparing a corporation to other groups within the same industry or market. In addition, due to differing cultural and societal backgrounds, external factors influence and direct individual understanding and interpretation. This would also be the case with the company founders, owners and managers. In sum, it is suggested that only by building a bridge and examining the institutional factors, corporate claims and socially constructed understandings together can the organisational identity content be discovered and legitimised.

### *2.1.3 Conceptualising organisational identity*

Albert and Whetten (1985, 265) have proposed a criteria for discovering characteristics that help reveal an organisations' identity. According to their definition, the necessary (and together sufficient) criteria are:

- The criterion of claimed central character (i.e. features that are regarded as the essence of the organisation).

- The criterion of claimed distinctiveness (i.e. features that distinguish the organisation from others).
- The criterion of claimed temporal continuity (i.e. features that exhibit some degree of sameness or continuity over time).

In the literature, the criteria of centrality, enduringness and distinctiveness have been extensively employed as a framework for studying organisational identity (e.g. Fiol, 1991; Dutton et al., 1994; Gioia, 1998; Brunninge, 2005; Corley et al., 2006). According to the conceptualisation, organisational identity features are those that demonstrate enduring internal similarity and collectiveness and distinguish the company from other similar entities. According to Albert and Whetten (1985), these definitions are based on members' perceptions of what is central, distinctive and enduring in their organisation.

Due to epistemologically differing assumptions concerning organisational identity, the criteria have been applied and interpreted in different ways in the literature. Especially, concerning the characteristics of centrality and continuity, advocates of the different approaches vary greatly in their perspectives. The debated questions mainly address identity multiplicity, change, dynamism and stability over time. These questions are important and topical in the organisational identity literature. For this study, they serve as valuable theoretical referents in an attempt to define the organisational identity content. The organisational identity criterion is incorporated and extensively discussed in the joint research papers (see #2 and #3). With regard to the collective nature of organisational identity, the following chapter introduces the existing discussion and studies on identity coherence and multiplicity in an organisational context.

#### *2.1.4 Mono, dual or multiple organisational identities?*

The criterion of central character refers to the core of the company; it defines what is important and essential about the organisation. The criterion of centrality is also the focus in defining the number and variety of identities possessed by organisations. At the inception of organisational identity studies, it was suggested that the increasing complexity of organisations and their environments mean that organisations need multiple identities to cope with inherent complexities. In other words, simple statements of identity will not suffice as organisations need to consider their multiple audiences, purposes and contexts (Albert & Whetten, 1985). The idea of multiple identities is generally accepted among social constructionists (e.g. Golden-Biddle & Rao, 1997; Gioia, 1998; Glynn, 2000; Pratt & Foreman, 2000; Brunninge, 2005). However, for advocates of the social actor approach who perceive

organisations as homogenous groups with one core, one soul and one identity, the idea of multiple organisational identities is impossible. For them, multiple identities are merely facets of a single identity (Corley et al., 2006).

Albert and Whetten's (1985) seminal work discusses and proposes the existence of dual and multiple identities in organisations. Their study draws from organisational self-conceptualisation and categorical characteristics, by which organisational identities are defined either as utilitarian or normative. Based on their findings, the researchers suggested that identity duality can be either holographic or ideographic. Holographic identity refers to an organisation in which each organisational unit exhibits both utilitarian and normative identities. In an ideographic form, however, the organisational units possess distinct identities. In such a case, a unit might be specialised in a particular task or profession that is only marginally involved in the company's core functions and ideology. Albert and Whetten (1985) propose that organisations most probably have hybrid identities comprising two or more identities. Assumedly, these multiple identities are often in conflict with each other. In sum, relationships between the alternative identity statements are suggested to be *compatible, complementary, unrelated or contradictory* (Albert & Whetten, 1985).

As an example of contradictory identity statements, Glynn (2000) has proposed that identity conflicts tend to be particularly salient in cultural organisations. In her empirical study, latent identity differences emerged during retrenchment in an orchestra, in which the artists, enacting normative identity, and administrative personnel, enacting utilitarian identity, tried to make sovereign organisational claims over each other. Both professional groups battled over their organisational superiority with neither wanting to label their particular function as peripheral. Based on these findings, Glynn (2000) concluded that, in an ideographic cultural organisation, artistic and utilitarian conflicts are bound to occur. Moreover, the study's results led to the general conclusion that organisational identity stems from powerful professional groups that connect their professional identity to organisational identity (Glynn, 2000). According to Fiol (1991), however, the emergence of subunit identities within an organisation might not always be tied to the organisation's departmental structure. Instead, she proposes that identity can be tied to any factor that differentiates behaviour over time. These factors can be, for instance, hierarchical differentiation, geographic dispersion, product diversity and functional orientation (Fiol, 1991).

Other studies more in favour of multiple organisational identities suggest that companies can hold numerous identities as the differing perceptions might not necessarily mean that the perspectives or identities are in conflict with each other (Pratt & Foreman, 2000; see also Gioia et al., 2013). In fact,

organisational members might not even be aware of the various perspectives and multiple identities embedded in the organisation (Pratt & Rafaeli, 1997). However, this does not mean that organisations can have a random number of identities. According to Pratt & Foreman (2000), too few or too highly related identities can be restricting for the various members, and too many and highly unrelated identities can cause conflicting demands. Defining the optimal number of organisational identities is therefore an important managerial matter. The decision concerning the correct number of identities ought to be taken based on the perspectives of important and powerful stakeholders, the company's resources and future strategies. Managerial tools for reaching the optimal number might involve increasing or decreasing the number of identities or transforming existing identities into those that are more divergent or convergent (Pratt & Foreman, 2000).

In sum, the majority of studies suggest that organisations are entities with multiple identities. Supposedly, the various identities are formed on different grounds and are related in different ways. This study also follows the idea that organisational members have differing perspectives on the company's central characteristics. However, at the macro level, these features need to be compatible, and possibly even complementary, in case a company wishes to display only 'one face' internally and externally. A harmonious external appearance cannot be built on contradictory and divergent internal identities, nor can we refer to a collective shared organisational identity in case the focus is only on a subunit level. Indeed, differentiating between identity of organisations and identity within organisations is a major challenge and conceptual pitfall in studying organisational identity (see Whetten & Mackey, 2002).

To move forward in the field with these challenges in mind, we need to accumulate a more specific and detailed understanding on the central elements of organisations and their interrelatedness. Furthermore, we should also consider how different cultural backgrounds influence employees' perceptions of the central characteristics. To the researcher's knowledge, this topic has not been empirically addressed in the literature to date. Fiol (1991) has suggested that geographic dispersion can be a factor causing the emergence of subunit identities. If so, an MNC might never possess a unitary understanding among its employees. The study at hand aims to challenge this assumption.

## 2.2 Incorporating the individual level understanding

The preceding discussion on organisational identity suggests that researchers need both perspectives of corporate claims and collective understandings to craft a comprehensive and truthful picture of the construct (Corley et al., 2006;

Ravasi and Schultz; 2006; Gioia et al., 2010; Gioia et al., 2013). In an attempt to examine the collective understanding of a group, we need to take a step further down in the analysis. We need to ground the shared understanding on members' perceptions, on their sense of meaningfulness and belonging that they encounter when organisational identity becomes part of their self-definition (Fiol, 1991; Albert et al., 2000; Sveningsson & Alvesson, 2003). For the micro-level perspective, the social identity theory, identification and group engagement model are presented and discussed in the following two chapters. Arguably, these theories, models and concepts are central for explaining members' perceptions and bridging individual- and organisational-level identities.

### *2.2.1 Social identity theory and identification*

In essence, social identity theory (SIT) states that individual identities and sense of self are partly derived from social categories or groups in which people feel they belong (e.g. nationality, political affiliation and organisation). The basic idea of the theory is that the defining characteristics of the group also become the defining characteristics of its members and, thus, part of their self-concepts (Tajfel, 1982; Turner, Oakes, Haslam & McGarty, 1994; Hogg, Terry & White, 1995; Hogg & Terry, 2012). In the literature, social identity theory and the concept of identification are closely interlinked. While identity captures the essence of 'who we are' or 'who I am', identification explains the process by which individuals come to define themselves within a particular group; whereby, individual and organisational identities become emulated over time (e.g. Fiol, 2002; Alvesson et al., 2008; Ashforth, Harrison & Corley, 2008).

Traditionally, identification is perceived to evolve as an iterative and interactive process over which the members come to attach their individual identities to the organisational identity (Cheney, 1983; Ashforth & Mael, 1989; Dutton, Dukerich & Harquail, 1994; Lindgren & Wahlin, 2001; Fiol, 2002; Ravasi & van Rekom, 2003; Kreiner & Ashforth, 2004) or vice versa (see Albert, 1998). Accordingly, identification is perceived to occur when a member of an organisation defines him- or herself in line with the same attributes to those he or she believes define the organisation (e.g. Ashforth & Mael, 1989; Dutton et al., 1994; Pratt, 1998; Ashforth et al., 2008). According to Albert (1998), organisational identification implies that the group is practically perceived as an extension of the individual. As such, the perspective is notable because it demarcates a process whereby an individual connects something external to the internal self-identity (Albert, 1998, 6). In these

terms, defining organisational identification as “the perception of *oneness with, or belongingness to* an organisation” seems well justified (Mael & Ashforth, 1992, 104, italics added; see also Ashforth & Mael, 1989).

According to SIT, people can have a variety of group memberships or social identities; however, some are more important than others. Above all, individuals look for social identities that positively influence their self-concepts. Groups that compare favourably with and are distinct from other groups are generally regarded as the basis for positive evaluations (Tajfel, 1982; Turner et al., 1994; Hogg & Terry, 2012). Consequently, strong organisational identification occurs when a person considers the organisational identity relevant to his or her own identity. The strength of identification is generally determined by the extent of overlap between individual- and organisational-level attributes (Mael & Ashforth, 1992; Dutton et al., 1994; Haslam et al., 2003; Tyler & Blader, 2003; Kreiner & Ashforth, 2004). Furthermore, the length of tenure and intensity of exposure to the group are also suggested to positively correlate with members’ organisational identification (Mael & Ashforth, 1992; Dutton et al., 1994). Along the process, the individual and organisational identities interact, relate and reinforce each other (Fiol, 2002), which means that a positive attitude towards the company and its identity accumulates and identification becomes stronger over the process. Members who strongly identify with the organisation seek more and more contact with the group, thus enhancing the sense of continuity and connection with their self-identity (Dutton et al., 1994).

Some decades ago, given the history of change and uncertain future, Rousseau (1998) questioned the motivation of contemporary workers to identify with organisations. Similarly, in today’s fast-moving business environment, long-term relationships can be hard to maintain for several reasons. Considering the temporal character of business today, the strength of identification cannot be grounded solely on long-term memberships and many years of service. Thus, in this study, the salience of organisational identity and strength of identification are grounded on organisational identity content. Thus, part of the answer to why individuals identify with an organisation is because they see what the organisation is and what it represents to them. Hence, a focal question is “*with what* is he or she identifying?” (Albert, 1998, 8, original italics; see also Pratt, 1998; Cooper & Thatcher, 2010). The above question might refer to the multitude of social groups to which individuals simultaneously belong; for example, family, work and nation. Recently, researchers have also begun to examine how individuals effectively identify with multiple subgroups within the same context (Miles, 2012). In this study, *what* refers to the organisational-level elements or characteristics that



comprise a personalized meaning to its members, unite its various employees and build a bridge between the sub-groups.

Arguably, the salience of organisational identity depends more on the organisational features than on the process of emulation. In fact, organisational identity content might be regarded as the basis or initiator of identification explaining what draws individuals to a particular company in the first place and, thus, enables a strong identification to develop. In an attempt to reveal and understand the organisational features enhancing individuals' identification with organisations', the study will next introduce the group engagement model (Tyler & Blader, 2003; Blader & Tyler, 2009). In their model, grounded on the social identity theory and individual level perception, the social psychologists Tyler and Blader explain that identification with a group is driven by members' positive identity judgments. Moreover, the model suggests that the positive identity judgments derive from perceptions of organisational justice (i.e. fairness).

### *2.2.2 The group engagement model*

The group engagement model developed by social psychologists Tyler and Blader (2003) aims to explain people's motivation and antecedents of engagement and cooperation in groups (see Figure 2). In the field of social psychology, engagement is defined as the degree to which an individual is attentive to performing his or her formal role, putting effort into accomplishing important organisational tasks and enhancing the company's overall success. Thus, engagement is not only an attitude, nor is it a momentary state of mind. Instead, it is a relatively permanent condition comprising and built of cognitive, emotional and physical employee expressions (Kahn, 1990; Saks, 2006; Schaufeli, Bakker & Salanova, 2006; Mauno, Kinnunen & Ruokolainen, 2007).

Identity is a central construct in the group engagement model; the model hypothesises that the main reason for employees wanting to engage with groups is because membership provides them with positive self-identities. Consequently, individuals' identity-related judgments determine the degree to which they are willing to identify with the group and develop supportive attitudes, values and behaviours. Thus, the implications of positive identity judgments are twofold: people engage because the membership has implications on self-identity and also because participation is needed to maintain the group's viable identity. The model proposes that there are three aspects of identity central to engagement; that is, identification, pride and respect. The status indicators, pride and respect, shape and engender identification, whereas

the strength of identification ultimately determines members' willingness to engage and cooperate with the group. Feelings of pride derive from the status of the group, its attributes and elements that are common and prototypical to the group. Identification occurs when the group is perceived to have a high status, making members feel good about their membership of the group. Feelings of respect, however, have a more personal significance as they reflect members' own statuses within the group. Herein, the focus is on the persons and their perceptions of how they are perceived by other members. Supposedly, feeling respected by the others increases self-esteem, thus enhancing identification with the group. (Tyler & Blader, 2003; see also Kahn, 1990; Fuller, Hester, Barnett, Frey, Relyea & Beu, 2006).

According to the model, positive identity judgments derive from organisational justice, that is members' subjective perceptions of fairness in their workplace (see also Colquitt et al., 2001). In particular, the group engagement model, suggests that the members' evaluations of the procedural fairness within their group are most essential drivers of positive identity judgments. The impact of procedural justice judgments is explained by identity security. Apparently, fair organisational procedures make its members feel comfortable and secure in accordingly forming and merging their social-identities (Tyler & Blader, 2003; May et al., 2004.) The focus on only procedural justice is in line with the current trend in the field of justice studies, whereby perceptions of justice are regarded to derive mainly from relational instead of material factors (Greenberg, 1990; Tyler & Blader, 2003; Barsky, Kaplan & Beal, 2011). Resource-based fairness judgments can also shape their opinions, although to a lesser extent and only indirectly (Tyler & Blader, 2003; Blader & Tyler, 2009; see also Saks, 2006).

The two dimensions of procedural fairness presented in the model (i.e. fairness in decision-making and treatment) are also well acknowledged in the justice literature (Greenberg, 1990; Moorman, 1991; Schwartz, Dunfee & Kline, 2005; Tyler, Dienhart & Thomas, 2008). Formal decision-making refers to the group's formal rules, whereas informal decision-making is judged based on decision-making processes that originate from particular agents or group-level authorities (e.g. managers) (Colquitt, 2001; Tyler & Blader, 2003; Van Dijke, Cremer, Mayer & van Quaquebeke, 2012). Fairness is also evaluated based on the quality of treatment referring to a respectful and sensitive treatment of employees by decision-makers or superiors (Aquino, 1995; Skarlicki & Folger, 1997; Brockner, 2006). At the organisational level, formal rules regarding treatment can include, for example, sexual harassment or discrimination based on gender and race (Tyler & Blader, 2003).

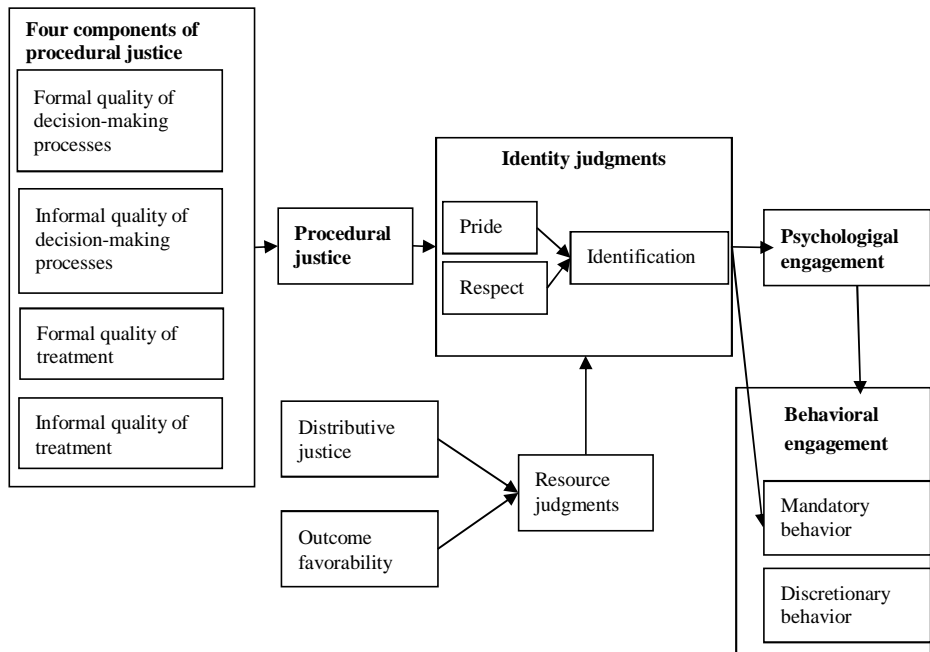


Figure 2 The group engagement model (Tyler & Blader, 2003, 354)

Ultimately, positive identity judgments lead to identification and members' psychological and behavioural engagement. The Tyler and Blader (2003) model presents two different types of cooperative behaviour: mandatory and discretionary. Based on the model, mandatory behaviour is stipulated by the group and is influenced by decision-making fairness, incentives and sanctions. Hypothetically, it leads to uniformity of behaviour and a display of loyalty towards the group, its values, rules and authorities. Discretionary behaviour, however, originates from group members and their internal motivations; it is influenced by feelings of respect and the quality of treatment. Accordingly, discretionary behaviour displays unique and creative actions on the part of group members as they are voluntarily motivated to act and employ their distinctive qualities and abilities. These actions are primarily designed to create reputational capital and enhance favourable personal images among other members of the group (Tyler & Blader, 2003).

For the purpose of this study, the group engagement model offers an alternative framework for understanding the drivers of identification in an organisational context. Acknowledging the model's benefits, its limitations should also be considered. First and foremost, the idea of procedural justice as the sole source of identification seems limited. The elements of justice are evidently antecedents of positive identity judgments; however, most probably there are more. Finally, the model needs empirical testing and also

multicultural and organisational-level justification (Fuller et al., 2006). At its current form, the model leaves open the question of whether fairness can be an organisational identity referent in a multinational corporation. The study at hand aims to address these open questions. The next chapter will present the study framework and approach for exploring the intertwining identities in an MNC.

### 2.3 The study framework: cross-level identity dynamics in an MNC

The proposed interdisciplinary study framework comprises the central concepts, models and theories for understanding and discovering the drivers of identification and contents of organisational identity. Together, these components are also suggested to reveal and explain the cross-level identity dynamics between individual and organisational level understanding in a multinational corporation (MNC). The proposed theoretical framework and the relations and interconnectedness of the concepts, models and theories are shown in figure 3.

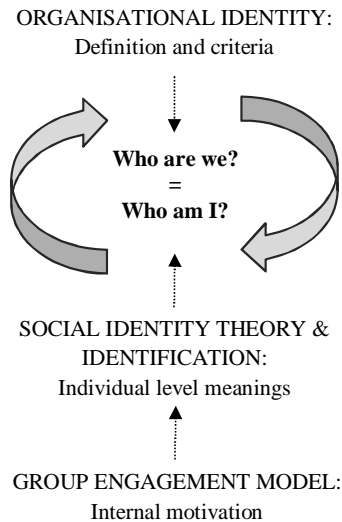


Figure 3 The proposed theoretical framework of the study

The questions ‘Who am I?’ and ‘Who are we?’ capture the essence of identity at different levels of analysis. Although collective-level identities are distinct from individual-level identities, conceptually they are closely related

(Albert & Whetten, 1985; Dutton & Dukerich, 1991; Fiol, 1991; Dutton et al., 1994; Gioia, 1998; Pratt, 1998; Haslam et al., 2003; Corley et al., 2006). To ground the study firmly in the organisation studies and understand the nature and content of identity at an organisational level, the study adopts commonly applied definitions and criteria. Hence, *organisational identity* is defined as a collective-level construct that needs to fulfil the criteria of centrality, distinctiveness and endurance (Albert & Whetten, 1985).

In an attempt to understand the cross-level dynamics between group- and individual-level identities, the study takes a disciplinary leap to social psychology and incorporates the *social identity theory* (SIT) and the concept of *identification*. According to SIT, the perceptions of self comprise both personal and social identities (Ashforth & Mael, 1989). In an organisational context, this suggests that the perceptions of self would also reveal group-level characteristics, and vice versa. Consequently, the study is initiated at an individual level where identity formation concerns identification (Albert & Whetten, 1985; Albert, 1998). Supposedly, there is no identity without identification; nor is there organisational identity without organisational identification. To date, the majority of the studies focus on identification as a process. Setting this study apart from the mainstream of research, the emphasis will be on the organisational elements and characteristics that initiate and guide members' identification processes. Arguably, mere membership and temporal endurance do not automatically lead to identification. Indeed, the question of why individuals identify is supposedly as relevant as the questions of how and when they do it.

It is suggested that the response to the question *why* lies in the sense of meaningfulness that individuals experience as a member of a particular group. Supposedly, meanings are also associated with identification as it represents a type of meaningfulness (Albert et al., 2000; Ashforth et al., 2008; see also Rousseau, 1998; Pratt, 2000). Thus, in search of the drivers of identification, the study focuses on *meanings* at an individual level. Herein, meaning is defined as a product of individual interpretation (cf. Kogut & Zander, 1996) bounded in a specific context (Whetten, 1989). In this study, meaning derives from an organisational context relating to the attributes or features of the organisation as a whole. In search of these meanings and linkages between organisation and individual identities, Tyler and Blader's (2003) group engagement model provides one explanation to the internal motivation of individuals to identify with a particular group. Although the model per se is limited for the purpose of exploring the variety of antecedents and organisational elements enhancing identification, it serves as a suitable starting point for further research.

Rink and Ellemers (2007) have stated that organisational identity portrays unity within diversity. None of the models or theories presented above, however, have explicitly incorporated or considered the influence of diversity; namely, cultural differences. Arguably, the MNC provides a rich although still relatively unexplored context in organisational identity and identification studies. Nevertheless, understanding how individual level diversity filters into collective level unity and how companies' characteristics and formal claims can function as a source of individual-level identity for a diverse group of employees is an important question to be resolved. After all, members' cultural variety is reality in many companies today. By incorporating the national cultural component into the model as an antecedent to predict and explain members' meanings, interpretations and identification, this study is expected to reveal a cross-culturally bounded identity linkage. (See Figure 4).

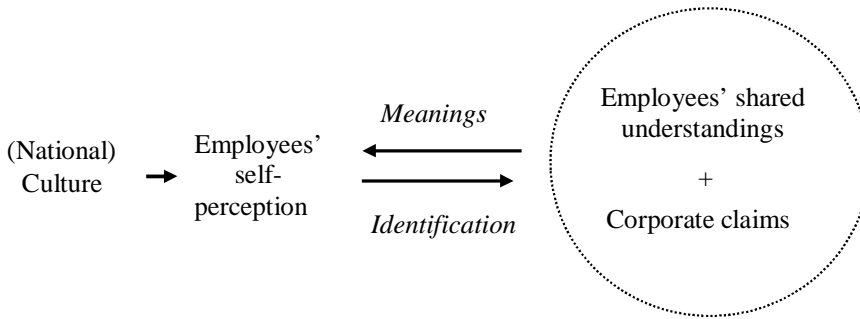


Figure 4 The study approach: defining and validating organisational identity content in an MNC

Concerning study approach and methods, the current organisational identity literature provides few guidelines for empirical studies. In this study, understanding is derived from the proposed theoretical framework and culturally wide and organisationally deep empirical data. The proposed study approach aims for rich data, comprehensiveness and contextual relevance. From the outset, the linkage with national culture and self-perceptions, shared understandings and corporate (i.e. managerial) claims were acknowledged. The study design was built on the idea that organisational identity content can be explored via individual-level perceptions and defined and validated by their commonality across the organisation and relatedness with the formal corporate claims. (See Figure 4). Thus, it is believed that organisational identity can be found and defined at the intersection of individual-level meanings and corporate-level claims reflecting the joint interests and focus. It is proposed that by

identifying these interfaces, one can be confident that the emerged features are elements or characteristics of *real and shared organisational identity* (cf. Earley, 2006). Next, the methodological approach and the empirical part of this research are presented in detail.





## 3 METHODOLOGY

### 3.1 Philosophical approach and methodological choices

In social sciences, the researcher approaches the study phenomenon with a set of interrelated philosophical assumptions and methodological choices. In particular, one needs to consider and come to terms with the meta-theoretical assumptions concerning the nature of reality (i.e. ontology), the grounds of knowledge and the means by which it is gathered (i.e. epistemology), and also the needed methodological choices (Burrell & Morgan, 1979; Morgan & Smircich, 1980, 491; see also Cunliffe, 2011). Thus, before crafting the research strategy, these underlying assumptions guiding and designing the study need to be discussed. The ontological and epistemological assumptions of identity in an organisational context were largely covered in subchapter 2.1.2. Thus, the following section concentrates on the methodological choices of the study and the practical conduct and execution of the research process.

Burrell and Morgan (1979) propose that ontological and epistemological assumptions are analysed on an objectivism-subjectivism continuum. In terms of ontological assumptions, this study adopts a more objectivist and realist stance and position, according to which organisational identity is a real organisational phenomenon. However, the study also acknowledges the interactive nature of reality, and individuals' role in contributing to its' creation. The second set of meta-theoretical assumptions in social sciences is of an epistemological nature. Epistemological assumptions can be positioned between the positivist (i.e. objectivism) and anti-positivist (i.e. subjectivism) arguments concerning the grounds of knowledge. The former takes a macro perspective and looks at the world from the outside. Knowledge is assumed to be hard, law-like, real and transferable. Accordingly, researchers seek regularities and causalities between the elements of the social world. Anti-positivists, however, perceive that humans are autonomous: knowledge is unique and personal and can only be obtained via personal experiences from within. Similarly, unless we understand the way organisational actors experience identity, and not just project them, our understanding on identity is likely to be of little relevance to practitioners (Gioia et al., 2013, 173). Hence, subjective knowledge is equally 'real' and observable, although it is generally perceived to lack transferability and predictability (Burrell & Morgan, 1979; see also Morgan & Smircich, 1980; Evered & Louis, 1981; Cunliffe, 2011).

Considering the purpose of this research and the phenomenon under study, an explicit orientation towards either one of the ends cannot be adopted. Supposedly, both an overly objectivist and overly subjectivist stance problematise identity (Brunninge, 2005). Thus, this study adopts a dual epistemological position based on the assumption that the organisational identity construct is an ensemble and amalgamation of individual-level meanings and organisational-level structures and properties. Therefore, in one part, organisational identity is assumed to be socially constructed, subjectively perceived and interpreted. Following the idea that 'identity is in the eye of the beholder' (Brunninge, 2005), the study acknowledges the existence of multiple, and also shared, realities of the social world. Although individuals can have multiple perceptions of the organisation per se, these perceptions are influenced by and stem partly from the prevailing boundaries. In this study, the perceptions are grounded and framed in organisational properties and features that exist regardless of individual cognition. Moreover, these properties can be so powerful that they influence individuals and their behaviour (Cunliffe, 2011). Therefore, reality is context dependent and organisations can be regarded as frameworks amalgamating organisational-level properties and individual-level perceptions. Consequently, organisational identity is best understood and situated in the transition zone of interpretivist-functionalist tradition (Gioia & Pitre, 1990).

Within organisational identity studies, these meta-theoretical assumptions have not been explicitly addressed and the field lacks consensus in their regard. However, a shift from the positivist approach towards an interpretive and social constructionist approach in empirical studies has been witnessed (for a review, see Ravasi & Canato, 2013). Likewise, this study is built on the idea that organisational identity is to be studied from within the organisation. The findings might not be universally generalisable, but they provide insightful and significant knowledge on members' perceptions in a particular context. In organisation studies, institutional theorists assume that systems have fixed and durable properties that can be identified (Cunliffe, 2011). In this study, the central organisational properties are perceived as parts of organisational identity content and the aim is to find and understand the connections between subjective meanings and corporate claims. Methodologically, this research falls into an ideographic research position (Burrell & Morgan, 1979; Evered & Louis, 1981) and interpretive paradigm emphasising contextual relevance and subjective experience (Burrell & Morgan, 1979).

In sum, there are multiple paths to studying identity (Corley et al., 2006). Following the philosophical assumptions and methodological choices adopted in this study, the research strategy, data collection procedures and, finally, trustworthiness of the study are presented and discussed next.

### 3.2 The qualitative single case approach

This study aims to explore and evaluate organisational members' subjective perceptions and their unitary understanding in a multicultural organisational context. A qualitative research approach that, according to Van Maanen (1979a), is not a strict research protocol but an umbrella term covering various different interpretive study methods is followed by this study. The commonality of these methods, however, is that they all focus on meaning instead of frequency (Van Maanen, 1979a; Sinkovics, Penz & Ghauri, 2008). The main advantage of qualitative data is that it is rich, with the capacity to broaden understanding on the real world (Miles, 1979; Gioia & Pitre, 1990; Weick, 2007). Thus, the qualitative study approach is particularly suited to "opening the black box" and finding answers to individual- and organisational-level questions of 'how', 'who' and 'why' (Doz, 2011, 583; see also Eisenhardt, 1989; Pratt, 2009). Essentially, qualitative methods are fit for understanding the dynamics of relationships (Eisenhardt, 1989), capturing contextual (Marschan-Piekkari, Welch, Penttinen & Tahvanainen, 2004; Doz, 2011) and cross-cultural factors (Malholtra, Agarwal & Peterson, 1996; Cunliffe, 2011) and also gaining holistic understanding from the perspective of those being studied (Miles & Huberman, 1994; Pratt, 2009; Bansal & Corley, 2011; Doz, 2011).

Emphasising context sensitivity, a single case as a research strategy was adopted for this study (Pettigrew, 1990). Case studies are mainly well suited for capturing the richness of a study phenomenon in the real world and thus, providing researchers with great potential for theory building and development (Yin, 1981; Shenkar, 2004; Eisenhardt & Graebner, 2007). Case studies can, for example, sharpen existing theory and provide convincing illustrations of theoretical constructs (Siggelkow, 2007). Moreover, theory building from rich empirical data is suggested to generate theory that is "accurate, interesting and testable" (Eisenhardt & Graebner, 2007, 26). With its rich empirical data, and leaning more towards inductive than deductive theorising, the study aims to illustrate, elaborate and enrich existing theory rather than build new theory (cf. Pratt, 2009).

Although doubts have been raised by *single* case studies in terms of generalisability of findings and theory building, it is believed that their benefits greatly outweigh the suggested drawbacks in this study. One of its clear advantages is the ability to truly capture the complexity of a company (Stake, 1995; cf. Ashforth et al., 2008), including cultural differences embedded in the organisation (Ghauri, 2004). The theory building potential of a single case study might not be inferior to studies with multiple cases. On the contrary, Eisenhardt and Graebner (2007) suggest that replication of details across cases

evidently leads to fewer details and that more complex theories can be generated by single case studies than by multiple case studies. False replication and comparison of cases based on “unconnected pieces of data” would lead to even more detrimental consequences (Stoecker, 1991, 93). Moreover, in this study, the single case approach is justifiable due to the nature of the studied phenomenon. Considering that organisational identity is, at least to some extent, unique to an organisation (cf. Mael & Ashforth, 1992), comparisons across cases would jeopardise the accuracy, authenticity and credibility of the findings (cf. Miles & Huberman, 1994). Thus, connecting the pieces of data across multiple cases might lead to superficial or even false interpretations. Hence, the idea of a single case as a “powerful example” (Siggelkow, 2007, 20) is supported in this study.

The selection of a suitable case company is a key task and requirement. In this study, the case selection was guided by and is justified on the following grounds: first, it is proposed that the company’s global presence and formal claims of organisational identity together constitute a suitable context for studying organisational identity in a multinational corporation (MNC). Categorising the company as a ‘typical or ‘atypical’ case is difficult and irrelevant. The case company is a rather typical MNC when comparing demographics; it has operations and employees in many nations across the world. Like many other companies, it aims at global uniformity with common strategy, brand, culture and identity. However, identities are neither typical nor atypical, they are merely unique in complementing the context. Considering the purpose of the study, another company with similar conditions could have been chosen, as there were no exclusionary a-priori expectations.

Second, the timing of the study was favourable as the company was undergoing a strategic change and taking the initial stages of implementing a corporate-wide ‘new brand strategy’. The fact that the organisation was undergoing a corporate wide effort to promote a unitary brand and understanding among its employees made this case an extreme, ideal setting to investigate identity related issues. The introduction and implementation of the new strategy was expected to make organisational identity more salient and trigger members’ reflections and engender their feelings concerning ‘who we are’ (cf. Albert & Whetten, 1985; Fiol, 1991) or ‘who we are going to be’ at a collective level and, ‘who am I?’ at an individual level. Third, the selection was also supported by unlimited access to the case company. The researcher was granted full access and was allowed to gather data from various countries, units and across different organisational levels. Considering the study’s objective, unlimited access was an essential criterion as it enabled cross-cultural and organisation-wide understanding. Scholars’ resources are always bound to financial and temporal constraints and it is within these boundaries or limitations that

researchers need to make eligible decisions and design their studies accordingly. As the researcher was granted full access to the case company, taking full advantage of the unusual possibility to immerse in the MNCs life was regarded as the principal objective (see Dutton & Dukerich, 1991). Such an opportunity is rare in scientific investigation and researchers are not often granted full access by companies (cf. Yin, 2003).

In sum, this study follows a qualitative single-case approach. Qualitative, in this study refers to the search for richness, meaning, comprehensiveness and different worldviews (e.g. Van Maanen, 1979a; Gioia & Pitre, 1990; see also Pratt, 2009). Considering that people's diverse cultural backgrounds lead to various perceptions of the world (Adler, 1983), it seems plausible to apply open-ended measures to capture and embrace the richness and complexity embedded in MNCs. Surprisingly, however, qualitative research in the field of international business has been relatively scarce (cf. Doz, 2011). Before presenting the empirical part of the study, the topic of cross-cultural research is addressed.

### 3.3 Conducting a cross-cultural research in an MNC

This study is conducted in a multinational corporation (MNC), which is expected to contribute to the scarce discussion on cultural influence on organisational identity and identification (Alvesson et al., 2008; Cooper & Thatcher, 2010). The research focus being on an MNC, culturally rich data are a prerequisite and a research strategy incorporating a cross-cultural approach is needed. To date, for the purpose of comparing and analysing the differences between nations, the existing cross-cultural research in international business (IB) is mainly built on established, often Western-based models (for a review, see Sinkovics et al., 2008; Tsui et al., 2007). Evidently, such an approach does not allow for the emergence of new in-depth knowledge beyond a priori assumptions, leaving researchers only with narrow, often Western-biased perspectives. Furthermore, the mainstream approach bears substantial risks concerning consistency, as the questions asked might not be applicable or relevant across cultures (Tsui et al., 2007). To escape these restricting frames and enable the emergence of insightful data, several measures were taken in this study. Among the principal measures were the inductive research design, interviewing as a main data collection method and the interdisciplinary study approach.

Comparability is a fundamental concern in cross-cultural studies (Sinkovics et al., 2008). The way comparative issues are addressed by researchers, however, varies considerably. Herein, the concepts of 'emic' and 'etic' are

central to understanding the dilemma. According to Berry (1989, 729, original italics), “we cannot be ‘cultural’ without some notion like *emic*; and we cannot be ‘cross’ without some notion like *etic*.” In an emic approach, a researcher aims to discover accurate and highly relevant knowledge within one cultural context. These data, however, are not comparable across cultural entities, as the different environments are considered unique (Hui & Triandis, 1985). The theoretical contribution or relevance of the emic approach might therefore be scant (Polsa, 2013).

In an etic approach, a researcher conducts comparisons across cultures by applying universal predetermined criteria (e.g. Davidson, Jaccard, Triandis, Morales & Diaz-Guerrero, 1976; Triandis & Marin, 1983.) The evident drawback of the approach is its lack of contextual adaptation and understanding (Polsa, 2013). Furthermore, the approach contains considerable risk that the universal components might not actually be universal. Triandis and Marin (1983) refer to the dilemma as ‘pseudoetic’ in denoting false assumptions of component universality. The theoretical contribution of an etic approach is also doubtful. After all, the absence of rich, conceptual understanding can only lead to simplistic descriptions with no possibility for understanding new, complex and intertwined contexts in depth (Brannen & Doz, 2010). Employing a derived etic instead of imposed etic approach is suggested by Berry (1989) as a remedy. Employing a derived etic approach, the component is verified in every culture before comparison is made (see also Sinkovics et al., 2008). Consequently, universality of a component is possible only if its existence has been verified in all cultures (Berry, 1989).

By and large, cross-cultural studies should encompass both etic and emic approaches (Berry, 1989; Malholtra et al., 1996; Hurmerinta-Peltomäki & Nummela, 2006; Sinkovics et al., 2008). According to Sinkovics et al. (2008), the combined approach involves focusing first on subjectivist, qualitative insider perceptions (i.e. emic) and then translating them into etic terms for objectivist, quantitative outsider-focused studies. Combining the etic-emic methodology seems plausible and most suitable also in this study. The study sets off by focusing on the members’ varied, subjective meanings within one multinational corporation. The organisation is perceived as a cultural entity with demarcated boundaries, but its members are also seen to carry with them different cultural assumptions deriving from their respective social or national cultures. Comparability of meanings across the members is possible because the organisation is presumed to have unique, distinctive and recognizable characteristics and features. Although, the focus is on cross-cultural interaction and coherence, the findings are also expected to show cultural nuances due to differing emphasis, meanings and understandings. Unitary understanding of the members would suggest universality within the particular corporate

context. However, further studies are needed to validate universality across cases.

In her recent study, Palsa (2013) suggested an extension to the combined emic-etic approach. Highlighting context sensitivity and the creation of real and complex understanding, the new crossover dialogue design emphasises empirical crystallisation; that is, listening to and respecting the perspectives of those being studied. Similarly, according to Michailova (2011) conceptualization implies taking subjectivity seriously, valuing and learning from it, rather than criticizing, avoiding, and attempting to overcome it. Thus, in addition to creating knowledge via the interplay between theories and empirical data, researchers should acquire a deep understanding (i.e. the spirit) on the empirical setting. In crossover dialogue, an etic-emic approach builds theory and the emic approach operationalises it. The crossover dialogue can lead to solid theoretical understanding, although conducting such a study might be overly complex and time consuming (Palsa, 2013).

In crystallisation, carefully preparing and conducting the study for the discovery of cultural nuances is a central matter. In addition, to notice and understand the prevailing differences, researchers need to possess cultural sensitivity (Palsa, 2013). Thus, the researchers, their identity, qualities and experience in different cultural settings become a central concern. Accordingly, it is suggested that scholars who have vast life experience in different cultures are generally more flexible and open to perceiving and understanding unique contextual elements (Brannen & Doz, 2010). Similarly, Boyacigiller and Adler (1991) have encouraged researchers to take sabbaticals in foreign countries to enhance their understanding on different cultures, including their own. Supposedly, cultural nuances can be more visible to outsiders than insiders (cf. Boyacigiller & Adler, 1991); however, noticing them requires cultivated cultural sensitivity. Assumably then, being an outsider both complicates and facilitates understanding on cultural differences.

Evaluating the cultural sensitivity of a researcher is a difficult task. Nevertheless, it seems necessary to assess the potential of the present researcher in conducting a cross-cultural study. Herein, cultural sensitivity refers to the ability and interest to discuss and understand the informants' point of view. The key requirements of the researcher are suggested being openness and freedom from prejudice, i.e. the capability to understand that something that one values might not be valuable to others, and vice versa. Being too close to the informant is risky, too, as it may jeopardize the objectivity of the researcher. To capture and distinguish between culturally bound perspectives, the researcher's own thinking cannot to be restricted in any way. Thus, a proper conduct of the study and equal emphasis on all the informants are essential.

Based on the above arguments and definitions, the cultural sensitivity of the researcher in this study is suggested to be sufficient. Altogether, the researcher has ten years' experience of living abroad in five different countries: Australia, France, Belgium, Chile and Brazil. She lived for more than one year in each country and is currently living in Brazil. Being exposed to everyday life and the prevailing cultures for a long period of time evidently enhances the capability to notice cultural nuances and differences both at home and abroad. Nevertheless, merely living in or being exposed to foreign cultures does not automatically develop the necessary sensitivity. Essentially, one needs to be receptive to experiencing and perceiving the differences. The researcher had already lived abroad before beginning the study. However, the researcher's cultural sensitivity was enhanced during the study as the research topic and its cross-cultural nature evoked the researcher to actively consider and cultivate this capability. Thus, the researcher's cultural sensitivity has most likely increased over the research process.

The inductive study process is presented in detail in the following chapters. The discussion will open up and describe the process of preparing for cultural sensitivity and gathering culturally sensitive data and explain the role of the researcher in the process. First, however, a thorough introduction to the case company is given.

### 3.4 The case company

#### *3.4.1 The company's journey from a multiple to single entity<sup>1</sup>*

The case company<sup>2</sup> in this study is a large, multinational corporation (MNC). The company employs more than 14,000 people with operations in North America, South America, Europe, Australia, Africa and Asia. It is a high-technology engineering group that manufactures, sells and maintains heavy equipment in B2B markets and has a world-leading position in the selected market areas. Due to ongoing investments in research and development, and frequent acquisitions of strong product brands in the market, the company's products are synonymous with quality. Consequently, the company is acknowledged as one of the leading suppliers of equipment and tools, service and technical solutions in the industry. Today, it can offer total solutions for

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<sup>1</sup> Source: company's biography

<sup>2</sup> In accordance with the non-disclosure agreement signed by the researcher, the name of the corporation will not be revealed.



its customers based on one of the most extensive product portfolios in the market.

The company's large product portfolio is a result of rapid growth via multiple acquisitions over the past 15 years. While acquiring well-established companies and product brands around the world, the company was executing its strategy to gain market share and become an equal competitor with leading companies in the market. During the initial stages, in the late 1990s the company was a small part of a bigger business conglomerate. In 1997 the fierce expansion began with the acquisition of ten companies and was followed by numerous acquisitions over the following years (see Figure 5). As the purpose of the acquisitions was to grow and gain market share around the world, the acquired companies were not integrated. The corporation did not want to cause confusion nor disrupt the existing business and customer relationships in the acquired companies. By keeping the established brands, the company wanted to create a sense of security. Thus, for many years the acquired companies continued their business as usual; many of their customers were unaware of the change of ownership. Keeping the established strong brands was considered natural and necessary along the speedy process of becoming a large MNC. Thus, for a long time, the company had more than 20 different product brands, run by seven distinct product companies<sup>3</sup>. Synergies across the units were not a priority.

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<sup>3</sup> 'Product company' is a term employed by the case company for the purchased units representing the different product brands.

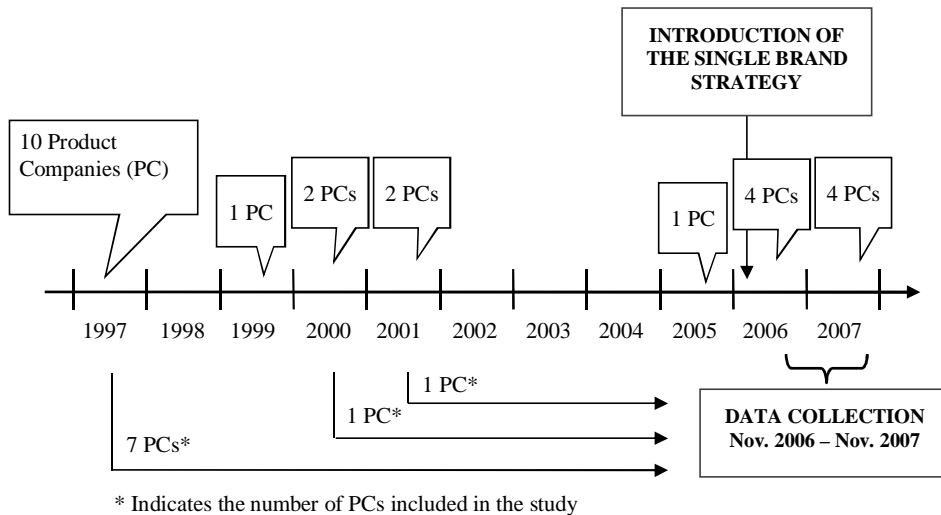


Figure 5 The case company's steps of rapid growth, introduction of the new brand strategy and the data collection period

The market was, however, changing and the decentralised market strategy soon became outdated. The competition were already consolidating their businesses towards offering complete solutions instead of merely individual products. At the same time, bigger customers that were purchasing across the product lines found the company confusing. Moreover, they had to deal with different 'product companies' instead of just one, which complicated their purchasing processes. There was also evidence that the company's brands were weaker than their competitors' and that some of them were not well known outside their own established market areas. Led by new management, the old strategy was changed. The company decided to organise its product companies under customer segments and under one brand. Customer surveys showed that the corporate brand was the strongest and, therefore, it was selected to be employed for the entire product range.

At the beginning of 2006, 'the single brand strategy'<sup>4</sup> was introduced to the employees as the start of a more united and powerful era. Thereafter, it was to be just one instead of many companies. The new strategy was intended to move the company from product to customer orientation with greater focus on service and durable customer relationships. Long-term goals of the single brand strategy were to be: 1) the alignment of the employees, 2) a clear

<sup>4</sup> Name employed by the case company for the new strategy.

position in the market, 3) increased attraction from potential customers and 4) increased commitment and cross-buying from existing customers. In the short term, however, the most visible changes were in the design philosophy. In addition to a new naming policy and logos, a unified colour scheme for all the machines and equipment was introduced. Although the strategy was generally accepted, the new names and colours in particular evoked strong feelings among the employees. It was especially difficult for long-term employees, after years of experience and in-depth familiarity with particular product brands, to relinquish the old symbols.

The implementation of the new strategy and internal training began immediately. In addition to the visual changes, new internal processes were created for cross-functional efficiency and coordination of resources. A key part in creating the new 'we' feeling was a training program termed 'fair play' that focused on the company's values and was targeted at all employees. The three corporate values had already been launched in 2004; however, reinforcing them and their meaning were considered important for the company's unified existence. After all, the new brand must mean the same thing to every employee, and the shared values and vision were crucial elements in building the company's cohesiveness. Thus, the success of the new strategy was considered to rely on the employees' consistency and commitment. The company motto, "one company, one image, one voice", remains pertinent today. Training on values is also a focal part of inducting new employees and is included in the integration program of acquired companies. The corporate values of fairness, team work and open-mindedness are considered vital elements for global uniformity.

The suitability of the company to serve as a case for this study needs to be evaluated from various angles. In terms of studying organisational identity, the primary criterion is that the company has an identifiable identity. For an outsider, it is difficult to evaluate the cohesion of thought and action with no proper reference. Therefore, the fact that the company had distinguishable and clearly communicated formal claims of collective identity (e.g. values) was an important prerequisite. Although it is believed that subjective perceptions legitimise organisational identity, organisational identity does not and cannot merely emerge from individual perceptions (cf. Corley et al., 2006; Ravasi & Schultz, 2006; Gioia et al., 2010). Organisational identity is context bound; it is (primarily) tied to organisational characteristics instead of individual ones. However, comparing informants' subjective perceptions with the official claims enables a researcher to evaluate the substance and unitary understanding of organisational identity and its contents.

The prevailing organisational situation or ongoing development phase can also influence organisational identity studies. It is suggested that when an

organisation encounters substantial changes that threaten its current existence in one way or the other, the organisation's members come to think about the distinctiveness of the company and what they have to lose (cf. Albert & Whetten, 1985; Fiol, 1991.) Consequently, investigating identity during a major change, such as the one presented above, and entering the field in the midst of turbulence can be very fruitful.

The prevalent confusion, however, can also have its drawbacks. For instance, topical issues at the time of the data collection might distort the data and lead to narrow representations of knowledge. In the case company, for example, the visual changes were strongly debated during the time of the interviews, although there is much more to organisational identity than that. However, all things considered, rarely is a research setting 'optimal' and it is the task of the researcher to work through the situation in the best possible way with the correct study approach, data sources, questions and data collection methods. Paying thorough attention to the prevailing situation, the researcher entered the field at a time when the single brand strategy had already been introduced and its implementation was underway. The data were collected over a period of one year beginning in November 2006 and finishing in November 2007 (see Figure 5). In the last phases of data collection, organisational changes were still ongoing, although the initial turmoil had abated. The conditions of admittance into the company and the researcher's role in the organisation during the visits are discussed in the following subchapter. Evidently, the full support from the case company's side comes with particular expectations that also need to be considered along the study process.

### *3.4.2 Prolonged engagement at the case company*

*The kick-off.* The researcher's interest towards the case company ignited via an acquaintance, an employee at the company, who spoke about the introduction of the new single brand strategy. At that time, the researcher's principal research focus was on corporate branding and, thus, the company and its upcoming changes seemed interesting from the research perspective. It was also learnt through the acquaintance that the upcoming change would entail a lot of work and adaptation within the organisation and that the project was to be led by the company's marketing department. Based on this information, the researcher contacted the global brand manager and proposed a meeting to discuss whether she could assist the company in this change in any way. She explained her research interest and the reciprocal benefit of her participation in the process. The global brand manager found the proposal interesting and an initial meeting was arranged.

In the meeting, the global brand manager explained that the main implementation challenges facing the branding team related to the large scale of the company as the changes were to be implemented in every unit (approx. 200 units) around the world. An early step in the implementation process was the involvement of all the marketing and communication personnel responsible for each unit (approx. 40 people) in a two day meeting and workshop. These people were to be the ambassadors of the single brand strategy in their local market areas. After the training, they were to initiate, support and ensure that the necessary changes were implemented in their local units. The local country managers were responsible for communicating the new strategy to their employees and supporting the marketing personnel in the implementation. The global brand manager did, however, anticipate difficulties with the implementation. Adequate support for the local units and follow-up were the main concerns. It was difficult to see what was really going on in the local units from the geographically distant head office. Thus, extra help was welcomed.

Together, it was agreed that the researcher's role in the implementation process was to function as eyes and ears in the local units. Her task was to visit the local units, discuss, interview and engage with employees, observe the situation and inform the global brand manager of her findings. In particular, country-by-country, she was to report on how the implementation was proceeding, what the main challenges were and to give proposals for the next steps. The company also expected that the findings would be useful for future integration of acquired companies. How the information was applied in practice, and whether it had any effects on the ongoing implementation process, or future integration operations was not reported back to the researcher. The researcher was not to participate personally in the local implementation process; her role was that of an observer and intermediate link between the head office and local units, filtering information and analysing the situation for the global marketing team's purposes. While providing constructive and up-to-date reports on local implementation, the information was also allowed to be employed for other research purposes.

Based on the initial discussions, the researcher drafted a research plan, a list of countries to be included, a schedule and preliminary interview themes and questions. Country selection was based on the market share and the business line division. The aim was to cover the biggest markets with the most potential and that all the business lines would have equal weight in the study. This selection was assumed to provide the most authentic, prevailing and real representation of the company. Thus, the study would be conducted on four continents and in ten countries: Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada. After a few revision rounds, the plan was presented to the vice president of marketing for final

approval. The financial terms, reporting method and schedule of the study were also agreed in that meeting. The case company agreed to pay all traveling and accommodation expenses and, in addition, to award a scholarship for the study. A non-disclosure agreement was signed; the company requested anonymity due to the ongoing major organisational changes. The study was to begin in September 2006 and finish in December 2007. The interviews would be conducted in one country at a time, after which a written report was to be sent to the global brand manager.

*Getting started.* Based on the list of selected countries, the global brand manager first contacted the local country managers to give them a brief introduction to the study and obtain their approval for the interviews in their region or country. Every country manager accepted the participation; most were even excited to be part of the study and looked forward to seeing the results. The encouragement from the vice president of marketing in other forums prior to the initial contact probably had a positive effect on getting the country managers on board. After their approval, the country managers were asked to name a local contact person to assist with the practicalities; for example, arranging the interviews in their area. In all cases, the local contact person was a marketing or communication manager or assistant. Next, the global brand manager contacted the assigned contact persons with an introduction to the study. The researcher was presented as a researcher from Turku School of Economics. The global brand manager explained the researcher's role and task during the visit and asked the local marketing persons to support her in every way.

*Developing contextual sensitivity at the case company.* The prolonged visit at the local units was a fruitful experience. The researcher was supported by the local people and the study proceeded as planned. Being among different people, involved in real everyday situations and participating in internal events was an excellent opportunity to absorb the local atmosphere and conduct insightful interviews. In Latin America and Australia, where the researcher stayed the longest, she was provided with her own desk in the company's main office. However, she kept to her role and always presented herself as a researcher from Turku School of Economics because it was important that people did not mistake her for an employee. The outsider's role was important and even necessary for conducting the study. After all, becoming a true social actor in different cultural contexts would be impossible. To create close real world contact with research subjects, physical immersion was important. However, psychological immersion would not be possible due to the multitude of cultures and backgrounds present in the company (see Evered & Louis, 1981).

In the local units, the researcher was often profiled as the 'branding person' and 'expert'. Occasionally, people asked her questions and aired their

concerns regarding the new strategy. Especially, the marketing and communication personnel frequently asked for her feedback and comments on prevailing issues regarding the implementation. The researcher was there to learn from them; however, they also wanted to learn from her. She was an outsider, but also possessed knowledge on branding in general. Unfortunately, the employees often sought detailed information concerning the implementation about which the researcher was not fully aware. Although she had been dispatched by global marketing, she was not fully conversant with the implementation process in detail. However, she also presented the study findings to the country managers and local marketing teams and was always willing to discuss them or any other matter regarding the branding. The mutual interest and different perspectives led to interesting discussions and reciprocal benefits.

Although participation was not equal in length in all the countries and cultural contexts, it is believed that the level of immersion was sufficient overall. The study journey began in Latin America where the researcher spent the first five months. For initiating the study, the period was sufficient to become acquainted with the company. Also, due to the researcher's Scandinavian background, a long stay in Latin America, which was the least familiar cultural context, was beneficial for discovering the Latin American influence. Next, the study continued in Australia where data was collected over four months. The visit was prolonged as Australia is the case company's biggest single market with the most informants. The trips to Latin America and Australia enabled a deep understanding on the company to be gained, which facilitated the interviews in the remaining countries. Hence, the units in North America and Europe (i.e. France and Germany) were visited briefly, and the trip to each country lasted for approximately one to two weeks. Nevertheless, the variance in the duration of the visits is not believed to have caused any bias between the different cultural contexts and their bearing in the study.

### 3.5 Data collection

#### 3.5.1 *Building depth and width*

Qualitative studies on organisational identity and identification remain scarce. This deficiency in the literature presents apparent challenges to identity scholars in terms of operationalisation and assessment of the construct (Corley et al., 2006). Nevertheless, it also opens up vast opportunities for those who want to move beyond employing surveys, comparison lists and other methods with predetermined identity referents (e.g. Ashforth & Mael, 1989). Contrary

to the traditional methods, data collection in this study emphasises richness, contextual relevance and members' own perceptions. The data are rich in both depth and width, as they were collected with multiple methods and from multiple sources within the organisation.

To produce rich accounts of knowledge, data were generated "in vivo", close to the point of origin (Van Maanen, 1979a, 520). Although the study is meta-theoretically suitable and design-wise consistent with the requirements of an ethnographic account, that is, the researcher spent a considerable amount of time at the case company and developed a deep understanding on the setting (Sanday, 1979; Van Maanen, 1979b; Golden-Biddle & Locke, 1993), the research is not considered to fall into an ethnography paradigm. In brief, it is believed that an ethnographic research paradigm, as defined in the literature, is not a sufficient approach for studying the existence of multiple subjective perceptions of organisational identity in a multinational organisation. Clearly, giving voice to multiple identity narratives is desirable (Humphreys & Brown, 2002); however, becoming immersed in peoples' varied realities and feelings is rather impossible for a single researcher. Instead, this study takes a more systematic approach for capturing the perceptions of the organisational members. The principle data collection method is semi-structured interviews. Data are also retrieved from observation and secondary data sources such as official corporate communication.

*Interviews.* Recently, Ravasi and Canato (2013) have highlighted the suitability of semi-structured interviews in organisational identity studies. Likewise, and with the purpose of *capturing individual perceptions* in a systematic manner, semi-structured interviewing was applied as the primary data collection method in this study. According to Down and Revely (2009), face-to-face interaction is an important way for people to confirm and display their self-worth and identity. While Down and Revely (2009) referred to face-to-face interaction among organisational members, it is proposed that face-to-face interaction between a researcher and an employee can be equally fruitful. In such a case, the face-to-face interaction would require, however, a sufficient contextual understanding from the researcher's part (see Chapter 3.4.2.). For this versatile group of informants, the flexibility of the method and also its potential to produce in-depth data are also important factors (e.g. King, 1994). Further, considering the intimate nature of identity, it was expected that the informants would appreciate private conversation and the confidentiality afforded by one-to-one discussion (Easterby-Smith, Thorpe & Lowe, 1991).

*Observation.* In addition to the interviews, the method of observation for collecting data was also applied. Observation proved to be a rich data collection method as the researcher had an excellent opportunity to follow the single brand implementation process for almost one-and-a-half years. Observations



occurred in the context of casual discussions in the office, during lunch or coffee breaks. As the researcher was situated in the office, she mainly had contact with office workers and less with factory or field workers. However, she was also invited to various official presentations and social events, which provided the opportunity to get to know different people, engage in conversations with them and to participate in the company life. The employees were aware of her role as a researcher. Moreover, they found the study interesting and often wanted to talk about it.

Principally, participant observation *facilitated situational understanding and contextual sensitivity*. For example, by learning the ‘corporate speak’ (Welch & Piekkari, 2006), it was easier to assimilate the prevailing ambiance, better understand employees’ feelings and know what they were talking about among themselves. This prior understanding was a great advantage when conducting the interviews. As a result, the discussions were fluid and dynamic. The interviewees felt more comfortable when they realised that, at some level, the interviewer understood them and that they were not talking to a ‘complete stranger’. Hence, it is believed that observation and interview techniques together enabled a flexible, reality-based and rich data collection method in this study. Arguably, the combination is especially helpful in building a natural interaction between interviewer and interviewee during cross-cultural interviews (cf. Welch & Piekkari, 2006). Data gathered by the observation method can easily be subjective and selective. Data verification is also considered to be problematic (Hickson, 1974). However, as the observation method was mainly utilised to supplement the interview data and support the interview process, none of these problems are believed to concern this study. Furthermore, observation in this study can be described as systematic as the researcher was constantly alert to discussions, comments and opinions. The findings or thoughts were documented in a separate file, which was revised on a regular basis.

*Official corporate communication.* In addition, secondary data such as the annual reports, internal magazines, brochures and photos were collected. These documents targeted both internal and external audiences and provided a good understanding on managerial objectives, visions, intended actions and, ultimately, official corporate claims. From the internal magazines, several internal references and good practices aimed at motivating employees to implement the new strategy were found. Customer brochures again served as valuable sources for official statements and declarations about the company. The corporate and local websites were also visited regularly in search of any current news or updates related to the new brand strategy.

The secondary data together with discussions with the vice president of marketing and the global brand manager at the case company were expected to

reveal the official side of the corporation. Hence, these materials provided official, *corporate level data about who the company claimed to be*. The secondary data were important for generating pre-understanding of the ongoing change and the organisational objectives. Thus, they were primarily used in planning the interviews, and evaluating, comparing and verifying the organisational claims with the subjective perceptions of the employees. In addition, the official stories and declarations served as good discussion starters with the employees. For instance, the corporate claims often led the employees to compare the 'official' and the 'real' side of things.

Finally, it is suggested that these three data sources had a *complementary task* in the study (see Denzin, 1989). The above discussion explains how the different sets of data serve the study objective and together complement in building a rich and trustworthy understanding of the study topic. Next, a detailed introduction to the planning and conducting of the interviews at the case company is given.

### 3.5.2 *Planning and conducting the interviews*

In preparing for interviews, the central questions are: what should be asked and from whom? Below, the designed interview guide, questions and also the selection process of the informants are presented. This is followed by a thorough description of the long and laborious data collection process. As discussed in the introductory part of this thesis, the focus of the doctoral study changed considerably during the initial phases of data analysis. Initially, the doctoral thesis was on corporate branding and data collection was planned and conducted accordingly. However, due to the open, flexible and inductive study approach, the concept of identity emerged from the empirical data and led the author to redirect the focus from brands to identity (see Chapter 3.6.). For the purpose of transparency, the study process described below is presented as it was originally planned, reflecting the initial study focus.

*Interview guide and questions.* The study was originally intended to increase understanding on corporate branding and it was against this background that the interview guide was planned and designed and the data collected. The interview guide and questions were formulated to ensure that they would be applicable to every employee at the case company. In pursuit of a holistic understanding, the questions needed to be relevant and understandable to each interviewee regardless of their education level, profession, position in the company and cultural background. Thus, data collection was conducted in actual organisational terms, with the focus on real organisational events and knowledge and also members' own experiences of them. Forcing a living and

breathing organisation into 'abstract categories' can lead to false assumptions concerning the reality (Mintzberg, 1979). Hence, the research questions were motivated by the study purpose and the prevailing organisational circumstances; they were planned to be as open and unrestricting as possible. Following Eisenhardt (1989), the framework was considered to be tentative and open to adjustments in case of emergent new knowledge or unforeseen findings.

The interview guide was initially planned by the researcher based on a brief literature review on corporate branding and also discussions with the vice president of marketing and global brand manager at the case company. At this stage, the researcher had also gathered some corporate communication material concerning the new brand strategy. This material was intended for internal use and it had been distributed to the employees at the case company. The corporate communication material provided information about the corporate identity claims, which were to be evaluated and verified in the interviews. In addition, for a better understanding on the phenomenon in a real MNC context, Annamari Lammassaari the former corporate brand director at KONE Corporation (not the case company) from 1998 to 2007 was consulted. Lammassaari has an extensive practical experience of and knowledge on corporate branding in an MNC. It was assumed that acknowledging different angles to the phenomenon (i.e. contextual, theoretical and practical) would assist in developing a more accurate and also more open and insightful interview guide. Thus, Annamari Lammassaari's advice and comments were employed to elaborate and verify the practical relevance of the conceptual framework of branding in a multicultural context.

After a few revision rounds, the final interview guide was sent to the global brand manager at the case company for comments and approval. At this stage, the interview guide did not change significantly. The case company's objective of the study was clear. For the purposes of the thesis, the researcher wanted to keep the scope and possibilities open as the objective was a more thorough understanding on the phenomenon. Thus, driven by the phenomenon under study (Eisenhardt & Graebner, 2007), the interview guide comprised four different themes that together cover important aspects of corporate branding. The intention was not to create a formal structure of questions to be asked verbatim in a set order. Rather, the questions functioned as a guide, listing topics that the researcher attempted to address during the interviews. (see Appendix 1 for the interview themes and questions).

The first theme in the interview guide aims to determine how well the employees have understood the reasons for the corporate brand change, its importance to the company and implications to the employees in their daily work. Informants were asked to discuss benefits to the company and to

themselves and also the challenges related to becoming one entity. The company's new vision supporting the corporate brand was also discussed. In particular, the aim was to evaluate how well the employees understood the company's vision, how they applied it in practice and linked it to the brand strategy. For the case company, questions on the first theme could be employed to evaluate how well the company had succeeded in explaining and 'selling' the strategy change to its employees.

The second interview theme concerns corporate communication. In particular, it covers questions on brand strategy introduction and the implementation process, the applied communication means, information distributed and their effectiveness from the interviewees' perspective. The case company considered good communication across the entire organisation to be a key matter for successful implementation. However, it was anticipated that people in central locations, that is, in the corporate head office, marketing, sales units or human resources, would receive an adequate amount of information in a good and effective manner, while this might not be the case for people in remote places or other functions. The second theme also includes questions targeted at employees responsible for local implementation (e.g. marketing managers). These questions are detailed and focus on specific aspects of the implementation. In addition, and in accordance with the wishes of the case company, the second interview theme includes questions on customer communication.

The third theme discusses visual changes relating to the single brand strategy. The new visual look was evidently the most perceptible change to the case company's employees. It was also expected to cause the most concern among organisational members. After all, symbolic elements such as colours and logos are important aspects of corporate brand, resonating with people close to them. The case company wanted to determine whether the changes had taken place and to what extent. For the general study, it was important to discover employees' perceptions and understand their feelings concerning the symbolic elements in general. Here again, there were two sets of questions. The first set was for every interviewee whereas the second set contained particular questions aimed at those responsible for local implementation.

The fourth theme focuses on the company's values and employees' motivation in general. Common values are an important element in corporate branding and one of the key issues in creating a sense of connectedness and unity within an organisation and among its members. Common values were also an important matter at the case company and their significance in the creation of 'just one company' was well understood. As the values had already been in existence for some years, the employees would be able to reflect on them and evaluate their importance and validity. The final question on

motivation was to determine the extent of employees' interest in performing any activity related to developing their work and the company.

*Selection of the informants.* For a comprehensive picture of the case company, informants in participating countries were selected to ensure that they represented different departments and various organisational positions. Accordingly, the informants came from all divisions, different professional groups, hierarchical levels, both genders and different age groups. The diversity of the informants was considered relevant as corporate brands are built, influenced, enacted and managed by people at all levels of an organisation. It is not merely managers whose perceptions matter (cf. Pratt & Foreman, 2000). Following Eisenhardt and Graebner (2007), numerous knowledgeable informants were interviewed who, due to their position in the organisation, perceive the phenomenon from different perspectives. A knowledgeable informant in this study is any organisational member with sufficient work experience at the company and the willingness to participate. In other words, the study informants were not required to have in-depth knowledge on the concepts of branding, but merely be able and willing to express their own subjective perspectives, understanding and feelings on these matters in a guided discussion, based on their own experience and participation in everyday organisational life.

The informant selection process was conducted in one country at a time prior to the interviews. The first step in the selection process entailed the local contact person compiling a list of all employees in the respective country or region. From the list, the researcher selected the local units that would represent well the entire region or country in terms of: 1) number of employees, 2) functions and 3) business divisions' weight. The final selection of the informants from the chosen units was performed by the local contact person and the unit managers. At this stage, however, the contact person was reminded about the importance of getting a good mix of participants. The final selection was left to the unit managers as a sign of courtesy and to acknowledge their participation. Furthermore, at the time of the interviews, the researcher did not know, for example, who would be off work, on a shift or travelling (see Appendix 2 for the list of informants).

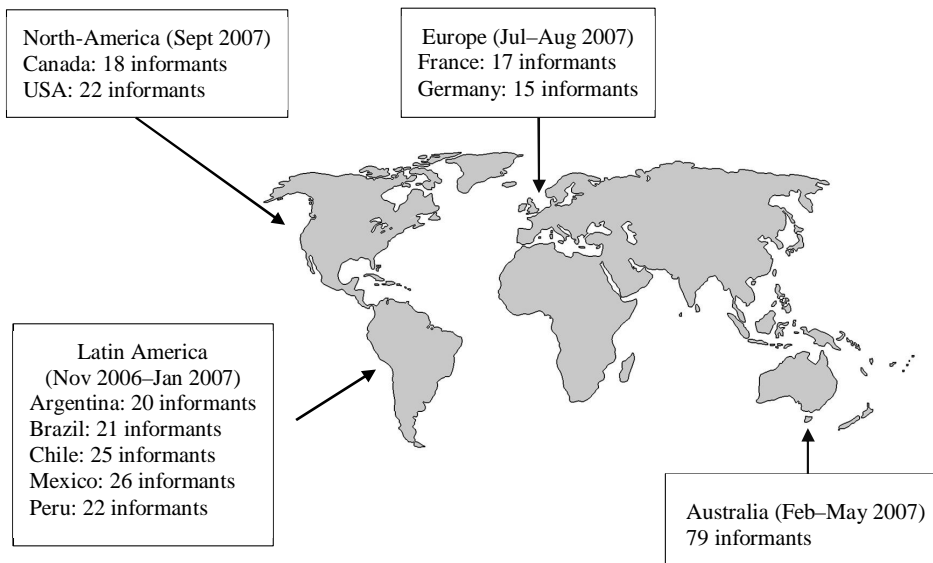


Figure 6 The selected countries, interview schedule and the number of informants per country

In total, participant selection resulted in 266 informants within the case organisation. Most data (i.e. 79 interviews) were collected from Australia as it was the biggest single market. In other countries, around 20 interviews were conducted per market area (see Figure 6). According to Pratt (2009) there is no ‘magic number’ of interviews in a qualitative research. The correct number of interviews or amount of data needed depends on the purpose of the research (Pratt, 2009). In comparison to quantitative research designs, however, qualitative research is usually conducted with fewer informants and richer data. Thus, the high number of informants in this study needs to be explained and justified. First, as the study aims to be a truly cross-cultural research, it needs to include various countries. Consequently, the number of countries (i.e. 10) also inevitably augmented the number of informants. Further, it was concluded that a minimum of 20 informants per country were needed to ascertain and take into account the multiplicity of perceptions caused by, for example, differing occupations, positions or professions. Hence, excluding Australia, the number of informants per country was not exceptionally high.

*Entering the field and conducting the interviews.* The interview process began in November 2006 and was finished in November 2007 (see Figure 6). Upon arriving and settling in Chile, the first research post, four pilot interviews were conducted with managerial-level employees to test the interview guide. All the pilot interviews were included in the empirical data set. As a result, it was discovered that the interviews would last for approximately

one-and-a-half hours and that some of the questions were not properly formed and applicable to face-to-face interviewing. Hence, the interview guide was updated and some questions were omitted with the consent of the global brand manager. During the course of the actual interviews, the interview questions were modified a few times. These alterations aimed to clarify some of the questions without jeopardising the study focus.

The interview schedule for each country was drafted by the local contact person based on the given instructions. At this point, the local manager informed the employees of the forthcoming interviews. Prior to the interviews the informants were contacted via email, in which the researcher thanked them for their participation, explained the purpose of the study and sent them an introductory letter that outlined the discussion themes with short explanations. The purpose of the email was to commit the interviewees to the study by highlighting the importance of their participation and to ignite their thought processes concerning the discussion topics. Otherwise, no advance preparation was expected nor requested. Depending on the country in question, the email and introductory letter was written in English, Spanish or Portuguese (for a copy of the introductory letter in English, see Appendix 3).

The interviews were conducted in English except in Latin America where an external translator was employed if so wished by the interviewee. By eliminating the language handicap and by conducting interviews at the workplace, informants were encouraged to share their own authentic experiences (Shah & Corley, 2006; Alvesson & Kärreman, 2007). In the end, a translator was utilised in all Latin American countries, altogether in 68 interviews. The researcher employed a different translator in each country. The professionalism of the translators varied somewhat; however, for the most part, it is believed that the translated data are accurate and authentic. Only one translator exceeded his role by actively participating in the discussion and presenting his own perspectives whenever possible. However, his active role might have created a more relaxed and lively atmosphere, reducing the distance between the informant and the researcher (see Welch & Piekkari, 2006). At the time, the researcher had moderate knowledge on the Spanish language and was able to follow most of the discussion in the Spanish speaking countries (i.e. Argentina, Chile, Mexico and Peru).

Furthermore, seven informants in Chile were interviewed with the help of the local contact. These interviews in a remote location were agreed upon at short notice and were organised as two group discussions. Although the conditions for conducting the interviews were not optimal, the interviews were conducted because the informants came from positions that were not well represented in the study. Otherwise, the interviews were held in meeting rooms at the local offices or at interviewees' own offices. Due to remote

locations, busy schedules and unforeseen business trips, 11 interviews were conducted by phone.

The researcher began each interview by presenting herself, her role at the company and the purpose of the study. The discretion and confidentiality of the interview process was emphasised. The reporting system was explained; that is, how the company reports would be compiled, who would receive the final reports and, also, that it would be impossible to identify individuals and their opinions from the reports. After the introduction, the researcher asked for consent to record the interview and explained that she would be the only person with access to the tapes and transcriptions. Every informant gave permission to record their respective interview. Only one initially hesitated, although after a moment's consideration and with no pressure from the researcher, the interviewee agreed to the recording.

During the interviews, the informants were first asked to state their name, current work title and to briefly describe their work history in the company or in the industry. The discussion then began with a warm-up question: 'What does the company mean to you?'<sup>5</sup> Thereafter, the themes guided the interviews with the storyline and discussions evolving differently in each interview. Following King (2006), the interviews were not based on a formal structure of questions to be asked verbatim in a set order. The themes and questions functioned as a guide, listing topics that the researcher wished to cover (King, 2006). As the interviews evolved, the researcher also occasionally needed to adjust some of the questions (Eisenhardt, 1989). For example, a question might have already partly been answered but not fully covered. Sometimes the terms employed were too difficult for or unfamiliar to the informants so they were modified to make them understandable.

As the informants came from various organisational levels and professions, the interview technique needed to be adjusted accordingly. Welch and Piekkari (2006) suggest creating a professional atmosphere with elite informants (e.g. managers) and emotional connectedness with others. It was found that for people in higher positions (e.g. managers), analytical thinking, verbal expressions of thoughts and readiness to speak was at a higher level in comparison to their subordinates. Interviews with managers also lasted longer and the researcher seldom needed to probe for further information. The researcher did not encounter any problems with elite interviewees due to their high status (Welch & Piekkari 2006). They were willing to speak and engage

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<sup>5</sup> The initial question was intended to be a warm-up question. However, during data analysis its relevance to the study increased significantly and it became the central question in the first research paper.



in reciprocal discussion and exchange of opinions. Informants in lower organisational positions, however, often needed encouragement to speak; thus, it was more important to create a comfortable atmosphere and emotional connection with them.

The reasons for managers being more communicative than non-managers are probably manifold. Partially, the differences relate to the phenomenon under study. The concept of branding was clearly more familiar to managers than to other employees. Although the term 'brand' did not arise often in the discussion and questions, it was the theme of the interviews and strongly associated with the company's strategy. For non-managers, some of the discussion themes were easier than others, such as the third interview theme addressing visual changes and especially about machines and changes relating to them. It also seemed that some of the non-managerial informants found the formal interview technique somewhat peculiar. Some were reserved, but some even felt privileged to participate and be listened to as it showed that the company cared about them and their opinions.

During the interviews, the researcher also took field notes and wrote down all of the impressions that occurred to her. In the field notes, idioms or expressions that employees regularly employed and any other issues that seemed to recur during the discussions were noted. Any comments or issues that occurred in parallel across the organisational levels or were peculiar to particular markets were especially interesting. The foremost advantage of the field notes to the study was the possibility to reflect back on earlier discussions and interviews. Going through the notes took the researcher right back to the interview scene. Especially, in the long data collection process with many informants, the field notes helped to keep in mind the issues that had already been discovered or noted in an earlier phase. The notes also guided the initial steps of analysis when going through the immense set of data (cf. Eisenhardt, 1989).

### 3.6 Digging into the data

According to Huberman and Miles (1983) data analysis in qualitative studies largely addresses data reduction, which occurs over the entire study process, from study design to data collection and final interpretations. Arguably, reduction is also a way of analysing data as it implies organising, clustering, focusing and clarifying the data and preparing it for the final analysis. The decisions taken by which the data is aggregated and partitioned might be tentative or intuitive but, nevertheless, they have significant consequences for the study with regard to how the data comes together and addresses the

research question(s) (Huberman & Miles, 1983.) Considering that a major challenge in qualitative (open-ended) case studies is the huge amount of data they produce (Eisenhardt, 1989), data reduction throughout the research process would also ease analysis. Pettigrew (1990, 281) has even warned about the danger of ‘death by data asphyxiation’ caused by a large amount of qualitative data, which in this study might have been a real threat.

In this study, data were reduced along the entire study process. In the initial phases of the study, data reduction occurred principally by sharpening the interview guide (see subchapter 3.5.2). These alterations specified the focus and scope of the study, alleviating and guiding the data analysis in later phases. More significant reductions, however, took place during data collection and the coincident initial steps of data analysis (see also Eisenhardt, 1989; Gioia & Pitre, 1990).

Subsequent to the interviews in each country, the researcher transcribed the interviews in full.<sup>6</sup> Transcribing the data in phases (i.e. country by country) divided the total workload and enabled the data to be revised in reasonable portions at a time. In total, the 266 interviews resulted in approximately 1,500 pages of written text. After having completed the transcription in one country, a country report was compiled for the case company. The content of the reports had been largely predetermined based on the interests of the case company. In the detailed reports, the researcher described the atmosphere in the local units, interviewees’ concerns regarding the changes, their knowledge on them and the different elements, the phases of implementation reached and their roles in them. Pictures of the offices were also included to enable visualisation of the new look or lack of it. On average, the interim reports were between five and eight pages in length. Writing the country reports was a good means for an initial exploration of the data; they assisted in creating familiarity with each country and, thus, provided a base for cross-country comparisons (Eisenhardt, 1989; Miles & Huberman, 1994). Having conducted the interviews, written the transcripts and then gone through the data country by country, a picture and better understanding started to form on what drew people together and also what drew them apart.

To enable effective data management, organisation and analysis, the data were stored and organised by employing NVivo qualitative data analysis software (Gephart, 2004; Sinkovics et al., 2008). All the individual transcripts were entered into the software and labelled by profession, interview place (city) and date to facilitate data retrieval and geographical comparison in later phases. The data analysis commenced with the creation of hierarchical tree

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<sup>6</sup> The interviews involving a translator only the discussion in English was transcribed.

nodes following the interview themes and questions. The data coding proceeded regionally in chronological order starting from the first interviews. The researcher was careful not to fragment the data too much at this stage. Thus, while coding she tried to keep the coded references as extensive and rich as possible avoiding short and narrow passages.

At this point of the study, the concept of identity started to emerge from the data. This was due to the ongoing inductive-interpretive process over which the concepts emerging from the empirical data guided the analysis and sharpened the theoretical focus (Van Maanen, 1979a). In principal, discovering that the informants' reflections of the company were also reflections of themselves led the researcher to redetermine the focus of the study. E.g. as explained by a French productline manager: *"I work because I am passionate about what I do. Obviously [the company] shares that passion."* Thus, while brands need to be attractive and meet the expectations of various stakeholder groups (Balmer, 2001), the collected data reflected only the perceptions and expectations of the employees. From the literature it was also discovered that 'meanings' and 'identification' are closely related concepts (Albert, Ashforth & Dutton, 2000; Ashforth et al., 2008) elevating the importance of the first interview question addressing the meanings of the corporation to the employees.

Changing the theoretical focus was possible because existing literature suggests a considerable overlap between the concepts of corporate brand and organisational identity. Accordingly, strong brands differentiate organisations from their competitors and foster loyalty and confidence among its stakeholders, including employees. Brands are also rooted in culture featuring a mix of soft and hard elements, the cornerstone being the values held by the employees. (Balmer, 2001.) Consequently, due to the characteristics of the data (i.e. focus on employees' perceptions) the concept of 'brand' was replaced by 'identity' as it was expected to be more suitable for interpreting the data at hand. In part, the emergence of identity reduced the data considerably. Based on a literature review on organisational identity, it was found that all the interview discussion themes and questions, e.g. communication methods, might not be relevant.

After the emergence of identity and the change of the focal theoretical framework, the data analysis continued by exploring the subjective meanings. The meanings were expected to reveal the identity contents that attach the individual identities to the organisational identity. The researcher had already familiarized her-self with the official corporate level claims in the initial phases of the study. Based on a thorough reading of the available corporate communications material and discussions with the vice president of marketing and the global brand manager at the case company, the researcher was able to form an understanding of the corporate level claims concerning who the com-

pany officially was. Officially, the company's vision was to provide the most effective solutions to its customers. These solutions were based on employees' expertise, outstanding offering, the productivity and performance of the products, and worldwide presence. The company was to be seen as a premium brand in the business. The corporate values were described as a heart of their culture and identity supporting the vision and guiding the employees' actions. Next, the employee level perceptions were to be explored, culturally analysed, and evaluated against the official corporate claims. (See Figure 7).

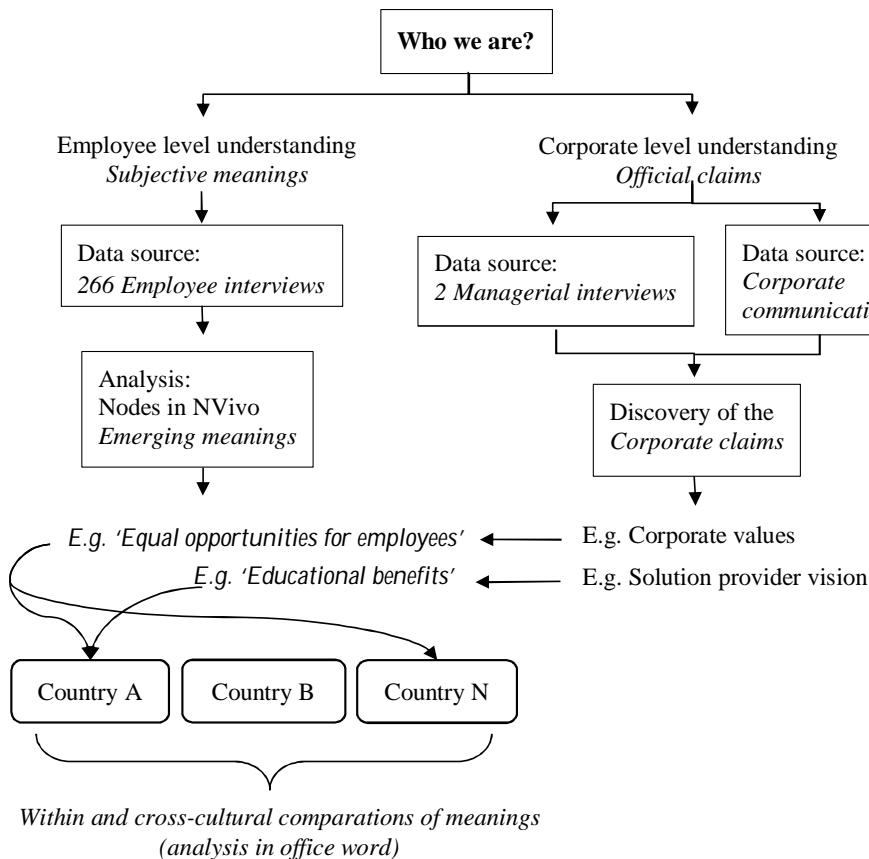


Figure 7 Capturing identity at different levels of analysis

In exploring the employees' subjective meanings the analysis was conducted with inductive discovery-oriented logic in detailed steps. First, in searching for the meanings that the corporation holds for the informants, the analysis relied strongly on the coding phase, in which the data in NVivo were analysed to discover issues that the employees considered important and

meaningful, and what organisational membership provided for them. Initially, the researcher went through all the coded data under the first node, i.e. the first interview question<sup>7</sup>. All together, the node comprised of 188 references of meanings. The Nvivo software was used only to organise and code the data and from here on the analysis continued in office word. A word document was created and all the data under the first node were copied there. The data in the word document included all the source specific information (i.e. name of the informant, place and interview date).

For generating awareness of the culturally bound meanings the data references were then organised under the geographical regions (i.e. North-America, Latin America, Australia and Europe). The researcher assumed that analysing the references region by region would enforce the emergence of similarities within and differences across the various regions. After compiling the document, comprising altogether of 55 pages, the researcher intensively read it through several times. While reading through the document the emerging and repeating meanings were underlined and noted down in the margins. For instance, in Latin America, the word ‘family’ and in North-America and Australia the words ‘opportunity’ and ‘professionalism’ appeared frequently.<sup>8</sup>

Based on the emerging meanings, three individual studies were conducted, with the first research paper leading to the subsequent two. The data analysis proceeded in the individual papers by digging deeper into the individual and corporate level identity linkages. The research strategies and data analysis methods of those studies are presented in detail in the consequent studies (see Part II of the thesis). Before briefly introducing the research papers, the next chapter discusses and asserts the trustworthiness of the study as a whole.

### 3.7 Trustworthiness of the study

The trustworthiness of qualitative studies can be evaluated based on four criteria: credibility, dependability, transferability and confirmability (Lincoln & Guba, 1985; Sinkovics et al., 2008). Following these criteria, how the four conditions were established in this study are explained below.

Credibility in a qualitative study conforms to internal validity as it focuses on the data and findings (Lincoln & Guba, 1985). To be more precise, it evaluates the ‘match’ between the informants’ realities and the reality repro-

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<sup>7</sup> Q1: “What does this company mean to you?”

<sup>8</sup> The steps of analysis in searching for the culturally-bound meanings and findings are presented in detail in research paper #1.

duced by the researcher (Sinkovics et al., 2008). Producing authentic accounts of data and also making theoretically interesting interpretations of them is at the core of this study (Ghauri, 2004, 117). To produce comparable data in cross-cultural studies, researchers need to evaluate the application of identical versus equivalent study approaches (Adler, 1983). To begin with, the study phenomenon and concepts applied should have the same meaning across the participating countries (Adler, 1983; Sinkovics et al., 2008). Herein, the study topic and theme of the interviews were identical. Being a global corporate initiative, the brand strategy had a similar weight and importance across the regions. Therefore, the level of awareness and knowledge of the strategy was expected to be parallel across regions and also professional groups.

The credibility of the findings was improved by triangulation of data sources; that is, interviews, observation, marketing and corporate communication material (Lincoln & Cuba, 1985; Denzin & Lincoln, 1994). Moreover, the numerous interviews and also the informants' cultural and occupational plurality limited managerial and Western bias and assisted in obtaining a versatile and 'truthful' representation of the corporation. A knowledgeable informant in this study is any employee with sufficient working experience at the company and interest to participate in the study (cf. Eisenhardt & Graebner, 2007). Accordingly, abstract-level discussions on the construct were not sought. Hence, the questions 'what is brand?' or 'what is identity?' or 'of what does the company's brand comprise?' were not asked. Determining answers to these questions was the researcher's ultimate task in this study. A subjectivist approach was followed and the construct was operationalised based on members' feelings and perceptions of the changes, occurrences and elements relating to the new brand strategy.

The mandate of the researcher to be the 'eyes and ears' of the headquarters is not believed to have induced the informants to overstate the meaning of the company. At all times, the researcher made very clear that she is an external researcher from Turku School of Economics. Before and during the interviews the purpose of the study was explained and the discretion and confidentiality of the interview process was emphasised. Moreover, among the informants there were employees stating their complaints and less favourable attitudes towards the company suggesting the relative openness of the responses.

Equivalence of research methods was ascertained by applying the same data collection method in all countries (Sinkovics et al., 2008). The principal data collection method was face-to-face interviews. The necessary flexibility and adaptability in discussions with culturally and professionally variant informants was enabled by semi-structured interviews. To produce rich and authentic accounts of data, the interviews were conducted in a familiar

environment employing a familiar language. Construct validity was ensured by the researcher testing the interview guide prior to the interviews.

Participative engagement at the research settings enabled the researcher to become immersed in the organisational environment and informants' realities, discover the topical issues and learn the corporate language before conducting the interviews. Previous experience of living abroad in different countries also helped the researcher to notice cultural peculiarities and learn how to address them. From the outset, this familiarisation and accumulated background knowledge is believed to have helped the researcher to engage better with the informants during the interviews. Understanding better the response styles of the informants was also aided by the researcher's prolonged stays in each country (Sinkovics et al., 2008). The informants felt that their situations were understood and also that the discussions were relevant and of interest. They also felt more relaxed as the language employed, corporate and native, was familiar. The discussions were rich in meaning as the researcher was able to probe into the informants' feelings and perceptions.

The importance of language proficiency in cross-cultural interviewing has been emphasised by Welch and Piekkari (2006). In Latin America, only a few people below the managerial level speak English. Thus, to ensure equal opportunity for all informants to freely and unrestrictedly express their thoughts, a translator was employed whenever an informant so wished. The professionalism of the translators was satisfactory. The researcher's major concern was that the natural flow of discussions in the open-ended interviews might be jeopardised or obstructed by employing intermediary translators, resulting in these discussions not being as rich in meaning as the others. However, the researcher's moderate knowledge on Spanish at the time of the interviews partially compensated for this deficiency. The researcher was mostly able to follow the discussion, probe for relevant information based on informants' remarks, sense the atmosphere and also be part of the discussion. Later, there was another opportunity to listen to the discussions and attend to informants' comments during transcription of the interviews. Not speaking any Portuguese, the researcher only had to depend fully on the translator in Brazil. Nevertheless, the researcher always listened carefully to informants during the interviews to reassure them that what was being said was of interest. To ensure the semantic equivalence of the translated meanings, the translations were compared with the data collected from interviews conducted in English in the same country (Tsui et al., 2007; see also Farh, Cannella & Lee, 2006).

Finally, with regard to the construct's credibility and confirmability, the empirically-driven findings are grounded and discussed based on existing theories and research (Sinkovics et al., 2008). Furthermore, the study is built

on a clear research framework and, throughout, the cyclical procession from the initial research questions to the final conclusions involving the empirical data, emerging theory and the extant literature is explicitly demonstrated (Eisenhardt, 1989). Although the data were originally collected for another purpose, the focus of the thesis changed considerably over the course of the study; however, the reasons for the change have been explicitly explained and justified. Data analysis began with preliminary categorisation of the data based on the research themes and questions. To ensure that the rich and contextual explanations were not lost, the data was not overly fragmented. To ascertain the equivalence of meaning across cultures, the researcher always sought to understand the meaning behind the words, expressions or terms employed. To interpret the findings, theory triangulation (Denzin & Lincoln, 1994) was applied and direct quotations from the transcripts were included to verify and bring forward the data as much as possible. Presenting the country reports to the case company enabled the findings to be verified and validated from its side (Lincoln & Guba, 1985; Sinkovics et al., 2008).

The applicability of study findings in other contexts is evaluated by transferability (Lincoln & Guba, 1985). External validity or generalisability is an equivalent criterion or measure in quantitative studies (Sinkovics et al., 2008). The degree of transferability in qualitative studies depends on the similarity of the two contexts; that is, the sending and the receiving. Thus, transferability can be evaluated based on descriptive data concerning the context and the proceedings of the study as reported by the researcher (Lincoln & Guba, 1985.) Herein, the context of the study is a multinational organisation undergoing a strategic change. Accordingly, the researcher has tried to give a detailed description of the case company, its cultural width and scope, phases, structure and, in particular, the ongoing strategy change that functions as the catalyst in this study (see subchapter 3.4.1). Demographic information on the informants with a focus on their cultural background, profession and gender has also been provided (see Appendix 2). To describe and demonstrate the plurality and variation that influence the findings, the main intention has been to follow a systematic research procedure.

The study is a single-case research and the transferability of the findings to other companies has not been assessed. According to Eisenhardt (1989), empirical data can serve as a basis for analytical generalisation and theory development if it contains cross-case analysis of four to ten case studies. Different case studies within one organisation (i.e. nested approach) can also serve this purpose (Yin, 2003). Roth and Kostova (2003) argue, however, that multinational companies are by nature complex entities and theories developed within them are most probably also applicable in other contexts. In accordance with their argument, the researcher also believes that the rich



multinational corporation context is a fruitful and illuminating environment for studying interactions between the individual, organisation and context, thus opening up possibilities for novel insights and theory development (see also Gupta & Govindarajan, 1991). Consequently, the researcher believes that, to some extent, the results of this study are transferable to other companies regardless of their size or international scope. Considering the phenomenon under investigation, the researcher also acknowledges the supposition of organisational uniqueness and assesses the limits or degree of transferability. According to the extant literature, organisational identity is unique to the organisation and, therefore, comparing identity claims or characteristics across companies is not advisable. Nevertheless, the discovered claims can be employed as points of reference for identity studies in other companies. Moreover, the operationalisation of the construct, that is, the methodology applied and suggested in this study, is transferable. In addition, the findings relating to promoting a unitary understanding of the organisation among its employees and the associated theory development are also transferable.

To affirm dependability, a researcher needs to present results that are reliable; that is, truthful, repeatable and stable over time (Lincoln & Guba, 1985, 298–299; see also Sinkovics et al., 2008). The measures of credibility and transferability presented above are, in general, sufficient conditions also to ascertain research dependability (Lincoln & Guba, 1985). Nevertheless, the principle measures of dependability in this study are presented below; that is, the qualitative research approach, careful case selection, prolonged stay at the case company, standardised interview protocol, informant variance and also the robust link between theory and the empirical data.

From the outset, this study employed a qualitative research approach to capture rich data and cultural variety and also members' subjective perceptions and feelings. The case company was appropriate for the study as it was undergoing identity threatening changes at the time of the data collection. Such a circumstance was fruitful for the study as it made organisational members more alert to questions such as 'who we are?' or 'who we are going to be?' or, alternatively, 'what is at stake with the changes?' and 'what do they definitely not want to lose?' In addition, the researcher's prolonged stay at the case company increased understanding on the research setting, aided reality-based observations to be made and sophisticated interviews to be conducted. Organisational identity is built on many truths, which also means that a variety of them need to be incorporated to gain a comprehensive and truthful representation of the focal phenomenon. Herein, the plurality and variance of the informants accumulated rich data and a multitude of perspectives. Altogether, the data comprise 266 interviews with informants from ten different countries on four different continents and representing different occupations and organi-

sational levels. By demonstrating the connection between the empirical data and theoretical framework, the study is believed to conform to the criterion of dependability at a sufficient level.

Finally, confirmability, the last measure of trustworthiness evaluated in this study, refers to the objectivity of data (Lincoln & Guba, 1985). To demonstrate confirmability, the researcher needs to prove that the data are drawn from actual circumstances and that their interpretations are logical and coherent (Ghauri, 2004). With regard to confirmability, transparency in all reporting and documentation has been accentuated in this study. In the data collection stage, all interviews were tape recorded and transcribed verbatim. All the transcripts and tapes are preserved and available. The data collection and analysis processes have been reported in detail, highlighting their limitations and discussing the difficulties and challenges faced. Throughout the study and in all reporting, the researcher has endeavoured to establish a clear trail from the original data to the final conclusions. The path from the data collection, findings, interpretations and conclusions is described step by step and in as much detail as possible. To increase transparency of the interview data, many citations in the text indicating their origin (i.e. country and informant occupation) have been presented.

The data collection resulted in a vast amount of rich interview data. To facilitate data management, retrieval and analysis, all transcripts were stored and organised in NVivo qualitative data analysis software. Employing NVivo improves the transparency of the data as they are stored and available in a systematic manner, in a well-known and commonly applied qualitative analysis software. In NVivo, any data are readily traceable from the archives and their origins can be easily verified. Employing NVivo also improves the dialogue between the researcher and the data, although the software is only applicable to a particular extent. Ultimately, it is a researcher who has to take the 'creative leap', discover the richness and variety in the data, and interpret them based on the extant literature. Nevertheless, the researcher also suggests that employing qualitative analysis software, such as NVivo, can enhance the trustworthiness of qualitative research (Sinkovics et al., 2008). In sum, the researcher believes that the above arguments demonstrate a sufficient level of credibility, transferability, dependability and confirmability and, thus, prove the trustworthiness of the study.

## 4 SYNTHESIS OF THE RESEARCH PAPERS

The three individual research papers included in this study evolved gradually. After the data collection and initial data analysis, the informants' responses to the warm-up question, '*what does this company mean to you?*', elevated in importance in the study. It was discovered that the employees' subjective meanings were varied, but also culturally bounded. Meanwhile, the connection of the concept of 'meaning' and the concepts of identity and particularly identification were discovered. This discovery inspired research paper #1. The other research papers included in the thesis (i.e. #2 and #3) emerged from the discovered drivers of identification in research paper #1.

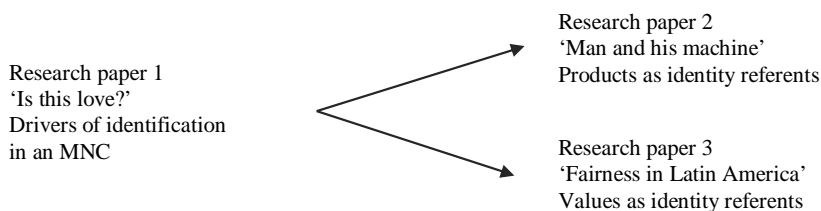


Figure 8 The joint research papers (1–3)

The following section summarises the content and main findings of the individual research papers (Chapters 4.1, 4.2 and 4.3). The research papers can be found in full in Part II of the thesis.

### 4.1 Research paper 1: Is this love? In search of meanings of a multinational corporation to its employees

The first research paper discusses identification with a multinational corporation (MNC). Drawing from the social identity theory (SIT) and the literature on the different paths of identification, i.e. cognitive, evaluative and emotional (O'Reilly & Chatman, 1986; Ashforth & Mael, 1989; Pratt, 1998; Tyler, 2001) this study aims to extend and enrich understanding on the drivers of organisational identification by exploring the *meanings* that individuals assign to their

organisation. Moreover, comparing the meanings that employees from various national cultures and backgrounds assign to an MNC the study aims to understand how cultural differences affect employees' identification. For the purpose of the study, 226 interviews were included from four continents and ten countries: Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada.

From the data, several meanings and six distinctive drivers fostering identification were found. Based on the analysis, regional differences were also evident. Among the Latin American employees, corporate values were found to be the principal driver of identification. Essentially, for Latin American employees, the company functioned as a base for an ideal normative identity. In the region, the corporate values implied security, equality, fair and respectful treatment of the employees. The informants explained that the reason why these values were so important is because they were not equally present outside the company. The existence and enforcement of the corporate values were linked to the multinational character of the company.

In the other regions, i.e. North America, Australia and Europe (France and Germany), identification was mainly driven by the opportunities provided by the company related to professional and career development. Thus, these employees' self-perceptions were linked to the company's professionalism and top quality products with which they identified the strongest. Herein, the large size of the corporation, its international scope, and diversity in terms of product and service ranges were identified as features enhancing members' possibilities for professional and occupational advancement. The company's values were also important; however, their significance was seen to derive from perceptions of equal and fair treatment in relation to opportunities offered by the company to its employees. Hence, their uniqueness in a larger societal context was not considered as they were seen to be typical values that companies should naturally follow.

The results of the study revealed two culturally-bound types of affiliations between employees and corporations. In Latin America, the employees were perceived to have a familial type relationship with the company, whereas in North America, Australia, France and Germany, the employees' more clinical attitude, indicating a professional rapport, was evident. Consequently, these findings suggest that identification can result from experiencing the corporation as 'an extension of the family' or perceiving the corporation as 'an agent of professional and career development'. Employees in the former type share a profound feeling of emotional attachment to the company; it is an intrinsic part of their everyday lives. This emotionally strong tie is identifiable, for example, in the way employees refer to the corporation as their 'family', 'home' or 'life' or when they state that they 'love' the company. In the latter type, the level of

emotional attachment is arguably lower and derived from different evaluative factors: employees regard the company as offering a means to an end with their attachment coming more from professional appreciation of the company or the position they hold.

The findings of this study are expected to both widen and deepen the earlier identification research. First, the study findings reveal how the external cultural context may affect self-conceptualisations and the loci and emotional level of identification. Second, the study suggest that identification is mainly driven by evaluative concerns i.e. individual's internal motivation to self-enhancement or emotional attachment. Third, contrary to earlier research having defined the large size of a company as a hindrance to identification (Brewer, 1991; Ellemers et al., 2004), the study shows how large size and international scope may also enhance members' identification. To conclude, the study introduces a model illustrating the linkages between different national cultures, MNCs, SIT and drivers of identification.

#### 4.2 Research paper 2: Man and his machine – Products as organisational identity referents

Based on the findings in research paper #1, the company's competitive products were found to be the basis of members' identification. Motivated by these findings, the purpose of the research paper #2 is to investigate the features and characteristics embedded in technological products that make them to be perceived as target of employees' identification and similarly referents of organisational identity. Earlier studies have suggested a connection between technology and organisational identity (Kilduff, Funk & Mehra, 1997; Tripsas, 2009; Ravasi & Canato, 2010; see also Joerges & Czarniawska, 1998). This study will, however, go a step further by empirically exploring the premises of products as organisational identity referents.

For this purpose, the study applies Albert and Whetten's (1985) criteria of claimed centrality, endurance and distinctiveness. According to the scholars, the above criteria characterise the features of organisational identity. In addition, the study draws from Ravasi and Canato's (2010) framework of organisational identity and technology. The framework illustrates the circumstances under which technological features come to be perceived as organisational identity referents. Based on the idea that professions and occupations influence identity perceptions (Fiol, 1991; Glynn, 2000), the focus of this study is solely on employees whose work and profession are tied to the company's products (cf. Feldman & Orlikowski, 2011). Supposedly, informants who see products as central to their understanding of the organisation can provide

convincing and valid data on the premises of products as identity referents. Hence, for the purpose of the study, 109 informants were identified and selected from the database. The selected informants' work revolved around the company's products in one way or another. An informant denotes a person who takes primary responsibility for constructing, maintaining, servicing, marketing or selling a product.

Based on the empirical findings, it is suggested that the criterion of centrality derives from the products' relevance to the company's overall success. Thus, the features that make the company successful in the past, present and future are perceived as its central elements. However, the employees' perceptions of these central product features varied depending on the tenure of employment. While the newer employees were mainly interested in the technological features that the products represented, the 'old guys' evaluated the product as a whole, including its symbolic aspects such as colours and names. Hence, although the target of identification may not change during time, it may grow and extend in importance incorporating more referent attributes. This finding suggests that while the newer employees ground their product perceptions merely on particular product features, their perceptions may well relate to the product centrality to the company's success, but the grounds on product-based distinctiveness may be weaker. On the contrary, for the older employees, who perceive the product as unique; an entity built of technology, capabilities and symbolic aspects, the particular product has stronger grounds on being perceived as central *and* distinctive to the company.

Moreover, the criterion of distinctiveness was evaluated based on the level of customer satisfaction and the superiority of the product in relation to competitors' offerings. Herein, distinctiveness was evaluated based on the products' essential and superior features. The two most important product attributes (of good quality) identified were: product reliability and product performance. These features were distinctive and differentiated the company's products from their competitors' equivalent products, contributing to both the customers' and the case company's success. Likewise, these features were seen to represent the employees and reflect their capabilities and characteristics. In particular, this was evident in the members' service attitude and solution provider thinking that were also mentioned as distinguishing features of the company.

Finally, the study proposes that the criterion of enduringness feeds back to the criteria of centrality and distinctiveness. Based on the study findings, endurance is defined as a company philosophy or objective, an organisational belief and norm fostering growth, development and long-term success. Although, the product-specific features might need to be adaptive and evolve due to competitive pressures and turbulent business environments, endurance

can reflect and foster the company's vision of superior products representing stability in the otherwise dynamic organisational environment. Such a philosophy, grounded on years of practice, capabilities and future vision is difficult to compete against or copy.

#### 4.3 Research paper 3: Playing it fair in Latin America

Research paper #3 was motivated by the findings in research paper #1, whereby fairness as a corporate value, was found to be the employees' principal driver of organisational identification in the Latin American region. The study results also suggested that the fairness standards or expectations of the Latin American workers were different in comparison to their Western colleagues. So far, however, studies on organisational justice and fairness have paid little attention to fairness perceptions in non-Western societies, and the extant literature is built firmly on western-based theories and evidence (Fischer et al., 2011; see also Greenberg, 1990). Cross-cultural empirical studies and evidence are therefore needed to test and enrich the theories rooted in the Western tradition.

This study was designed to elaborate existing research on organisational justice and to dig deeper into the perceptions of fairness in Latin American context. Drawing from social psychology, where fairness (i.e. justice) has been studied extensively in the organisational context, the study aims to explore the relative weight and sources of different forms of fairness in the region. The theoretical framework is built around three types of organisational fairness; that is, distributive, i.e. fairness in outcome distribution (Blau, 1964; Adams, 1965), procedural, i.e. fairness in decision-making (Thibaut & Walker, 1975) and interactional, i.e. quality of employee treatment (Bies & Moag, 1986). In order to explore how fairness is presented in organisational everyday life (Moorman, 1991) the study focuses on employees' own perceptions. The empirical data comprise 109 face-to-face interviews conducted in one multinational corporation in Argentina, Brazil, Chile, Mexico and Peru. Altogether, 106 descriptions of fairness were found from the database.

Based on the findings, the perceptions of fairness among Latin American workers seemed to fit relatively well with the existing fairness types (i.e. distributive, procedural and interactional). Moreover, the shift of focus from distributive fairness to procedural and interactive fairness (e.g. Desai, Sondak & Diekmann, 2011) is supported in the Latin context. There were few descriptions collected on distributive fairness; only five from a total of 106. In addition, it is proposed that organisational fairness has more sources and dimensions than current studies suggest (Liao & Rupp, 2005; Li & Cropanzano,

2009; Törnblom & Kazemi, 2011). Previous studies have accentuated the decisions and behaviours of managers as a principal source of organisational fairness. Based on the results, however, it is suggested that employees at all levels are responsible for constructing and maintaining a fair atmosphere. For instance, interactional fairness was not only judged by managers' behaviour, it was judged by the behaviour of all organisational members. Furthermore, in addition to being judged on internal relations, the findings show that fairness penetrates and is evaluated also in external relations. In other words, the employees' decisions and behaviour are expected also to be fair to external audiences, primarily to customers. Based on the study results, it is proposed that the evaluations of fairness penetrate into all types and levels of relations, both internal and external. Hence, fairness judgments are pervasive and collective throughout the organisation.

The study also adds to the scarce but emergent research on fairness in different cultural contexts in another way. In addition to revealing what makes an organisation fair in Latin America the study's findings might also add to our understanding on how the surrounding society might affect the organisational fairness perceptions. In Latin America the company was perceived to be 'fairer' than the surrounding society. Thus, even if highly appreciated as a moral virtue, fairness is not prevalent in the Latin America as broadly and strongly as in Western societies. Consequently, this finding suggests that the fairness standards or expectations of Latin American workers might be lower than, or at least different to their Western colleagues. Following Greenberg (2001), it is proposed that although fairness might be a universal value, its operationalisation is location bound. For practitioners, the findings provide strong evidence on the validity and suggestions on operationalisation of fairness as a corporate value in the Latin American context.



## 5 DISCUSSION

The aim of this study is to understand how multinational corporations manage to promote a unitary understanding of the organisation among its employees. In order to explain the cross-level identity dynamics between individual and organisational level understanding, the study purpose was divided into two sub-questions: 1) *What are the drivers of organisational identification? Do the drivers of identification vary across cultures, and, if so, why?* 2) *What type of organisational features may induce shared understanding and thus, be considered as organisational identity references in an MNC?* The sub-questions were addressed in the joint research papers (#1-3). The individual studies were designed to discover plurality and the varied meanings as well as shared understanding of the case company to its employees.

In response to the first sub-question, the study results suggest that members' *organisational identification is driven largely by corporate values or opportunities related to career and professional development*. Hence, based on the findings employees were either focused on developing their occupational and professional identities or their normative selves. A critical finding of the study is that the motives and drivers of identification can be partly explained by the external societal context. To exemplify, in the Latin American region the employees' relationship with the corporation was principally enforced by organisational values emphasising e.g. 'fairness', 'equality' and 'treating people with respect'. The importance of the corporate values was explained by the lack of such values in the surrounding society.

Whereas, in North America, Australia, France and Germany, the relationship between the employees and the organisation was based more on work, career and professionalism based motives. For these employees focused more on building their professional identities, the company offered valuable opportunities for developing these skills and enhancing their professional statuses and identity. Corporate values were also important, but as they were not seen to deviate from the societal mainstream, they were not given much emphasis. Thus, depending on the region, the values were perceived either as a principal driver of identification, or a minimum requirement for an organisational membership. The difference in perception depends on whether the company is perceived to be 'fairer' than other companies, or the society in general, as stated by a Peruvian supervisor: "*In fair play you have the cultural acceptance, colour of the skin. This is very difficult in Peru, but when you*

*close the door you are at [the company]. You are not in Peru.*” Or alternatively ‘equally fair’, as commented by an Australian colleague: “*I think they [corporate values] make up the Australian culture. It is easy to follow because it is traditionally part of our culture.*” Hence, organisational values were evaluated against the members’ value perceptions in their own culture.

Common to these paths of identification is that they are both *evaluative and self-enhancing*. In other words, the answer to why individuals identify with an organisation is not suggested to be so much related to cognitive assessment of similarity, i.e. the extent of overlap between individual- and organisational-level attributes. Instead, and as was evident across the organisational levels, identification is mainly driven by a desire and vision to enhance oneself in one way or another. For the employees, the case company represented an opportunity for self-enhancement. Hence, membership, in addition to being presently satisfying, also needs to have future potential. In the case of professional based identification, the organisational membership meant advancement, continuous learning, and consequently, long-term employment possibilities. Values based identification was driven by perceptions of security and prospects for overall self-enhancement. Thus, it is proposed that individuals identify with an organisation if it is perceived to be a suitable path for a future ideational sense of self. Interestingly, the professional image, large size and global scope of the corporation i.e. the MNC specific attributes were seen as a guarantee for both of these types of self-enhancement. For employees driven by professional motivation, a large multinational corporation was seen to offer more opportunities, resources and paths for advancement. Likewise, the international character of the company was also seen as a guarantee for a more equal and values driven work environment.

Finally, based on the discovered regional differences, it is suggested that the values driven identification prevailing in Latin America entails a *stronger emotional attachment* to the company. This is evident in the way the employees in Latin America referred to the company as ‘family’ and ‘home’, and often declared their ‘love’ to the company. In the professional type of affiliation, prevailing in the Western countries, the level of emotional attachment is arguably lower and derived from different evaluative factors: employees regard the company as offering a means to an end with their attachment coming more from professional appreciation of the company or the position they hold.

The response to the question concerning *why* individuals identify with organisations closely relates to the question of *what* are the contents of organisational identity. Addressing the second sub-question of the study, it is proposed that at the case company there exist at least two pertinent elements of organisational identity: corporate values and the company’s competitive products reflecting the professionalism and technological capabilities of the

corporation. These findings are also in line with earlier studies in which central organisational features are manifested as key values, labels, products, services or practices (Gioia et al., 2013).

The extant literature has already accentuated the relevance of values in organisational life. However, the composition of an MNC, that is, the diversity of people, cultures, attitudes and goals, presents a clear challenge in defining shared values. Consequently, many researchers have questioned the possibility of individuals ever developing and sharing a similar set of values (Alvesson & Sandkull, 1988; Forsgren, Holm & Johanson, 2005; Welch & Welch, 2006). Some researchers have, however, accentuated the existence of core human values or imperatives that cross cultures. Fairness, for instance, is suggested to be of fundamental importance irrespective of time, circumstances, culture or religion. (Schwartz et al., 2005.) Similarly, in this study '*fairness*' was found to be pervasive across the organisation. Although, the interpretation and operationalization of the value varied across cultures, it is proposed to be a suitable corporate value and organisational identity referent in an MNC context. Traditionally, national culture is perceived to have the strongest influence on peoples' value formation and preferences (e.g. Guth & Tagiuri, 1965; Hofstede, 1985; Roe & Ester, 1999). However, based on the study results it is suggested that organisational values in addition to distinguishing companies from each other might also distinguish companies from societies in a positive way. Moreover, when organisational values are preferred over societal values, the centrality and importance of the values as organisational identity elements are believed to increase substantially.

The company's products as organisational identity elements, however, are not culturally bound. Whereas fairness was perceived differently across regions due to cultural differences, *the company's products and related technology* are evaluated based on industry and market-related standards, requirements and performance. Thus, the products touch upon and connect the company to another organisationally relevant context; namely, the industry and markets in which the company operates. Herein, the prestige of the company and its products are evaluated based on product features, technological superiority and other product related resources that make the company successful in the face of its competition. Moreover, the product-based features were also linked to the knowledge and the capabilities of employees by whom they are developed, constructed or serviced.

For the purpose of exploring the premises of products as organisational identity referents the study draws from Albert and Whetten's (1985) criteria of claimed centrality, endurance and distinctiveness. In line with Ravasi and Canato's (2010) suggestion of the organisational identity feature being central to the business model, it is suggested that the criterion of centrality derives

principally from the products' relevance and role in the company's overall success. Moreover, the distinctiveness was evaluated mainly based on the level of customer satisfaction and the superiority of the product in relation to competitors' offerings. DiMaggio and Powell (1983) proposed that organisational prestige and resources in fields that include a large professionally trained labour force should be built on homogenisation (i.e. isomorphism) to deliver the same benefits and services as their competitors. Based on the study results, however, professional identification and products as identity elements are not built on similarity but on superiority and differentiation. Moreover, it was found that the more time an employee spent working with a particular product, the more emotional his perceptions of the product were. Thus, for the 'older' employees the product uniqueness was not only evaluated based on its technology and capabilities, but also on its symbolic aspects. This finding would suggest a stronger and more emotional type of identification. Finally, and in accordance with perceiving identity as continuous rather than stable or changing (Gioia et al., 2000; Brunninge, 2005), endurance is defined as a philosophy and objective, an organisational belief and norm fostering growth, development and success in the long term. Thus, rather than perceiving endurance as an outcome of a process (Ravasi & Canato, 2010), it is defined as the force *driving* the process that connects the company's past commitments and future goals (Rousseau, 1998). At the case company it fosters product based success.

The study set out to investigate the premises of unitary understanding among the organisational members in an MNC. In the literature, it is commonly proposed that as organisations are coalitions of individuals and various distinctive groups, they are bound to have multiple identities (Dutton et al., 1994; Glynn, 2000; Pratt & Foreman, 2000). At a group level, subunit identities are suggested to emerge as a result of the organisation's structure: its geographical, hierarchical, product or functional diversity (Fiol, 1991). This study acknowledges and has empirically shown the organisational members' varying foci and drivers of identification within an MNC. Nevertheless, the findings also show that the same organisational identity referents can exist across the different subunits and groups. Consequently, organisational identity may be defined as *multifaceted* (see Gioia, 1998), rather than multiple as suggested by majority of studies. However, in order to escape appearing schizophrenic, the identity referents need to be interrelated and mutually constituted. Thus, rather than proposing multiple or complex identities for complex organisations, the study advocates simple statements of identity as a response to MNC complexity.

According to Albert and Whetten (1985), two dimensions of organisational identity exist: normative and utilitarian. The former identity type is driven by

ideology and values (e.g. church) and the latter is enforced by economic value driven business agendas. In an attempt to make sense of identity duality in organisations, Albert and Whetten (1985) have further distinguished two forms of organisations: ideographic and holographic. The ideographic form refers to a company exhibiting only one identity whereas, in the holographic form, each organisational unit exhibits both identity types and, thus, the properties of the organisation as a whole (Albert & Whetten, 1985). The harmonious coexistence of the corporate values (i.e. normative ideology) and superior products (i.e. utilitarian ideology) at the case company seems to be grounded on their different premises. Norms, as discussed in research paper #3, are an important part of humanity. Values such as ‘fairness’ are essential for all of us, regardless of our cultural background or professional orientation. Consequently, an organisation’s normative ideology touches upon every employee, although its manifestation and interpretation might be different due to the societal surroundings. The utilitarian ideology, herein based on the company’s competitive products, distinguishes the company from the competition, enhancing its economic success (see research paper #2).

Conflicts between the *two faces of organisational identity* at the case company did not occur; instead, they were perceived to support and complement each other. Although individual-level emphasis and focus within the different groups and units varies, both identities were acknowledged and relevant. For instance, according to the informants, corporate values were often referred to when making important business decisions as exemplified in the following comment: “*I have used the term fair play in emails to customers even. I had to tell one customer that I can’t give you discount because all we’re doing is cutting out our friends in Latin America. I even said that one of our core values is fair play and it’s not fair play for me to sell you the parts and you to undercut them in another region, so I can’t do it.*” (Sales representative, Canada). On these premises, it is tentatively suggested that values (i.e. normative ideology) form the fundamental ground for organisational coherence, unity and action. Similarly, Gustafsson and Reger (1995) portrayed organisational identity as a nested structure with intangible identity at its core and tangible identity attributes at the periphery. This conceptualisation, employing tangible and intangible elements, draws close to the definition of organisational culture (see Schein, 1985). However, it is noteworthy that both faces of identity are perceivable and experimentable, setting them apart from the traditional definition of culture.

The above discussion leads to consideration on the nature and conceptualisation of organisational identity in an MNC. Evidently, normative and utilitarian identities are both essential and core although, simultaneously, they are different in terms of their degree of stability. Thus, it is proposed that values

grounded on core human principles represent the part of the company that is difficult to change; it is emotional and fundamental to human understanding. The company offering, however, needs to develop and occasionally change to satisfy the organisational- and self-enhancement needs. This was also evident in research paper #2, in which endurance in relation to company's products was defined as a philosophy and objective aiming at growth, development and long-term success. In such a scenario, stability hinders progress, whereas progress is enabled by continuous improvement and development. Obviously, values can also change. Societies and people evolve and develop, as do their embedded norms. The pace of value changes is arguably, however, much slower.

It is further proposed that shared values are particularly essential for MNCs for cross-cultural unity. In a domestic company, values are most likely equivalent to the society and its normative basis. For MNCs, the normative grounds might not be self-evident and, therefore, they need to be explicitly defined and managed in order to avoid incongruity and cultural clashes. As commented by an Argentinean IT manager: "*Values are very difficult for all of us. I hope in the future we can be better persons*". According to Brubaker and Cooper (2000), strong identity implies homogeneity, sameness and a clear boundary between the inside and outside. Indeed, defining the normative boundaries in an MNC is vital to remove any fuzziness and uncertainty on how things should be done. This is suggested to be especially relevant in countries where the normative bases of the company and society are different.

At the beginning of the thesis, it was suggested that MNCs may be perceived as cultural or societal entities, the boundaries of which are not demarcated by geographical borders but by meaning and identity, composed of shared goals, behaviours and values (cf. Kogut & Zander, 1996). The study findings support this proposition. The case company's boundaries were constituted by normative and professional identity markers grounded on organisational and individual level shared understanding. To a certain extent, the company's borders detached it from the societies in which it operates. Hence, the study follows the idea that corporate boundaries are less defined by state borders (Palmisano, 2006). Accordingly, the MNC can be defined as an institution as it is infused with value and distinct identity (see Selznick, 1957, 40).

Consequently, it is argued that organisational institutionalism with emphasis on values and other intangible factors, does *not* imply 'fuzziness' as suggested by Buckley and Casson in 1998. Instead, it implies the power and sovereign state of an MNC as a cultural and societal entity with potential to influence its members and other institutions; maybe even societies. As suggested by Gioia et al. (2013, 184), "*who we are as an organization has implications beyond the organization*". This perspective presents identity as

not only contributing to the development and change of institutions but, more importantly, as an integral element of what we term an institution. Scott (2008) has termed identity as a 'vehicle' or 'carrier' of institutions' cognitive-cultural elements. The definition is also pivotal in this study, although it needs to be considered that the vehicle moves in two directions. While there are organisational members with their own cultural background influencing their interpretations and understanding, there are corporate claims that need to relate to various employees. Thus, in determining an institution, a key question is: *what draws people together and what draws them apart?* This study has presented some premises for promoting a unitary understanding of the MNC among its employees.

With a broader scope, this study promotes and brings forward a different, more socially advanced perspective on MNCs. To date, the perceptions of MNCs in the contemporary globalised world are often biased towards negative occurrences (Dunning & Lundan, 2008; Forsgren, 2008) and unethical behavior. Emphasising the dark side of global business, MNCs are often described as profit seeking giants with the core objective of gaining higher profits regardless of the consequences. The global scope of these firms provides possibilities, for example, to utilise and exploit the cheapest labour and sites of production, and find the most preferential and permissive conditions, regulations and laws. In this study, a different more positive perspective on MNCs is emphasised. Via their example and actions, MNCs can also be seen as change agents with the power to drive both economic and social futures, as suggested by the data in Latin America where fairness was experienced inside the company, but not outside it. As follows, it is proposed that individual-level meaningfulness and sense of belonging in an MNC are, in part, indicators of corporate-level social awareness and responsibility. More studies are, however, needed to continue this work. In the following, after presenting the theoretical and practical contributions of the study, some suggestions are given for future studies' agendas.





## 6 CONCLUSIONS

### 6.1 Theoretical contributions

An important contribution to the field of IB lies in introducing organisational identity as an element that provides coherence and continuity in the MNC undergoing a strategic change. Today, it is highly relevant to consider how to build loyalty and engage and unite employees for the common good. Based on the study's findings, identity is proposed to be a valid construct for this purpose. Although, identity has previously been discussed and incorporated in IB studies, in many cases the concept is not explicitly defined or understood. Hence, as a response to the generally superficial, abstract and even vague use and interpretation of the concept, this study provides a more thorough definition, role and operationalisation of identity in the MNC context.

The contributions to the organisational identity and identification studies are manifold. In organisation studies interest in the construct of identity is increasing. To date, however, the study field lacks a rich and heterogeneous perspective on understanding the member-organisation linkages needed to configure the organisational identity construct. For example, organisational identity and identification have been empirically investigated in the past, but rarely within the context of a large multinational corporation. Thus, the multi-cultural focus and evidence of this study are suggested to enrich the understanding of cultural and identity-related processes in multinational organisations. Based on the empirical data collected from four different regions and ten different countries, the study proposes how cultures may affect individuals' perceptions of and identification with multinational organisations. Moreover, it is shown that organisational members' cultural backgrounds impact their foci and emotional level of identification. The study also challenges the idea of cultural plurality downplaying organisational identity and leading to its weakness (e.g. Lind & Van den Bos, 2002) by introducing a collective organisational identity that is bounded by and sensitive to multiple contexts.

In addition, this study has epistemological and methodological implications. First, to build a comprehensive and accurate picture of the organisational identity construct and its underlying dynamics, a *cross-level identity research* design was applied incorporating both individual and corporate level understanding. With its cross-level approach the study has brought together the perspectives of social construction and social actors, an approach for which

calls have recently been made (Corley et al., 2006; Ravasi and Schultz; 2006; Alvesson et al., 2008; Gioia et al., 2010). To the researcher's knowledge, the intersection of individual-level perceptions and organisational-level claims has not been explicitly explored to date in the organisational identity literature. The study has elaborated on how the different levels of analysis provide complementary and together sufficient knowledge about identity of an organisation. Wherein these two levels meet and coincide, a *real* organisational identity arguably exists. Secondly, the study takes an *interpretivist approach* to identification and endeavours to operationalise the concept by focusing on meanings that individuals assign to their organisation as indicators of individual level understanding. Focusing on meanings presents a novel approach to the field, where earlier studies have largely adopted a positivist approach conceptualizing identification as a measurable property of individuals. It is suggested that the methodological approach applied in this study can provide a good ground for further empirical studies on organisational identity and identification.

In terms of conceptual development, this study presents a novel approach to identification research by focusing on *drivers of identification*, i.e. the organisational features that are suggested to initiate and guide members' identification processes. Also, by having accumulated a more detailed understanding of the central features of an MNC and their interrelatedness, the findings support the idea of a collective MNC identity challenging the proposition of increasing complexity of corporations requiring multiple identities. Thus, contrary to the traditional constructionist view, organisational identity is defined as multifaceted rather than multiple. In addition, the study goes beyond merely labelling and categorising the organisational identity referents and provides a more detailed conceptualisation and rich discussion on their attributes and characteristics. The study builds on the model of technology as an identity referent (Ravasi & Canato, 2010) and contributes to understanding the central, distinctive and enduring characteristics of products as organisational identity referents (Albert & Whetten, 1985). Moreover, the study results contribute to organisational justice literature by extending and enriching Tyler & Blader's (2003) group engagement model by providing a multicultural and organisational-level test on fairness perceptions in Latin America.

Finally, the interdisciplinary approach, and focus on individual level perceptions are suggested to offer a new perspective and insights to IB scholars. In the field of IB, many scholars are questioning the vitality and future of the discipline. It is acknowledged that mere focus on geographical matters in studies of MNCs is insufficient in an era when the international aspects in business are no longer unique to IB scholars. Today, cross-cultural studies remain a significant part of IB research. The findings in this study also

emphasise the importance of understanding cultural differences and variance in an MNC setting. However, instead of focusing on cultural distance or friction that can be inflicted by multiculturalism, scholars are urged to focus on cultural interaction (see Yagi & Kleinberg, 2011). This study has presented some basis for cross-cultural unity, synergies and interfaces between an MNC and its employees. The findings have emerged from a qualitative research that is put forward as a suitable research approach for understanding complex phenomena in a complex multinational research setting. Evidently, the *emerging globally integrated corporation* requires an open, interdisciplinary and meta-theoretical approach.

## 6.2 Managerial contributions

For practitioners of multinational corporations (MNCs), and domestic companies, the contribution of the study is at least threefold. First, it provides guidelines on how to address dynamism and multiculturalism at the workplace and unite employees behind corporate goals. Supposedly, identity is the force behind collective energy suggesting that focusing primarily on identity building or enforcement rather than brand building during major organisational changes would be worthwhile. Therefore, understanding the drivers of members' identification and elements of organisational identity facilitates the management of an MNC. Due to the prevailing turbulence and ongoing, rapid changes, like mergers and acquisitions, managers need to be able to create loyalty, coherence and shared understanding. Otherwise, corporations will not be united, their units and employees will not naturally cooperate and will remain distant to each other; in the worst case, this can even lead to rivalry and internal competition. The relevance of coherent organisational identity has been recognised in the business field. The study provides concrete understanding on what is required to manage organisational identity; that is, how to define identity elements and address multiple subjective perspectives.

Second, this study elevates the role and importance of corporate values in organisational life. Values can distinguish companies from others, align organisational behaviour, attract potential employees, help to retain the existing personnel, and function as the basis of organisational wide shared understanding. Evidently, corporate values are important for contemporary workers; thus, managers should pay attention when choosing and managing these values. The study's findings give some guidelines with which to address these matters. Moreover, corporations as cultural entities will also require managers and leaders with the ability to lead by example. In particular, ethical leadership that demonstrates normatively appropriate conduct (He & Brown,

2013) would be of value. Hence, the leaders of today and tomorrow should be able also to consider and take into account the societal importance and role of MNCs and their responsibility as a sensible leader. Identity management requires new kinds of managerial competency such as sensitivity to cultural matters (cf. Humes, 1993) and understanding of otherness. Hence, it is vital for the success of any company that managers have the capability to manage and enhance internal unity.

Finally, practitioners should acknowledge the impact of multinational organisations and employ this power constructively for the benefit of all parties. The increasing dominance and power of MNCs is an important issue for practitioners. The question of how to employ this power for the benefit of the business and societies in which the company is embedded is worthy of consideration. Ethics and responsibility are virtues of contemporary multinational enterprises. With key stakeholders being more alert than ever to these matters, so too should companies.

### 6.3 Limitations of the study and suggestions for future research

This study applied a qualitative single-case approach and, therefore, it might have limitations concerning the generalisability of the findings (Miles & Huberman, 1994; Eisenhardt & Graebner, 2007). The fact that the research covered a single case might be perceived as a constraint that can be remedied by future studies. Furthermore, the context sensitivity of the topic makes it difficult to compare and validate the study's findings. Another limitation is the case company's requirement for anonymity. Evidently, if the company was known, it would be easier for the reader to evaluate the quality and validity of the case description and the setting of the study. Another limitation of this study concerns its multinational approach. Although, the researcher was able to collect data from ten countries across four continents, the study is not culturally comprehensive. For instance, Asia and Africa, being culturally very different areas, might provide different results. Likewise, the study only included two countries from Europe. As Europe comprises a variety of cultures, the two countries included in the study cannot be regarded as a comprehensive representation.

For avenues of future research, this study generates some propositions for study topics. Concerning organisational identity and identification, more studies in multinational contexts are needed in order to discover other meanings and cross-level identity linkages. Another interesting question would be to what degree self-identity in an organisational context is influenced by the internally and externally derived understanding. Further, it would

also be interesting to examine the uniqueness of organisational identity. Researchers might examine the comparability of unique organisational characteristics within industry and across industries. What determines uniqueness and what are its limits? How can it be measured? Another relevant topic would be enriching the understanding on the practical relevance of organisational identity. Behavioural implications have been noted, but to what extent do they occur?

Without a doubt, MNCs play a visible and weighty role within the societies in which they operate. Increased awareness of synergies between social responsibility and business proficiency, and building motivation for sustainable business practices are nevertheless needed (cf. Forsgren, 2013). Furthermore, incorporating and investigating both social and economic outcomes of MNC operations would rightfully highlight its significant role in contemporary society. Another interesting topic would be to study how societies' normative identities change over time and whether organisations embedded in them somehow influence this development. Related to this, it would be worthwhile to look into the reciprocal influence of corporations, and how peoples' behaviour might change in different normative environments. For instance, with regard to Latin America, do employees also apply the norms and values outside the company? The topic of organisational values might provide interesting new insights on MNCs. How to apply the values, of what are they capable and what should they be? How does value based management function in an MNC? New models of MNCs are also needed. In general, more discussion and debate on research methods in organisational identity and identification is also needed.



## 7 SUMMARY

In response to volatility and complexity in the global business arena, this study discusses and promotes the importance of organisational unity, trust, loyalty and integrity. This study is motivated by an important and topical dilemma in contemporary business; namely, how multinational corporations resulting from multiple mergers and acquisitions manage to promote a unitary understanding of the organisation among its employees. In search of unity, the study introduces organisational identity as a source of coherence and continuity in the MNC undergoing strategic change. This thesis can be described as an interdisciplinary study as it is positioned within two distinct research fields: international business (IB) and organisation studies. By combining the disciplines' external and internal perspectives on organisations, the study can address the question of how to build unity within diversity in a multinational corporation (MNC).

To address this topic, the study draws from the organisational identity literature in which identity is defined as a collective sense of “who we are” (Albert and Whetten, 1985) and the related concept of identification explaining the self-referential meaning of an organisation to its employees (Dutton, Dukerich & Harquail, 1994; Pratt, 1998). Although change is not at focus in this study, it is suggested to provide an ideal organisational setting to investigate identity related issues and reflections. The aim of this research can be divided into two sub-questions: 1) What are the drivers of organisational identification in the MNC? Do the drivers of identification vary across cultures, and, if so, why? 2) What type of organisational features may induce shared understanding and thus, be considered as organisational identity referents in an MNC?

The study takes a cross-level identity approach based on the assumption that the organisational identity construct is an ensemble and amalgamation of individual-level and organisational-level understanding (Corley et al., 2006; Ravasi & Schultz, 2006; Gioia et al., 2010). Thus, organisational identity can be found and legitimized at the intersection of individual-level perceptions and organisational-level claims and attributes. The aim of this study is not to find closure nor to produce narrow empirical snapshots but to comprehensively understand identity and the antecedents and conditions for identity-based linkages in an MNC. Therefore, the study follows a qualitative, single-case study approach. For organisational depth, the empirical data comprise 226 interviews with informants from various organisational levels and occupa-

tions. For cultural width, informants came from four continents and ten countries: Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada.

The thesis comprises three individual research papers that evolved gradually, with each having a different perspective and definite contribution to the overall study. The first research paper discusses identification. However, rather than focusing on the process of identification, this study explores the different drivers of identification, i.e. the features or characteristics of an MNC that initiate, guide and motivate the process. The study draws from the social identity theory (SIT) according to which, people derive part of their self-conceptualisation from groups to which they belong. By exploring the *meanings* that employees from various national cultures and backgrounds assign to an MNC the study aims to understand whether cultural differences affect employees' identification. The critical finding is that, in Latin America, the corporate values were found to be the principal driver of identification. Herein, the importance of the corporate values was explained by the lack of such values in the surrounding society. In the other regions, i.e. North America, Australia and Europe (France and Germany), identification was mainly driven by the opportunities provided by the company related to professional and career development. Thus, these employees' self-perceptions were linked to the company's professionalism and top quality products with which they identified the strongest.

Building on these findings, research paper #2 focuses on products as organisational identity referents. In addition to extending and partly challenging Ravasi and Canato's (2010) identity referent technology model, the study also enriches current understanding on the criteria of central, distinctive and enduring characters of organisational identity (Albert & Whetten, 1985). Based on the empirical findings, it is suggested that the criterion of centrality derives from the products' relevance and influence on the company's overall success in the past, present and future. However, the employees' perceptions of these central product features varied depending on the tenure of employment. The criterion of distinctiveness was evaluated based on the level of customer satisfaction and the superiority of the product in relation to competitors' offerings. Herein, distinctiveness was evaluated based on the products' essential and superior features that were also linked to the employees' technological know-how and professional skills; that is, their individual identity. Contrary to Ravasi and Canato's (2010) model, the criterion of endurance is defined as a philosophy or objective, an organisational belief and norm fostering growth, development and long-term success.

Research paper #3 was motivated by the findings in research paper #1, where fairness as a corporate value, was found to be the employees' principal



driver of organisational identification in the Latin American region. The study contributes to the organisational justice literature by extending the current understanding on the sources and foci of organisational fairness. Previous studies have accentuated the decisions and behaviours of managers as a principal source of organisational fairness. Based on the results, however, it is suggested that employees at all levels are responsible for constructing and maintaining a fair atmosphere. Furthermore, in addition to being judged on internal relations, the findings show that fairness penetrates and is evaluated also in external relations. Thus, it is proposed that the evaluations of fairness penetrate into all types and levels of relations, both internal and external. Moreover, the study adds to the scarce but emergent discussion on fairness in a non-western context. In addition to revealing what makes an organisation fair in Latin America the study's findings might also add to our understanding on how the surrounding society might affect the organisational fairness perceptions.

Finally, it is proposed that, at the case company, there are at least two pertinent elements of organisational identity: corporate values and the company's competitive products. These elements are representative of the company; however, they also explain employees' identification with the group. Furthermore, the study goes beyond merely labelling and categorising organisational identity elements and provides a more detailed depiction and rich discussion on their relevance and characteristics. Consequently, organisational identity at the case company is defined as *multifaceted* (see Gioia, 1998), rather than multiple. Thus, rather than proposing multiple or complex identities for complex organisations, the study advocates simple statements of identity as a response to MNC complexity.

The main contribution to the field of IB lies in introducing identity as an element that provides stability and coherence in the turbulent and complex life of MNCs. Today, it is highly relevant to consider how to build loyalty and to engage and unite employees for the common good. Based on the study's results, it is proposed that identity is a valid construct for this purpose. The main contributions to organisational identity and identification literatures lie in the multi-cultural focus and understanding of cultural and identity-related processes in multinational organisations. Moreover, the cross-level identity approach, interpretive study design and explaining identification by the meanings that individuals assign to their organisation present novel approaches to the field.



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## APPENDICES

### Appendix 1: Interview themes

1. Level of XX brand strategy understanding (THEME 1)
  - What are the main benefits the brand strategy brings to the company?
  - What are the main benefits the brand strategy brings to you?
  - What are the main challenges in implementing the brand strategy?
  - Is the company vision, “solution partner”-concept, familiar to you?
  - How is the solution partner vision implemented here?
- 2a. Internal and external brand strategy introduction process (THEME 2)
  - How was the new brand strategy presented to you?
  - In your opinion, was the communication / information sufficient?
  - What has happened after the presentation?
  - How has the brand strategy been presented to the customers?
  - What concerns or question arose internally or externally?
  - What should be the next step?
- 2b. Additional questions to informants responsible for the implementation in local units
  - Who has the main role and responsibility?
  - Which is the local brand strategy implementation organisation? Who is involved?
  - How did the company instruct you on local implementation?
  - Is the success of the brand implementation measured in your unit?
- 3a. Visual brand implementation (THEME 3)
  - Are the gifts, clothes, business cards etc. in accordance with to the new standard?
  - What kind of instructions have you received about using of the new brand?
  - Who do you contact in case of questions?
- 3b. Additional questions to informants responsible for the implementation in local units
  - What is the schedule for changing all of the branded material in your unit?
  - Where can you find more information if needed?
4. Values and motivational factors (THEME 4)
  - Do you see the company values in action at the company?
  - What motivates you in your work?

## Appendix 2: List of informants

NO.	REGION	COUNTRY	SEX	TITLE	LANGUAGE	DATE
1	LAM	Chile	F	Vice President (HR)	English	19.10.2006
2	LAM	Chile	M	Aftermarket Director	English	20.10.2006
3	LAM	Chile	M	Aftermarket Manager	English	23.10.2006
4	LAM	Chile	F	Assistant	English	24.10.2006
5	LAM	Chile	M	Business Development Director	English	27.10.2006
6	LAM	Brazil	M	Sales Engineer	English	6.11.2006
7	LAM	Brazil	M	International Trade Analyst	English	6.11.2006
8	LAM	Brazil	M	Country CSM	English	6.11.2006
9	LAM	Brazil	M	Country CSM	English	7.11.2006
10	LAM	Brazil	M	Aftermarket Manager	English	7.11.2006
11	LAM	Brazil	M	Finance Analyst	Portuguese	7.11.2006
12	LAM	Brazil	F	Analista de facturamento	Portuguese	7.11.2006
13	LAM	Brazil	F	Executive assistant	English	7.11.2006
14	LAM	Brazil	F	Accountant	Portuguese	8.11.206
15	LAM	Brazil	F	Analista de controladoria	Portuguese	8.11.2006
16	LAM	Brazil	F	Foreign Trade Supervisor	English	8.11.2006
17	LAM	Brazil	M	Engineer Manutencao	Portuguese	9.11.2006
18	LAM	Brazil	M	Programmer	Portuguese	9.11.2006
19	LAM	Brazil	M	Engineer	English	9.11.2006
20	LAM	Brazil	M	Engineer/ customer complaints	Portuguese	9.11.2006
21	LAM	Brazil	F	Sales Supervisor	Portuguese	10.11.2006
22	LAM	Brazil	F	Sales Engineer	Portuguese	10.11.2006
23	LAM	Brazil	F	Internal Sales	Portuguese	10.11.2006
24	LAM	Brazil	F	Purchase Coordinator	English	10.11.2006
25	LAM	Brazil	M	Analyst	Portuguese	10.11.2006
26	LAM	Brazil	F	Analyst	Portuguese	10.11.2006
27	LAM	Peru	F	Accountant	Spanish	28.11.2006
28	LAM	Peru	M	Account Manager	Spanish	28.11.2006
29	LAM	Peru	M	Service Contract Chief	Spanish	28.11.2006
30	LAM	Peru	M	Warehouse Manager	Spanish	28.11.2006
31	LAM	Peru	F	Order Entry	Spanish	28.11.2006
32	LAM	Peru	M	CCSM	English	28.11.2006
33	LAM	Peru	M	General Accountant	Spanish	29.11.2006
34	LAM	Peru	M	Workshop Chief	Spanish	29.11.2006
35	LAM	Peru	M	Mechanic	Spanish	29.11.2006
36	LAM	Peru	M	Manager	Spanish	29.11.2006
37	LAM	Peru	M	Supervisor	Spanish	29.11.2006
38	LAM	Peru	M	Supervisor	English	30.11.2006
39	LAM	Peru	F	Executive and Marketing Assistant	English	30.11.2006
40	LAM	Peru	M	Chief (training)	English	30.11.2006
41	LAM	Peru	F	HR Manager	English	30.11.2006
42	LAM	Peru	M	Supervisor	English	30.11.2006
43	LAM	Peru	M	Salesman	English	30.11.2006
44	LAM	Peru	M	Account Manager	English	1.12.2006
45	LAM	Peru	F	Sales Assistant	English	1.12.2006
46	LAM	Peru	F	Finance manager	English	1.12.2006
47	LAM	Peru	F	Import Manager	English	1.12.2006
48	LAM	Peru	M	Account manager	English	1.12.2006
49	LAM	Mexico	M	Account manager	English	4.12.2006

50	LAM	Mexico	M	CCSM	English	4.12.2006
51	LAM	Mexico	M	Field Service Technician	English	4.12.2006
52	LAM	Mexico	M	Parts Sales	English	4.12.2006
53	LAM	Mexico	M	Technician	English	4.12.2006
54	LAM	Mexico	F	Customer Service Representative	English	4.12.2006
55	LAM	Mexico	M	Assistant	English	5.12.2006
56	LAM	Mexico	F	Supervisor	Spanish	5.12.2006
57	LAM	Mexico	M	Manager	Spanish	5.12.2006
58	LAM	Mexico	M	Technician	Spanish	5.12.2006
59	LAM	Mexico	F	HR manager	English	5.12.2006
60	LAM	Mexico	M	Customer Service Representative	English	5.12.2006
61	LAM	Mexico	M	CCSM	English	6.12.2006
62	LAM	Mexico	M	Contracts Manager	English	6.12.2006
63	LAM	Mexico	M	Field Service Technician	Spanish	6.12.2006
64	LAM	Mexico	F	Assistant	English	6.12.2006
65	LAM	Mexico	M	Field Service Technician	Spanish	6.12.2006
66	LAM	Mexico	F	Customer Service Representative	Spanish	6.12.2006
67	LAM	Mexico	M	Account Manager	English	6.12.2006
68	LAM	Mexico	M	CCSM	English	7.12.2006
69	LAM	Mexico	M	Product Support Manager	English	7.12.2006
70	LAM	Mexico	F	Receptionist	Spanish	7.12.2006
71	LAM	Mexico	M	Product Support Manager	English	7.12.2006
72	LAM	Mexico	M	Account Manager	English	8.12.2006
73	LAM	Mexico	M	Supervisor	English	8.12.2006
74	LAM	Mexico	F	Assistant	English	8.12.2006
75	LAM	Chile	M	Maintenance Analyst	Spanish*	10.1.2007
76	LAM	Chile	M	Apprentice	Spanish*	10.1.2007
77	LAM	Chile	M	Technician	Spanish*	10.1.2007
78	LAM	Chile	M	Technician	Spanish*	10.1.2007
79	LAM	Chile	M	Engineer	Spanish*	10.1.2007
80	LAM	Chile	M	Chief	English	10.1.2007
81	LAM	Chile	F	Risk Preventionist	Spanish*	10.1.2007
82	LAM	Chile	M	Technical Mechanic	Spanish*	10.1.2007
83	LAM	Argentina	F	Marketing and Sales Assistant	Spanish	15.1.2007
84	LAM	Argentina	M	Data Entry	Spanish	15.1.2007
85	LAM	Argentina	M	Aftermarket Manager	Spanish	15.1.2007
86	LAM	Argentina	M	Salesman	Spanish	15.1.2007
87	LAM	Argentina	M	Business Controller	Spanish	16.1.2007
88	LAM	Argentina	M	Field Service Technician	Spanish	16.1.2007
89	LAM	Argentina	M	Sparepart	Spanish	16.1.2007
90	LAM	Argentina	M	Sparepart	Spanish	16.1.2007
91	LAM	Argentina	M	Product support manager	Spanish	16.1.2007
92	LAM	Argentina	M	Product Sales Manager	Spanish	16.1.2007
93	LAM	Argentina	M	Aftermarket manager	Spanish	17.1.2007
94	LAM	Argentina	F	HR Advisor	Spanish	17.1.2007
95	LAM	Argentina	M	Workshop Supervisor	Spanish	17.1.2007
96	LAM	Argentina	M	Data entry	Spanish	17.1.2007
97	LAM	Argentina	M	IT Responsible	Spanish	17.1.2007
98	LAM	Argentina	M	Customer Segment Manager	Spanish	17.1.2007
99	LAM	Argentina	M	Warehouse Chief	Spanish	18.1.2007
100	LAM	Argentina	M	Assistant	Spanish	18.1.2007
101	LAM	Argentina	M	Spareparts Supervisor	Spanish	18.1.2007
102	LAM	Argentina	M	Customer Segment Manager	English	18.1.2007

103	LAM	Chile	F	Customer Service Representative	Spanish	24.1.2007
104	LAM	Chile	M	Warehouse Assistant	Spanish	24.1.2007
105	LAM	Chile	M	Workshop Supervisor	Spanish	24.1.2007
106	LAM	Chile	M	Customer Service Representative	Spanish	24.1.2007
107	LAM	Chile	M	Welder	Spanish	24.1.2007
108	LAM	Chile	M	Training Assistant	Spanish	24.1.2007
109	LAM	Chile	F	Customer Service Representative	Spanish	25.1.2007
110	LAM	Chile	M	Technical Planner (IT)	Spanish	25.1.2007
111	LAM	Chile	M	Risk Preventionist	Spanish	25.1.2007
112	LAM	Chile	M	Invoice Controller	Spanish	25.1.2007
113	LAM	Chile	M	Technical Mechanic	Spanish	25.1.2007
114	LAM	Chile	M	Mechanic	Spanish	25.1.2007
115	AUS	Australia	F	Workshop Clerk	English	26.2.2007
116	AUS	Australia	F	Workshop Supervisor	English	26.2.2007
117	AUS	Australia	M	Workshop Manager	English	26.2.2007
118	AUS	Australia	M	Branch Manager	English	26.2.2007
119	AUS	Australia	M	Contracts Supervisor	English	26.2.2007
120	AUS	Australia	M	Account Manager	English	26.2.2007
121	AUS	Australia	F	Worker (contracts)	English	27.2.2007
122	AUS	Australia	M	Production Manager	English	6.3.2007
123	AUS	Australia	M	Warehouse Supervisor	English	6.3.2007
124	AUS	Australia	M	Technical Support	English	6.3.2007
125	AUS	Australia	M	Workshop Manager	English	6.3.2007
126	AUS	Australia	M	Contracts Manager	English	8.3.2007
127	AUS	Australia	M	Aftermarket Manager	English	9.3.2007
128	AUS	Australia	M	Contracts Manager	English	9.3.2007
129	AUS	Australia	M	Regional Inventory Manager	English	9.3.2007
130	AUS	Australia	M	General Manager	English	9.3.2007
131	AUS	Australia	F	HR Manager	English	9.3.2007
132	AUS	Australia	M	Maintenance Manager	English	14.3.2007
133	AUS	Australia	M	Fitter	English	14.3.2007
134	AUS	Australia	M	Productline Manager	English	16.3.2007
135	AUS	Australia	M	Purchasing Manager	English	19.3.2007
136	AUS	Australia	M	Branch Manager	English	19.3.2007
137	AUS	Australia	F	Receptionist	English	19.3.2007
138	AUS	Australia	M	Productline Manager	English	19.3.2007
139	AUS	Australia	M	Training Supervisor	English	19.3.2007
140	AUS	Australia	F	HR Manager	English	19.3.2007
141	AUS	Australia	M	Business Development Manager	English	20.3.2007
142	AUS	Australia	F	Accountant	English	20.3.2007
143	AUS	Australia	M	Operations Manager	English	20.3.2007
144	AUS	Australia	M	Production Manager	English	20.3.2007
145	AUS	Australia	M	Account Manager	English	20.3.2007
146	AUS	Australia	M	Sales Manager	English	21.3.2007
147	AUS	Australia	M	Engineer	English	21.3.2007
148	AUS	Australia	M	Mechanic	English	21.3.2007
149	AUS	Australia	M	Service Manager	English	21.3.2007
150	AUS	Australia	M	Product Representative	English	21.3.2007
151	AUS	Australia	M	Production Supervisor	English	21.3.2007
152	AUS	Australia	M	Aftermarket Manager	English	21.3.2007
153	AUS	Australia	M	Commercial Manager	English	27.3.2007
154	AUS	Australia	M	Productline Manager	English	27.3.2007
155	AUS	Australia	M	Engineering Manager	English	27.3.2007

156	AUS	Australia	M	Productline Manager	English	27.3.2007
157	AUS	Australia	M	Internal Sales	English	27.3.2007
158	AUS	Australia	M	Workshop Manager	English	27.3.2007
159	AUS	Australia	M	Service Manager	English	28.3.2007
160	AUS	Australia	M	Technical Support	English	28.3.2007
161	AUS	Australia	M	Customer Service Representative	English	28.3.2007
161	AUS	Australia	M	Business Development Manager	English	28.3.2007
163	AUS	Australia	F	Invoicing Clerk	English	30.3.2007
164	AUS	Australia	M	Site Services Manager	English	30.3.2007
165	AUS	Australia	M	Mechanic	English	30.3.2007
166	AUS	Australia	M	Workshop Supervisor	English	30.3.2007
167	AUS	Australia	M	General Manager	English	30.3.2007
168	AUS	Australia	M	Workshop Supervisor	English	30.3.2007
169	AUS	Australia	M	Fabrication Manager	English	30.3.2007
170	AUS	Australia	M	Paint Shop Manager	English	30.3.2007
171	AUS	Australia	M	Customer Segment Manager	English	3.4.2007
171	AUS	Australia	M	Branch Manager	English	5.5.2007
173	AUS	Australia	M	Engineer	English	5.5.2007
174	AUS	Australia	F	Administrator Coordinator	English	5.5.2007
175	AUS	Australia	M	Business Development Manager	English	10.5.2007
176	AUS	Australia	F	Controller	English	10.5.2007
177	AUS	Australia	M	Training	English	10.5.2007
178	AUS	Australia	M	Sales Manager	English	10.5.2007
179	AUS	Australia	M	Sales Manager	English	10.5.2007
180	AUS	Australia	M	Productline Manager	English	10.5.2007
181	AUS	Australia	M	Productline Manager	English	14.5.2007
182	AUS	Australia	M	Mechanical Craftsman	English	14.5.2007
183	AUS	Australia	M	Workshop Manager	English	14.5.2007
184	AUS	Australia	M	Customer Service Centre Manager	English	28.5.2007
185	AUS	Australia	F	Branch Administrator	English	28.5.2007
186	AUS	Australia	M	Purchasing	English	28.5.2007
187	AUS	Australia	M	Branch Manager	English	28.5.2007
188	AUS	Australia	M	Store supervisor	English	28.5.2007
189	AUS	Australia	M	Purchasing Officer	English	28.5.2007
190	AUS	Australia	M	Product Specialist	English	29.5.2007
191	AUS	Australia	M	Electrician	English	29.5.2007
192	AUS	Australia	M	Supervisor	English	29.5.2007
193	AUS	Australia	M	Sales	English	29.5.2007
194	AUS	Australia	M	Product Specialist	English	29.5.2007
195	EUR	France	M	Site Manager	English	2.7.2007
196	EUR	France	M	Productline Manager	English	2.7.2007
197	EUR	France	M	Sales Manager	English	2.7.2007
198	EUR	France	M	Sales Manager	English	2.7.2007
199	EUR	France	M	Area Manager	English	2.7.2007
200	EUR	France	M	Aftermarket Manager	English	3.7.2007
201	EUR	France	M	Commercial Assistant	English	3.7.2007
202	EUR	France	M	Engineering Manager	English	3.7.2007
203	EUR	France	F	Assistant	English	3.7.2007
204	EUR	France	M	Productline Manager	English	4.7.2007
205	EUR	France	M	Plant Engineering Manager	English	4.7.2007
206	EUR	France	F	Assistant	English	4.7.2007
207	EUR	France	M	Contracts Manager	English	4.7.2007
208	EUR	France	M	Vice President	English	4.7.2007

209	EUR	France	M	Customer Segment Manager	English	4.7.2007
210	EUR	France	M	Managing Director	English	4.7.2007
211	EUR	France	M	Marketing Director	English	4.7.2007
212	EUR	Germany	M	Managing Director	English	27.8.2007
213	EUR	Germany	M	Productline Manager	English	27.8.2007
214	EUR	Germany	M	Segment Manager	English	27.8.2007
215	EUR	Germany	M	Customer segment manager	English	27.8.2007
216	EUR	Germany	M	Sales Manager	English	27.8.2007
217	EUR	Germany	M	Productline Manager	English	27.8.2007
218	EUR	Germany	M	Salesman	English	27.8.2007
219	EUR	Germany	F	In-house Sales	English	27.8.2007
220	EUR	Germany	F	In-house Sales	English	28.8.2007
221	EUR	Germany	M	Sales Manager	English	28.8.2007
222	EUR	Germany	M	Warehouse Manager	English	28.8.2007
223	EUR	Germany	M	Segment Manager	English	28.8.2007
224	EUR	Germany	M	Sales Manager	English	28.8.2007
225	EUR	Germany	M	Productline Manager	English	28.8.2007
226	EUR	Germany	M	Production Manager	English	28.8.2007
227	USC	USA	F	Administrator	English	4.9.2007
228	USC	USA	F	Administrator	English	4.9.2007
229	USC	USA	M	Vice President	English	4.9.2007
230	USC	USA	M	Marketing Director	English	4.9.2007
231	USC	USA	M	Manager	English	4.9.2007
232	USC	USA	M	Chief Finance Officer	English	4.9.2007
233	USC	USA	M	Aftermarket Manager	English	4.9.2007
234	USC	USA	M	Productline Manager	English	5.9.2007
235	USC	USA	M	Maintenance Planner	English	5.9.2007
236	USC	USA	M	Technician	English	5.9.2007
237	USC	USA	M	Branch Manager	English	5.9.2007
238	USC	USA	M	Sales Manager	English	5.9.2007
239	USC	USA	M	Productline Manager	English	6.9.2007
240	USC	USA	M	Productline Manager	English	6.9.2007
241	USC	USA	F	Supervisor	English	6.9.2007
242	USC	USA	M	(un-specified)	English	6.9.2007
242	USC	USA	M	Vice President	English	6.9.2007
244	USC	USA	M	Vice President	English	6.9.2007
245	USC	USA	F	Segment Manager	English	7.9.2007
246	USC	USA	M	Technical support	English	7.9.2007
247	USC	USA	M	Vice President	English	7.9.2007
248	USC	USA	M	Engineer	English	7.9.2007
249	USC	Canada	M	Manager	English	10.9.2007
250	USC	Canada	M	Productline Manager	English	10.9.2007
251	USC	Canada	M	Vice President	English	10.9.2007
252	USC	Canada	M	Marketing Manager	English	10.9.2007
253	USC	Canada	M	Sales Representative	English	10.9.2007
254	USC	Canada	M	Analyst	English	10.9.2007
255	USC	Canada	M	Productline Manager	English	10.9.2007
256	USC	Canada	M	Productline Manager	English	11.9.2007
257	USC	Canada	F	Customer Service Representative	English	11.9.2007
258	USC	Canada	M	Account Manager	English	11.9.2007
259	USC	Canada	M	Maintenance Systems Manager	English	11.9.2007
260	USC	Canada	M	Branch Manager	English	11.9.2007
261	USC	Canada	F	Aftermarket Director	English	12.9.2007



262	USC	Canada	M	Area Manager	English	12.9.2007
263	USC	Canada	M	Account Manager	English	12.9.2007
264	USC	Canada	M	Sales	English	12.9.2007
265	USC	Canada	M	Productline Manager	English	12.9.2007
266	USC	Canada	M	Supervisor	English	12.9.2007

## Appendix 3: Introduction letter



Dear Interviewee,

Thank you for your participation in the brand research. The aim of the research is to study the introduction of the [company's] (company name removed for anonymity) brand strategy in five regions worldwide (i.e. South America, Australia, Europe, North America and South Africa). The following four themes will be studied and discussed.

**THEME 1 Brand strategy understanding and acceptance**

The aim of the first theme is to study the benefits and the challenges of the brand strategy and its implementation from the interviewees' perspective. The solution partner vision and [the company's] values are also discussed to determine how familiar the vision and the values are and whether they are practiced within the company.

**THEME 2 Internal brand introduction process**

[The company] has employed various means to communicate and market the new corporate brand strategy within the organisation. The purpose of the second theme is to determine by which means the message has reached the employees, how effective the communication and marketing has been in the interviewees' opinion and what are the main concerns or questions, if any.

**THEME 3 Visual brand implementation**

The third theme studies the visibility of the new brand in the working environment. The purpose is to determine how visible [the company's] brand is in, for example, its offices, reception area, warehouses, brochures, letterheads and clothing.

**THEME 4 Cultural and motivational factors**

[The company] as a multinational company needs to pay attention to the cultural differences in local units. The objective of the fourth theme is to determine the effect of national cultures on the above themes and also the motivational drivers of the employees.

Looking forward to our meeting!

Kind regards,

Johanna Raitis, Doctoral Student

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**PART II**  
**RESEARCH PAPERS**



Research paper 1

Is this love?

In search of the meanings of a multinational corporation to its employees

Johanna Raitis

Ulla Hakala

To be submitted to Scandinavian Journal of Management.

Earlier version of this research paper was presented at the annual conference of Academy of Marketing, September 4–5, 2009, Cambridge, UK



## IS THIS LOVE? – IN SEARCH OF THE MEANINGS OF A MULTINATIONAL CORPORATION TO ITS EMPLOYEES

### Abstract

Drawing from the social identity theory (SIT) this study aims to extend and enrich understanding on the drivers of organisational identification by exploring the *meanings* that individuals assign to their organisation. Moreover, comparing these meanings across cultures we aim to understand how cultural differences affect employees' identification. For the purpose of the study, and relying on interpretivist approach and members' subjective perceptions, 226 interviews were included from four continents and ten countries: Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada. The results of the study reveal two culturally-bound affiliation types between employees and corporations. The critical finding in this study is that, in Latin America, the organisation is the principal focus of identification, which is based on familial type of affiliation and meanings. In the other regions, identification is driven by career or professionalism. By investigating individual-level meanings across cultures the findings of this study are expected to both widen and deepen the earlier identification research. The study also introduces a model illustrating the linkages between different national cultures, MNCs, SIT and drivers of identification.





# 1 INTRODUCTION

How do individuals become identified with organisations? Are there cultural differences between the ways and level of identification? These are questions of growing interest in management and cross-cultural organisational studies as it has been realized how strongly employees' identification with their employer is linked to their work motivation as well as to their job satisfaction, and eventually, to their job performance (Cardador & Pratt, 2006; Ravasi & van Rekom, 2003). Strong identification is believed to result in employee actions, behaviours and attitudes that, in general, translate into positive organisational outcomes (Brown, 1969; Dutton, Dukerich & Harquail, 1994; Mael & Ashforth, 1992). Consequently, finding ways to bind people into their organization is considered increasingly important (Ashforth, Harrison & Corley, 2008). In order to succeed, managers need not only to fill employees' stomach (satisfy their basic needs) but also win their heart (appeal to their emotions) – and in the case of an MNC, take the cultural values and behavioural patterns into consideration (Aycañ, Kanungo & Mendonça, 2014).

What is identification? In social psychology, identification refers to an identity-based connection (Ashforth et al., 2008; Harquail & King, 2010) or process whereby individuals come to define themselves in a given relationship (Brown, 1969) or context (Rousseau, 1998). Identification affects peoples' sense of self in relation to others (Ravasi & van Rekom, 2003; Rousseau, 1998) when the sensation of belonging to a larger group and being connected with others is essential (Ashforth et al., 2008; Fiol, 2002; Rousseau, 1998). Consequently, identification with a collective concerns how individuals tie their self-concepts to a particular group (Ashforth et al., 2008).

By and large, identification is seen to evolve as an iterative and interactive process in which the members, over time come to attach their individual identities to the organisational identity (Alvesson et al., 2008; Ashforth & Mael, 1989; Dutton, Dukerich & Harquail, 1994; Haslam, Postmes & Ellemers, 2003; Ravasi & van Rekom, 2003). In this study, we acknowledge the iterative and on-going nature of identification, but the focus is, however, on a less attended question of: “*with what* is he or she identifying?” (Albert, 1998, 8, original italics; see also Pratt, 1998; Cooper & Thatcher, 2010). Supposedly, the emergence and strength of identification depends greatly on the organisational attributes or characteristics, which initiate, guide and strengthen employees' identification. Thus, in order to understand ‘how’ identification

evolves, we first need to understand ‘why’ members want to identify, and more specifically ‘what’ drives their identification?

Presumably, the drivers of identification may vary across cultures. So far, however, the role of institutional, social and cultural contexts on identification has not received sufficient attention in the literature (Kreiner & Ashforth, 2004; cf. Vignoles, Regalia, Manzi, Golledge & Scabini, 2006). Currently, our understanding on demographic and cultural (e.g. race, ethnicity and nationality) factors in organisational identification is sporadic and even contradictory (see Hall, Schneider & Nygren, 1970; Hogg & Terry, 2000; Sluss, Ployhart, Cobb & Ashforth, 2012). However, this approach is critically important for multinational companies (MNCs) as their units are situated in different countries employing people with varying cultural assumptions (Schneider, 1988). Following Kreiner and Ashforth (2004), identification in such cases is most likely to be a mix of overlap and separation of individual and social identities. In a study involving an MNC, Reade (2001) discovered that the factors promoting employee identification with the local subsidiary and the global corporation are different. However, the influence of the local culture was not evaluated in the study.

What does the company mean to an employee in different parts of the world? Drawing from the social identity theory (SIT) this study aims to extend and enrich understanding on the drivers of organisational identification by exploring the *meanings* that individuals assign to their organisation. Moreover, comparing these meanings across cultures we aim to understand how cultural differences affect employees’ identification. Echoing Earley (2006), we propose that meanings, which employees attach to the organisation around them, are reflections of their culture. Supposedly, meanings are also associated with identification as it represents one type of meaningfulness (Albert, Ashforth & Dutton, 2000; Ashforth et al., 2008; see also Pratt, 2000; Rousseau, 1998). Through investigating individual-level meanings across cultures, we expect to develop a framework that illustrates and explains the linkages between different national cultures, MNCs and individuals’ identification (cf. Earley, 2006; see also Birkinshaw, Brannen & Tung, 2011). In contrast with much of the extant research, this study takes a discovery-oriented, interpretive qualitative approach. Empirically, we explore and analyse the subjective meanings that members at different organisational levels assign to a large multinational corporation. For this purpose, we collect and interpret 226 interviews from four continents and ten countries: Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada.

The article proceeds as follows. First, we introduce and discuss the paths of identification based on Social Identity Theory (SIT). We then describe our qualitative study design and the three-step data analysis, followed by the

empirical findings. Finally we discuss theoretical and managerial implications, study limitations and give suggestions for future research avenues.

## 2 THE PATHS OF IDENTIFICATION

Based on Social Identity Theory (SIT) individual identities and sense of self are partly derived from social groups (e.g. nationality, political affiliation and organisation) in which people feel they belong to. According to SIT, people can have a variety of group memberships or social identities, where some of them are more important than others. The basic idea of the theory is that to varying degrees the defining characteristics of the group also become the defining characteristics of its members and thus, part of their self-concepts (Tajfel, 1982; Turner, Oakes, Haslam & McGarty, 1994; Hogg, Terry & White, 1995; Hogg & Terry, 2001). The aim of this study is to explore these defining characteristics that bind organisational and individual identities. For this purpose, we will next discuss and introduce the different paths of identification. In the literature, identification is suggested to unfold via different types of processes incorporating cognitive, evaluative and emotional affiliations (O'Reilly & Chatman, 1986; Ashforth & Mael, 1989; Pratt, 1998; Tyler, 2001). Thus, it is believed that the answers to 'how' identification evolves, may also suggest with 'what' are the employees identifying with.

The first, cognitive type of identification is descriptive in nature relating to the sense of awareness of the membership. It is suggested that what employees think of the organisation (i.e. perceived identity) and what they believe others think about it (i.e. perceived image) shape the strength of employee identification (Dutton et al., 1994; see also Rousseau, 1998). Similarly, identification is described as an identity-comparison (Foreman & Whetten, 2002) or value-comparison process (Pratt, 2000), the resultant person-organisation congruence or gap being an outcome of a comparison between individual perception and expectation. Identification is perceived to occur when members of an organisation define themselves in accordance with the same attributes that they believe define the organisation (e.g. Ashforth & Mael, 1989; Dutton et al., 1994; Pratt, 1998). Thus, identification implies individual and organisational 'oneness' (Ashforth & Mael, 1989) that can be either "self-referential", indicating an act of recognition and perceived similarity with a group, or "self-defining", a process of convergence and changing of self-concept over time (Ashforth et al., 2008; Hall et al., 1970; Pratt, 1998).

Secondly, identification may also occur based on members' evaluations of the membership. Herein, the value of the company to the employees (Ashforth et al., 2008; Pratt, 2000), is suggested to unfold via various attributes.

Reflecting their motivational character, Pratt (2000; see also Bhattacharya & Sen, 2003) refers to them as ‘dreams’, whereas Brown (1969; see also Hall et al., 1970) discusses ‘important satisfactions’ that an organisation can exclusively offer to its employees. Previous studies have already discovered various factors or attributes promoting identification. According to Hall et al. (1970), these attributes mirror employees’ higher-order needs by, for example: 1) providing opportunities for personal achievement (Brown, 1969; Pratt, 2000), and material wealth (Pratt, 2000); 2) distributing power to employees (Brown, 1969); 3) treating employees in an appropriate manner (cf. Rousseau, 1998). Also, perceived organisational characteristics such as prestige and distinctiveness (e.g. Ashforth & Mael, 1989; Pratt, 1998) seem to be particularly relevant to identification in a multinational context (Reade, 2001). In particular, groups that compare favourably with, and are distinct from other groups are generally regarded as the basis for positive evaluations (Tajfel, 1982; Turner et al., 1994; Hogg & Terry, 2001).

The third identification type refers to employees’ emotional affiliation with the organisation. Pratt (2000), among others, emphasises that promoting identification with an organisation is more than just creating a link with an abstract entity. In fact, employee-corporation affiliation derives from people’s fundamental need to belong (Baumeister & Leary, 1995; see also Ashmore, Deaux & McLaughlin-Volpe, 2004). Mere perception of affiliation or bond, however, does not account for ‘full’ belongingness (Baumeister & Leary, 1995). The best way to link individuals to an organisation is by means of emotional bonds (Ashmore et al., 2004; Harquail & King, 2010; Pratt, 2000), whereby interaction with people, concern about other members and also perceived closeness to them function as central elements (Ashmore et al., 2004; Baumeister & Leary, 1995). The need to belong is evident in all cultures, although differences between them, for example, in how the need is satisfied, have been reported to exist (Baumeister & Leary, 1995.) To further highlight the importance of the emotional aspect in identification, Johnson, Morgeson and Hekman (2012) propose that emotions have a great impact on the other two components of identification. In particular, emotions are suggested to not only positively influence employees’ self-esteem and perceived satisfactions (Johnson et al., 2012) but also shape the strength, type and quality of the affiliation (Harquail & King, 2010).

To date, the majority of studies on identification have focused on its cognitive dimensions. Studies on the other two types and especially on emotional identification are scarce (for a rare example, see Johnson et al., 2012), even if the importance of emotion and attachment have long been recognised in organisational life (e.g. Albert, Ashforth & Dutton, 2000; Baumeister & Leary, 1995; Pratt, 2000; Tajfel, 1982). Furthermore, according to Johnson et

al. (2012), the common measures of today's identification studies are unable to capture people's feelings. Moreover, according to Ashmore et al. (2004), identification should be examined as a multidimensional concept, taking different individual-level elements and social contexts into account.

### 3 STUDY DESIGN

In our study, we set out to investigate the drivers of organisational identification by exploring the *meanings* that individuals assign to their organisation. To gain a deep and culturally rich understanding on these meanings, extensive qualitative research (i.e. 226 interviews) in one MNC was conducted. The method was chosen as it is well suited to capturing contextual factors (e.g. Marschan-Piekkari, Welch, Penttinen & Tahvanainen, 2004), identifying new variables and relationships (e.g. Shah & Corley, 2006), finding ‘meaning behind the numbers’ (Sinkovics, Penz & Ghauri, 2008) and gaining a holistic understanding from the perspectives of those studied (Miles & Huberman, 1994; Pratt, 2009). Following Rousseau (1978), the context in this study refers to the characteristics of the organisational cultural setting that can shape interviewees’ responses in one way or another.

To extend the existing theoretical constructs with a real-life example, we conducted a case study (Siggelkow, 2007). Our decision to limit the research to a single case reflects a need to ensure both authenticity and credibility (Miles & Huberman, 1994); it also eliminates the range of variables inherent in different corporate settings as organisational identification is organisation specific (Mael & Ashforth, 1992). A single-case study is likely to capture the complexity of a case company (Stake, 1995; cf. Ashforth et al., 2008); thus, choosing a variety of employees as study objects, rather than a variety of companies, seemed justifiable. Furthermore, single-case methodology is principally justifiable when the researcher has the opportunity to study a phenomenon in a context to date inaccessible to scientific investigation (Yin, 2003). The fact that the same researcher (i.e. one of the authors) conducted all of the interviews is proposed to increase context-sensitivity (Michailova, 2010), enable horizontal comparison and strengthen the reliability of the findings.

#### The Case Company

The empirical study focuses on a large multinational engineering company serving B2B markets with high-technology products. Headquartered in Northern Europe, the company employs more than 14,000 people with operations in North America, South America, Europe, Australia, Africa and Asia. As a result of multiple acquisitions over the last three decades, it has one of the most extensive product portfolios in the market and a world-leading position in selected areas. The company was chosen based on its global presence,

global business strategy, brand and global organisational culture that aim at similar organisational conditions, practices, values and corporate behaviour in its units all around the world. It was expected that similar working conditions worldwide would make the findings more comparable across cultures (Davidson, 1976). Moreover, the unlimited access granted by the company represented an intriguing research opportunity. Initially, the case company was approached through personal contacts. Approval for the study and access to the company were granted by the vice president of marketing after his assent to the formal research proposal.

### Data Collection

To collect empirical evidence, face-to-face interviewing was adopted due to its flexibility and the potential to produce in-depth data (e.g. King, 1994). Confidentiality was assured by conducting the interviews on a one-to-one basis (Easterby-Smith, Thorpe & Lowe, 1991). In total, 226 interviews were conducted. The findings reported here pertain to one interview theme: the respondents were asked to discuss *what the case company meant to them* (for the importance of 'meaning' to identification, see e.g. Ashforth et al., 2008; Pratt, 2000; Rousseau, 1998; cf. Russo, 1998). In this study, subjective 'meanings' are suggested to reveal the drivers of organisational identification. To capture the MNC perspective, the interviews were conducted in ten countries (i.e. Chile, Mexico, Peru, Argentina, Brazil, Australia, France, Germany, the USA and Canada) across four continents. Asia and Africa were not included in the study for differing reasons. The company had only recently begun operations in Asia and the employee-corporation relationships were still under construction. Africa, however, was excluded due to time and financial constraints.

The sampling logic for selecting the interviewees can be described as holistic. In such a case, rich and insightful information is not limited only to managers or directors (see Ravasi & Schultz, 2006). Rather, the variety of interviewees in one cultural area was considered more relevant as it was expected to reveal culturally distinctive factors linking employees to the corporation. For selecting the informants, the case company appointed a local contact person from each country, usually from the human resources department, to assist the primary investigator in finding a cross-sectional mix of people. The first step in the selection process entailed the local contact person compiling a list of all employees in the respective country or region. From the list, the researcher selected the local units that would represent well the entire region or country in terms of: 1) number of employees, 2) functions and 3) business divisions' weight. The informants represented different departments,



organisational levels and professional groups, both genders and different age groups varying from those in their early twenties to late sixties. (See Table 1).

Table 1 Interviewee demographics

	Chile	Mexico	Peru	Argentina	Brazil	Australia	France	Germany	USA	Canada	TOTAL
Interviews (n)	<b>20</b>	<b>26</b>	<b>22</b>	<b>20</b>	<b>21</b>	<b>44</b>	<b>17</b>	<b>15</b>	<b>22</b>	<b>19</b>	<b>226</b>
Occupation (n)											
Vice President <sup>a</sup>	0	1	1	0	0	0	3	1	6	2	<b>14</b>
Manager	0	10	8	5	3	25	11	11	8	11	<b>92</b>
Supervisor/chief <sup>b</sup>	2	2	6	3	2	4	0	0	1	1	<b>21</b>
Sales/tech/productio	16	9	3	10	14	14	1	3	7	5	<b>82</b>
Other <sup>c</sup>	2	4	4	2	2	1	2	0	0	0	<b>17</b>
Number of males	17	19	15	18	11	35	15	13	19	17	<b>179</b>

a. Depending on the country, the top managers were either vice presidents or directors

b. Informants can also be described as team leaders

c. Includes occupations such as mechanics, programmers, assistants, receptionists and accountants

The number of interviewees per country ranged from 15 in Germany to 44 in Australia. This division of the interviewees per country is in-line with the size of the local units. Of the ten countries, Australia has the largest organisation and Germany the smallest. Of all the 226 interviewees, the majority (79.2%) were male. Such a ratio was to be expected due to the male dominance in the industry. The highest male representation was in Argentina (90.0%) and the lowest in Brazil (52.4%). The occupational division of the interviewees varied slightly between the countries (see Table 1).

Prior to the interviews, the primary investigator sent an invitation letter to the informants via email to explain the purpose of the interview and to get their agreement to participate in the research. After having received consent from the participants, the interview schedules were coordinated with the local contact person. All interviews were conducted privately on site except for 11 that were conducted by phone due to remote locations, busy schedules or unforeseen business trips. The language employed in the discussions was English, except in Latin America where an external interpreter was utilised if the interviewee so wished. These informants were offered a choice of language for reasons of courtesy and comfort (Welch & Piekkari, 2006), the assumption being that English language skills in Latin America, especially

among blue-collar workers, would not enable rich discussion. By eliminating the language handicap and conducting the interviews primarily at the workplace, the aim was to encourage informants to share their own authentic experiences (Alvesson & Kärreman, 2007; Shah & Corley, 2006; Welch & Piekkari, 2006). The interviews ranged from 30 minutes to one-and-a-half hours with all interviews being tape-recorded and transcribed verbatim by the primary investigator in an effort to minimise bias (Alvesson, 2003). Altogether, 60 transcript pages were produced. The interview process proceeded country-by-country, beginning in November 2006 and finishing in November 2007.

Bias and equivalence have been reported as critical factors in qualitative cross-cultural research (e.g. Adler, 1983; Sinkovics et al., 2008). To avoid bias and equivalence, consistency of the interview themes and questions was maintained across cultures, language proficiency in interview and translation situations was ascertained, the data were collected in the same way in each country and all responses were coded in a systematic manner. To add rigour to the organising and coding process, NVivo qualitative research software was employed (Sinkovics et al., 2008). Neither of the investigators is a citizen of any of the countries included in the study, which signifies cultural objectivity during the analysis. As such, the prevalent quality standards of qualitative research (i.e. credibility, transferability, dependability and conformability) were arguably met.

### Data Analysis

Data analysis was conducted with discovery-oriented interpretive logic in three detailed steps. The primary investigator conducted the analysis; however, the research team met weekly during this phase to discuss the process, preliminary findings and any interesting issues that had emerged from the data. In the following, the steps and their sequential development are discussed.

*Step 1. Searching for company meanings.* In searching for the meanings that the corporation holds for the informants, we did not initially rely on any existing theoretical frameworks or concepts. The analysis relied strongly on the coding phase, in which the aim was to recognise factors that the employees considered important to them personally and what organisational membership provided for them. The 226 transcripts were first analysed collectively, without segmentation by region. In particular, we sought any terms employed, examples given or feelings expressed when describing the meaning of the company to the interviewee. The interviewees seemed to have no significant difficulty in defining the meaning. In general, the reported meanings were varied, personal and of importance to the informants. Relying solely on termi-

nology is inadvisable in cross-cultural studies. Evidently, vocabulary cannot mirror the world (Alvesson, 2003) as similar terms might have different meanings in different cultures. In this study, different terms describing the meanings were identified as codes, and were all supported by other richer examples and descriptions of the company's meaning to the employees.

The analysis commenced by reading through the interviews and applying open coding for the discovery of any relevant meanings tying employees to the corporation. All together, 188 references of meanings were coded and listed in the NVivo qualitative research software program. While coding the data, the primary investigator tried to capture all the emerging meanings that were mentioned and meaningful for the informants leaving out too generative descriptions with little explanatory power such as "it's a nice company" or "it's a good company to work for". These passages were followed in order to find explanations of why it is a good company.

The Nvivo software was used only to organise and code the data, and from there on the analysis continued using office word. A word document was created and all the references of meanings were copied there. The data in the word document included all the source specific information (i.e. name of the informant, place and interview date). After compiling the document, comprising of 55 pages, the primary investigator intensively read it through several times. This phase entailed the shortening and condensating the meanings expressed by the interviewees. While reading through the document the emerging and repeating issues were underlined and noted in the margins. For instance, in Latin America, the word 'family' and in North-America and Australia the words 'professionalism' and 'career' were mentioned several times. Based on the analysis, altogether 36 meanings were found that describe the various ways, characteristics and elements based on which employees consider the corporation meaningful to them. (See Table 2).

After the coding and listing of meanings, the analysis continued iteratively, moving between the data, the emerged meanings and the relevant literature to refine and merge them into representative categories and drivers of identification. A table was created in word, where all the meanings were tentatively organised. While going through the literature the categories evolved gradually. Thus, in formulating the categories, we applied pattern matching (e.g. Ghauri, 2004) and referred to the extant literature whenever possible. The meanings seemed to fall into six distinctive categories and drivers of identification (see Table 2). The discovery of the meanings led us to identify some cultural differences. Emergent culturally different meanings, noticeable in the employees' definitions, urged us to continue the analyses.

*Step 2. Geographical examination of the meanings.* In an attempt to identify and explore cultural differences or similarities across the meanings, the

primary investigator examined the occurrences of the meanings by region and country. She went back to the word document comprising of all the references in a geographical order. Carefully reading through the document one region at a time she attempted to localise the central meanings in each region. Localising the meanings in each category and then comparing them across regions and countries enabled us to identify cultural similarities and differences at the meanings level. As a result of the analysis, we discovered both uniformity and disparity across countries and within regions.

*Step 3. Integrating the findings and theory.* The purpose of step three was to integrate and refine the findings of the previous steps and relate them to the existing research on paths of identification in line with SIT. Further, based on the data, we attempted to understand the underlying motives explaining the regionally bound meanings and drivers of identification. As a result, we discovered that one of the identification drivers could actually describe the other five and, thus, could be employed as a means of regional classification. This interpretation was an outcome of creative theorising inspired by the empirical data (Alvesson & Kärreman, 2007). In the following, we present and discuss the study's findings that evolved from the three steps of analysis.

## 4 FINDINGS

In analysing the meanings that the corporation holds for the informants, we identified six distinctive identification drivers (Step 1 in data analysis). The emerged drivers are corporate values, professional development and personal growth, company prestige, compensation, company demographics and relational depth. These drivers of identification have some points of convergence with earlier research, but are also partly contradictory to them. Based on the geographical examination (Step 2 in data analysis), the six identification drivers are discernible in all regions. However, there are regional differences in the ways the individual meanings are perceived and accentuated between the employees. In particular, we noticed polarisation of the meanings between Latin America and the other regions: that is, North America, Australia and Europe (i.e. France and Germany). The literal expressions for the meanings (i.e. the condensed references) employed by the interviewees are presented in the first column of Table 2. Likewise, the derived six drivers of identification are presented in the second column. Table 2 also illustrates some exemplary quotations that highlight the regional differences. In the citations, square brackets indicate the instances where informants mentioned the company by name. The name has been removed to ensure anonymity.

Table 2 The discovered meanings and identification drivers, illustrated with evidence of their regional differences

Meanings	Identification drivers	Data sample	Data source
Equity Fair treatment Respectful treatment	<b>Corporate values<sup>a</sup></b> <b>Fairness</b>	<p>“When I joined the company, these values had a deep effect on me. They seemed serious. Especially since I had worked for other companies where you had to adapt to your boss, whatever values he might have. Here you are treated for what you are and know. They [the values] would help me personally. In other workplaces you have to adapt to your boss, but here I can be myself.”</p> <p>“It (the company) is important for me. I feel comfortable here. The company has good values. You can trust the people you work with, they are honest. The company and the employees are kind, they help you when you need it. You can tell your boss about your problems and you will be supported.”</p> <p>“The politics in Mexico and in Latin America in general are such that when you have a job you cannot feel safe because people can kick you out very easily. So it [the company] has done a good job because they [employees] know that they have a certain security. They feel safe.”</p> <p>“They treat their employees well and when I say that I mean with respect. They value those core values. One of the reasons why I came back to [the company] because the family atmosphere that [the company] portrayed.”</p> <p>“Excellent. I have enjoyed my time here. They have been more than fair; excellent benefits, take care of employees, always do the right thing. We have never had a situation where they haven’t done the right thing.”</p>	Assistant, Argentina
Working conditions Support			Assistant, Mexico
Security			Supervisor, Mexico
Family atmosphere			Branch manager, Canada
Fair benefit allocation Taking care of employees			Product-line manager, USA

<b>Opportunity for: Career, professional development<sup>b</sup> and personal growth</b>	
Training Educational benefits Long-term employment  Career advancement	<p>“This is more than a good company; it’s a great company. Opportunity for the younger people coming into the company is just tremendous. I mean the training opportunities, all of the support that [the company] has made available to everyone. There is not a reason in the world that a person couldn’t stay employed with this company for as long as they wanted and have a lot of benefits, educational primarily.”</p> <p>“I think there’s great opportunity for me here in [the company]. That’s what I’m learning or picking up, sort of thing. So [the company] all in all I think looks and sounds like a promising company from my view. Not being modest, I agree I would like to move up the ladder. I think [the company] could actually offer that to me.”</p> <p>“I know what [the company] is and what it means to me. My goal now is to stay with [the company] and that’s it. It’s a stable company. I want to develop my career, I have got goals and I have visions. I want to be successful for the company.”</p> <p>“Opportunity. Certainly a solid future just by the means of the size of the company. And just knowing that the company is global as well. It tells you ‘professionalism’, and they have been at it a long time.”</p> <p>It means very good opportunity for personal growth given the fact that it is a global company. I work every day to be better and to do more. I know it’s one of the biggest companies in the world.”</p> <p>“For me [the company] means a lot since it is a company that gives you the opportunity for growth and advancement, and it is also my daily task to develop in life. I’m very happy about what (the company) is.”</p> <p>“For people involved in the industry it’s a dream to work here. It’s international, allows you to learn day-by-day.”</p>
Stability  Solid future Large company Global scope Professionalism	<p>Contracts manager, Australia</p> <p>Customer-service-centre manager, Australia</p> <p>Spare part, Argentina</p>
Learning  International	<p>Assistant, Argentina</p> <p>Order entry, Peru</p>

Product quality Service quality	<b>Company prestige</b> <sup>c</sup>	“For me [the company] is a quality product and quality service. I think being proud of working in a company like [the company] is a big plus. That’s a big help when you are out there trying to sell a product. All in all, it’s satisfying.”	Sales manager, Australia
Reputable name		“I like working for [the company], I’m proud to work for [the company]. Because of the branding and things like that [the company] has become a more and more notable name.”	Sales representative, Canada
Leading company Global Well known		“[The company] means to me that it’s very well known global player. It’s leading company in most of the fields where they are in business. From my point of view it’s very well organised.”	Sales manager, Germany
Employee focused		“[The company] is a well known highly prestigious company around the world which is obviously an important part of the reason why he wanted to stay in working for the company.”	Technician, Chile
Place to work Source of employment	<b>Compensation</b> <sup>d</sup>	“The company is very good because of; how much it cares about the employees, not only as an employee but as a person, as an individual. This is a very positive point in comparison to other companies. When we say outside that we work here, it is something desired.”	Programmer, Brasil
Family provider		“I don’t know. That’s the company I work for. That supports my lifestyle pretty much at the moment, yeah. That’s pretty much what [the company] means to me, I suppose.”	Supervisor, Australia
“It’s a company where I’m working, where I like to work. I think the name is not that important to me.”			Internal sales, Germany
“It (the company) means everything because it helps me support my family. It’s my second home.”			Technician, Argentina



Large company Multiple divisions International scope	<b>Company demographics</b> <sup>e</sup>	<p>“It’s quite a large group with different departments. I only know the part that I am daily concerned (with). I don’t have a very detailed idea of the rest.”</p> <p>“[The company] itself, I think it’s a big group and they have the conditions of work and guidelines of a big group. I’m used to working in big groups so it’s similar conditions of work.”</p> <p>“I like to work for the company. Of course there are sometimes things I hate but normally it’s nice to work for the company. Sometimes decisions are very slow. Sometimes it gives headaches of course because the bigger the company is the more inflexible the company is. But it is in many ways much more professional.”</p> <p>“That’s the name of the company” (Engineering manager, France).</p>	After-sales manager, France Assistant, France Product-line manager, Germany Engineering manager, France
Home Love	<b>Relational depth</b> <sup>f</sup>	<p>“My first thought is that [the company] is my second home. I am linked with the company. I feel very comfortable. I love what I do every day.”</p> <p>“[The company] is a company with new way of doing business. For me it’s special to work here because I love working with the values that the company proposes.”</p> <p>“Means a lot of work, a lot of achievement that makes me proud and different positions that I have held. It means a lot to me. It’s my life, my family.”</p>	Account manager, Mexico Segment manager, Argentina Technician, Mexico

- a. cf. Ashforth & Mael, 1989
- b. Brown, 1969; Ellemers, de Gilder & Haslam, 2004; Pratt, 2000
- c. Bartels et al., 2007; Mael & Ashforth, 1992; Reade, 2001
- d. Pratt, 2001
- e. cf. Brewer, 1991
- f. Kreiner & Ashforth, 2004; Mael & Ashforth, 1992

*Corporate values.* Based on the findings, the connection between values and identification is evident. For many employees, being treated fairly and equally, as implied by the corporate values at the case company, enhanced their identification. However, there were clear regional differences in how relevant the values were, and why they were perceived to drive identification.

Among the Latin American informants, corporate values are suggested being the principal driver of identification. In the region, the corporate values implied equality, fair and respectful treatment of the employees, security and comfortable working conditions. The company's values, including fairness, team work and open-mindedness were perceived as ideal family values that people should strive towards in general. The informants explained that the reason why these values were so important is because they were not equally present outside the company's borders; for example, a technical mechanic from Chile stated: "*We [Chileans] are not particularly famous for fair play.*" Similarly, a Peruvian supervisor commented that: "*In Peru not all companies have the same values... This is why I work here.*" Thus, based on the findings, a company in Latin America living by these values represents an ideal and secure value-driven environment with which employees want to identify. The existence and enforcement of corporate values is therefore suggested to strengthen organisational identification in Latin America. The values enabled the employees to be themselves.

In North America, the role of corporate values is also important; however, their function and purpose were perceived from a different perspective than in Latin America. In the region, the corporate values are evaluated mainly on a work-related basis and their normative relevance or uniqueness in a larger societal context was not considered. Principally, the values were perceived to be a guarantee for equality and the company taking care of its employees. One informant considered the existence of values to be reciprocal: "*I think it's the best company. They treat them fair, they treat them with respect, they treat you the way you treat them.*" (Canada, customer-service representative). Others perceived the corporate values more as a guarantee of equal treatment in pursuing one's interests. For example, fairness in allocating educational and monetary benefits were often mentioned.

Interestingly, in Australia, organisational values were not given much importance as they were recognised as typical Australian values that should be possessed by companies anyway: "*I think they [corporate values] make up the Australian culture. It is easy to follow because it is traditionally part of our culture.*" (Australia, manager). In other words, living by the values did not make the company any better or different. Instead, it was the minimum requirement and general expectation of the employees. However, the company per se was not seen to excel in those values, as an Australian supervisor

commented: *“I wouldn’t say that we are great at those values to be honest. I enjoy coming to work and have no real issues, but...I wouldn’t say that it’s the thing that people come to [the Company] for.”* Indicating that the main drivers of identification were elsewhere.

*Professional and career development, personal growth.* Regarding the second identification driver, earlier studies have reported the importance of personal development, although referring mainly to ‘future prospects’ (Ellemers et al., 2004) or professional advancement and career development (Brown, 1969; Pratt, 2000), herein ‘professional and career development’. In this study, we found that for many being employed by the company meant an opportunity for professional and career development and/or personal growth. ‘Personal growth’ is suggested to imply a more profound and extensive type of learning as human beings than merely work- or profession-related traits. Again, regional differences were found.

In North America, identification was mainly driven by the opportunities the company offers to its employees. These opportunities principally relate to professional and occupational advancement. The professionally-oriented identification was driven by training and other educational benefits provided by the company. In addition, for these employees being exposed to technology and all the technical information was a great benefit as the following extract from an interview with a vice president in the USA reveal: *“I think it’s a great company... I think the industry is very interesting because it’s so technical. I have not been exposed in my career to the technology that this company has. Whether that be from the equipment itself and the locations or from the internal systems with people, soft and e-learning modules and things like that. There’s just a lot of information out there.”* Accordingly, a productline manager in France commented that: *“I work because I am passionate about what I do. Obviously [the company] shares that passion.”* Indicating a professional linkage between individual and organisational level identities.

The meanings in Australia were generally consistent with those that emerged in North America. The similarity of the responses in these two regions was particularly evident in that the Australian respondents were also very focused on the professional and career related opportunities the company could offer its employees. Herein, the mere size of the corporation, its international scope, and diversity in terms of product and service ranges were identified as features indicating possibilities for occupational advancement. Whereas value based ‘security’ was a key identification driver in Latin America, herein ‘stability’ suggesting a solid future and opportunities over long term based on the company’s large, professional and international scope were elevated. Thus, individuals’ visions and goals were seen to correspond well with the corporation’s objectives.

Opportunities for ‘personal growth’ as a more profound and extensive type of learning was prevailing only among the Latin American employees. Herein, personal growth refers to comprehensive personal development indicating the employees’ desire to grow with the company in terms of self-realisation and overall self-enhancement. Based on the data the personal growth were supported by the company’s international character and in particular the corporate values. The centrality of the values in the personal learning process is exemplified in the following comment: “*Values are very difficult for all of us. I hope in the future we can be better persons.*” (Argentina, IT manager). Thus, as the values are not part of the normative societal culture, the employees are not accustomed or trained to applying them in everyday life

*Company prestige.* The third identification driver, ‘company prestige’, is a rather established antecedent of identification in the literature (Ashforth & Mael, 1989). Reade (2001) suggests that pride appears to be the greatest enhancer of identification with a global organisation. However, the causes of pride and prestige remain largely unknown. In line with Reade’s (2001) findings, we too suggest that the global nature of the company is meaningful but we also suggest that globality implies different things for different people. For instance, for employees in Latin America it implied values and learning. For others, it indicated professionalism and career opportunities. In addition, we found that the company’s focus on employees, big size and reputable name in terms of e.g. high product and service quality were factors of which the employees were proud and which had a great meaning for them. Thus, based on the study results, we suggest that the drivers of identification presented above also enhance the feelings of pride and prestige.

*Compensation.* Fourth, ‘monetary benefits’ (Pratt, 2000) and ‘compensation’ have been previously identified in the literature. Based on the data, however, the monetary drivers were not emphasised. The distinctive feature in Australia, setting it somewhat apart from North America and also Latin America, is that in many instances the company was defined simply as ‘a source of employment’ or ‘a supporter of one’s lifestyle’. Reference to monetary drivers was also found in Latin America, although the company was perceived as ‘a family provider’ indicating a different type of monetary linkage.

*Company demographics.* The fifth identification driver, ‘company’s demographics’ is not found per se in the extant literature; however, one of its defining attributes has been identified, albeit in an opposite sense. Earlier studies have defined the large size of a company as a hindrance to identification (Brewer, 1991; Ellemers et al., 2004), whereas the findings of this study suggest it as a positive force of identification as explained above. While membership in a multinational company was valued for its international scope,

the large size and diversity were perceived to promote possibilities for career advancement and professional learning. In Europe (i.e. France and Germany), the interview question often provoked descriptions of the company's basic characteristics concerning its size and the multiplicity of its divisions and products. In fact, the drivers of identification in Europe related to the general working environment, company guidelines and the professional working conditions. The findings in Europe reflect a pattern similar to North America and Australia; what the company means to the respondents is not as profound as in Latin America. However, although there were similar patterns in attributes, there were also some apparent differences. For instance, among the Europeans, they did not include opportunities that, as described above, were the central focus in North America and Australia. The company's meaning was described in more specific and concrete work-related terms and conditions.

*Relational depth.* Finally, the sixth identification driver, 'relational depth', has not, to our knowledge, been previously identified as such. However, the connection between vocabulary employed and identification strength has been proposed. Mael and Ashforth (1992; see also Sluss et al., 2012; Turner, Oakes, Haslam & McGarty, 1994) suggest that organisational identification can be measured by employing 'we' or 'they' when referring to the organisation, whereby the former indicates strong identification and the latter weak identification. In our study, some interviewees gave evidence on their depth of attachment to the company by stating that they 'love' the company and by referring to it as their 'second family', 'home' or 'life'. Alternatively, some others spoke about the company as 'they' or 'team' and considered it merely a place to work.

#### Concluding remarks

In sum, based on the regional variance in the meanings, we propose that organisational identification drivers vary across regions. It is also suggested that in Latin America, the employees have a more emotional relationship with the company, whereas in North America, Australia, France and Germany, the employees' more clinical attitude, indicating a professional rapport, is evident. Consequently, these findings lead us to propose that identification can result from experiencing the corporation as 'an extension of the family' or perceiving the corporation as 'an agent of professional development'. Employees in the former type share a profound feeling of emotional attachment to the company; it is an intrinsic part of their everyday lives. In the latter type, the level of emotional attachment is arguably lower and derived from different evaluative factors: employees regard the company as offering a means to an

end with their attachment coming more from professional appreciation of the company or the position they hold.

The '*corporation as an extension of the family*' type, prevalent in Latin America, refers to a familial relationship between an employee and the corporation. The role of the company in the employees' lives is very important and for many, the company is not regarded merely as an employer; it plays a more central role. This emotionally strong tie is identifiable, for example, in the way employees define the corporation as being a part of their family. In general, terms such as 'love' indicating deep attachment to the company and 'we' and 'family' describing the close relationship, the familial rapport, with the company were often employed. The familial type of identification is enforced by organisational values emphasising fairness, treating people with respect and taking care of people. The company may be perceived as a family provider. The distributed value of organisational membership is comprehensively complementary, adding to employees' personal growth. The company's international scope is seen to be a guarantee for a value based environment and thus, a source of great appreciation and admiration. Thus, organisational members feel privileged to be part of the organisation.

The '*corporation as an agent of professional development*' type, prevalent in North America, Australia, France and Germany, describes a relationship that is based on work, career and professionalism. For its members, the company offers educational benefits and opportunities for professional learning and advancement that are the main drivers of identification. The company's values are also highly important; however, their significance derives from perceptions of equal and fair treatment in relation to opportunities offered by the company to its employees. Monetary benefits are also important and, for some, the company is merely a source of employment. The members share feelings of respect towards the company that stem from its professionalism, quality of products and services, extensive know-how and its large size, which is believed to generate various opportunities for its members.

In the next chapter, the theoretical contribution and practical relevance of these findings are discussed.

## 5 DISCUSSION

This paper has addressed an important although neglected dimension of identification studies: the drivers of organisational identification in different cultures. For this purpose, we explored the meaning of a multinational company (MNC) to its employees of various national cultures and backgrounds. As a result, we found several culturally-bound meanings fostering identification. The discovered meanings, identification drivers and the two regionally-bound types of identification help explain the mechanics of cultural influence. According to social identity theory (SIT), people derive part of their self-conceptualisation from groups to which they belong. Our findings show how the cultural context affects self-conceptualisations and the strength and loci of identification.

Theoretical implications: SIT, identification paths and culture

We began the paper by discussing the three paths of identification; that is, the awareness of the membership, the value of the membership and the emotional attachment relating to the membership (Tajfel, 1982; see also Ashforth & Mael, 1989). Our research extends current understanding on the relevance of these different paths and also their drivers. Based on the empirical findings of this study, all three paths were found to affect identification, although with varying cultural emphasis. Moreover, out of the three paths, the study results lead us to suggest that identification is mainly driven by the evaluative component, i.e. individual's internal motivation to self-enhancement and the opportunities that the company provides for this.

In the literature, the cognitive organisational identification suggests that the more similar attributes an employee thinks he or she shares with the organisation, the stronger the identification (Ashforth & Mael, 1989; Dutton et al., 1994). Contrary to earlier research, we suggest that the *desire* to become similar might actually be a stronger driver of identification than mere *perceived* 'oneness'. This was especially evident in relation to organisational values. To exemplify, our findings in Latin America indicate that strong, emotionally laden identification was not fostered by perceived similarity with organisational values. The corporate values were regarded as ideal values and identification was based on a strong desire for similarity instead of actual current fit (see also Pratt, 1998). In the regions of North-America, Europe and Australia, however, the perceived similarity or oneness was recognised as a

premise for identification. There too, similarity was insisted upon in terms of corporate culture and values (and also common working conditions; cf. Rousseau, 1998). Generally, in these markets where organisational culture and national culture were perceived to be rather uniform to begin with, companies were expected to operate in a culturally acceptable and consistent manner. Consequently, this means that 'oneness', in terms of values, can also be perceived in other organisations. Thus, in these regions the value of the membership is suggested to be the principal path of identification.

Related to the evaluative organisational identification, the value of organisational membership was defined in various ways by the respondents. In professionally oriented identification, the evaluative affiliation was based mainly on educational benefits such as training that the company offered to its employees in order to become more competitive in the market and against the competition. These findings also suggest that employee engagement occurs through concrete and measurable factors. In the familial type of identification, ingroup-outgroup comparisons were often based on the company's values, and its global status that provided satisfactions and distinguished the company from others. Altogether, we identified 38 meanings and six different drivers of identification. As such, they might serve as an initial model for explaining organisational identification. Such a model has been called for by Reade (2001). Various identification drivers have previously been discovered; however, steps towards building a comprehensive model have not been taken to date.

Our study adds to the scarce discussion on identification in a MNC in yet another way that brings us to the third component of SIT, emotional attachment. Following Schneider (1988), we propose that employees in Western cultures (herein: North America, Australia, France, Germany) identify more strongly with their occupation and profession than with the organisation *per se*. In Latin America, however, organisational identification seems to prevail. This implies also a deeper identification (see Rousseau, 1998) among Latin American employees because they bond with the organisation as an extension of their family. In Western cultures, employees' bonds with their respective organisations are looser, (i.e. situated; see Rousseau, 1998) and, therefore, can be transferred from one organisation to another. Thus, similar terms and conditions may be found easily in other companies. For example, in France and Germany, the company's meaning was defined mainly based on everyday work conditions; the situations, tasks and circumstances related to it.

Finally, context is found to be a key driver of identification (Millward & Haslam, 2013); however, what is it about societies and cultures that cause the differences? In part, our findings collide with Hofstede's (1980) individualism-collectivism dimension according to which individuals differ in their

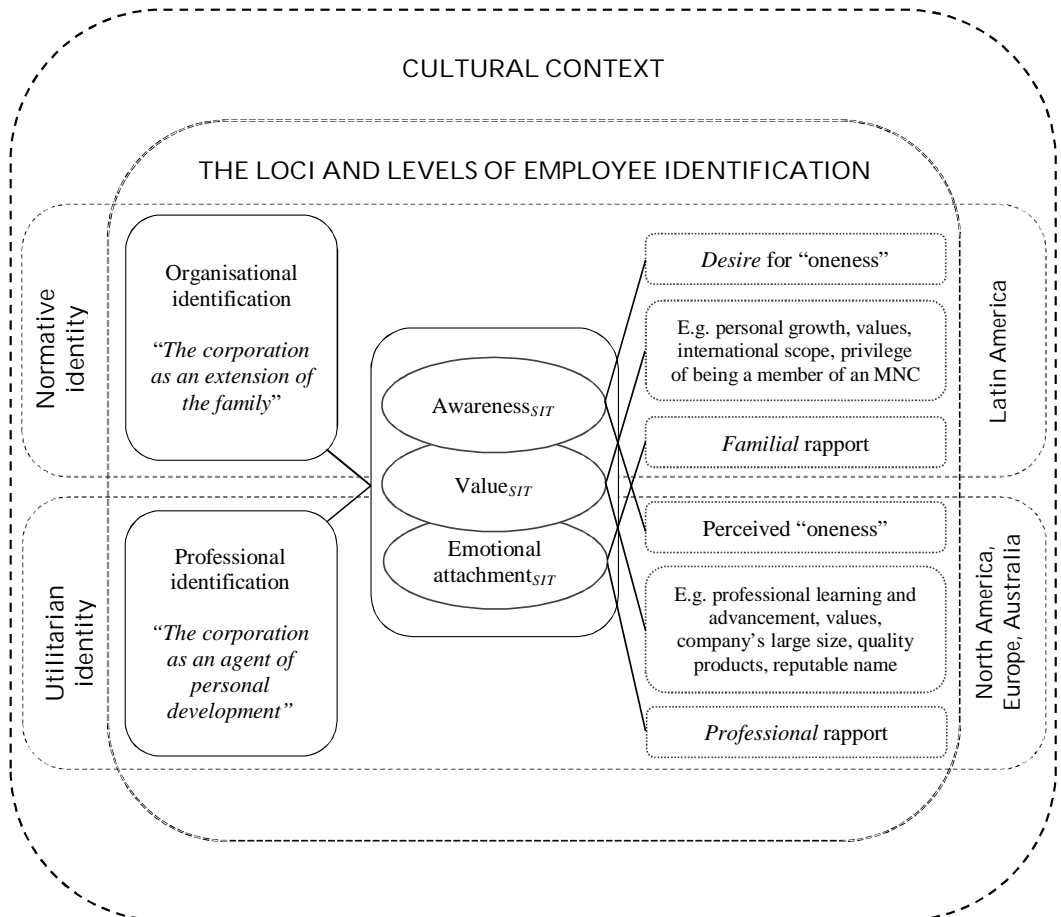


relative independence from and interdependence with their social environment (see Hamamura, 2012). According to Hofstede (1983; see also Triandis, 1995), people in collectivistic cultures are motivated by the norms and duties imposed by collectives and the family is the primary in-group and most important institution (Lenartowicz & Johnson, 2003). To live as group members, people need to conform to the norms and values of their culture and background (Lenartowicz & Johnson, 2003.) However, what if the society is not acting on behalf of the values to which its members are conforming or would like to conform? In Latin America, familial bonds evolve and develop principally due to the existence of corporate values. The uniqueness of the values and their relevance to the employees are suggested to emerge from the lack of such values in society as a whole. Herein, individuals reconstructed their normative identities and self-concepts to align with the norms of the company. This also explains how values can collide in a global company. However, in this case, they collided for the benefit of the organisation (see Laurent, 1986; Schwartz, 2011).

Conversely, in individualistic cultures, people are task oriented and motivated by their own preferences, giving priority to their personal goals over the goals of others (Hofstede 1983). The role of work in these societies, such as in North America, is eminent. This also emerged from the findings of our study: in North America, Australia and Europe, where individualism prevails, identification is based on work, career and professionalism. Therein, and especially among North American employees, development and success at work are supposedly important elements in the construction of peoples' self-concepts and utilitarian identities (Ashforth & Whetten, 1985).

Evidently, multinational organisations portray a variety of cultures (Yagi & Kleinberg, 2011). In this study, our aim has been to further understanding on organisational identification in an MNC. For this purpose, we have examined and present here the crossroads of cultures, whereby meanings bind individual members to collective groups and their cultures. Through our model, we illustrate the linkages between cultural dimensions, both intercultural and cross-cultural, the components of SIT and the loci of identification (see Figure 1). We believe that the model can function as a framework and starting point for cross-cultural identification studies.

Figure 1 The model of cultural influence on identification



Previous studies have demonstrated that the level of identification (Kreiner, Hollensbe & Sheep, 2006; Rousseau, 1998) and also its locus, for example, occupation, profession, work group and organisation (e.g. Mael & Ashforth, 1992; Pratt, Rockmann & Kaufmann, 2006; van Dick, 2001; van Knippenberg & van Schie, 2000) can vary among organisational members. Due to the complexity of modern organisations and employees' various roles within them, Ashforth et al. (2008) urge researchers to focus on multiple loci of identification instead of merely one. The results of our qualitative empirical study reveal two culturally-bound identification paths between employees and corporations. The present study is by no means comprehensive or exhaustive, but could be considered as a starting point for understanding different types identification and their drivers in multinational corporations. The study has captured drivers of identification and suggested that the varying meanings that individuals from different cultures assign to the same organisation could partly explain how cultural differences affect the loci and level of identification.

The critical finding is that in Latin America, the organisation is the focus of identification, which is based on normative identity and familial ties, whereas in the other regions, it is a question of career or professional identification relating to utilitarian identity. The strength of organisational identification is suggested to be higher when the organisational membership provides society (versus market) based distinctiveness, goes beyond mere professional or work related value, and offers prospects for overall self-enhancement. In operationalizing the strength of organisational identification we propose to focus more on emotional and evaluative meanings, rather than cognitive similarities.

### Managerial Implications

From a business perspective, durable bonds between the corporation and its employees are important. The practical implications lie in the understanding that people from different cultures engage in different kinds of relationship with companies. It is noteworthy that, in Latin America, Western corporate values and cultures seem to be highly valued among employees. In the Latin American region, employees were more deeply committed to a multinational Western value-based corporation as it reflected something desirable and unique in comparison to local companies and even the surrounding society. However, in Western cultures, it appears that Western companies and their employees are expected to adhere to their Western cultures and values.

Overall, the results of this research emphasise the importance of taking into consideration the ways individuals are affiliated with an organisation and also the cultural environment within which managerial decisions are meant to take effect. For MNC management to be effective, it is necessary to know the meanings that tie employees to corporations and to understand the employees'

emotional attachment to corporations. Variations in the meanings should result in differences in managerial style. In Western cultures, managers should pay attention to employees' opportunities for professional and career advancement; whereas in Latin America, the familial relationship with the organisation should be acknowledged. Also, the importance of organisational values to employees needs to be taken into account. Respecting deeply held values of foreign cultures and fostering meaningful employee-corporation relationships increases the ability of an MNC to perform successfully and also to compete globally for talented people. As organisations globalise, they need to consider culturally-based variations in employee-corporation relationships. Companies must understand the reasons behind the variations: that is, how and why people have different perspectives and motivations.

#### Limitations and Future Studies

Our study must be considered in the light of its limitations, which again can lead to several interesting avenues of future research. First, the fact that the research covered a single case might be perceived as a constraint that can be remedied by future studies. Examining the phenomenon in other industries, testing the meanings and also the two regional categories on quantitative data would further support the results. Furthermore, including the continents of Asia and Africa, which were not represented in the empirical data, would further authenticate and extend the findings. More European countries might also be included. In terms of cultural differences, it should be borne in mind that individuals are influenced by cultures other than those of their apparent nationalities. Many societies (e.g. organisations) contain a variety of sub-cultures and there is always a chance that the individual perspective does not represent the national cultural perspective. The findings of this study are based on the idea that a person's nationality is a sufficient indicator of his or her culture.

As to avenues for future research, this study indicates that the region of Latin America is still a rather unexplored area (e.g. Lenartowicz & Johnson, 2003). As such, we encourage further detailed research on the Latin American region. Related to this, the finding concerning the Latin American region employees' appreciation of Western-based values raises interesting questions: how would Western employees identify with a non-Western company? Moreover, can societies' norms be influenced by organisations' norms via their employees? If so, how? Finally, more research addressing questions concerning the strength and intensity of identification and also the relative importance of the meanings is recommended. In addition, it should be noted that the proposed identification drivers are not exhaustive, others remain that have yet to be captured. Studies on organisational identification mainly have

not taken into account the influence of other eminent social groups that might affect individuals' identification with a particular in-group. In this study, we have investigated the influence of national cultures on organisational identification. However, we should also consider other relevant social groups (e.g. religion) that might influence identification. More studies addressing why culture affects identification are also needed.

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Research paper 2

Man and his machine  
Products as organisational identity referents

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## MAN AND HIS MACHINE: PRODUCTS AS ORGANISATIONAL IDENTITY REFERENTS

### Abstract

This paper discusses the conditions under which products can function as referents of organisational identity. In particular, the aim of the study is to investigate the features and characteristics embedded in technological products that make them to be perceived as central, distinctive and enduring elements. The study is a qualitative case study with 109 informants, whose work revolves around the company's products. In addition to challenging and extending Ravasi and Canato's (2010) 'technology as identity referent' model, the study also enriches current understanding on the criteria of organisational identity (i.e. centrality, distinctiveness, endurance), and their interrelatedness. Based on the empirical findings, it is suggested that the criteria of centrality derives from the products' relevance to the company's past, present and future success. In terms of distinctiveness, customers' perceptions and satisfaction with the product performance were key identified as measures. Finally, the study proposes that the criteria of enduringness feed back to centrality and distinctiveness. Herein, endurance is defined as a philosophy or objective, an organisational belief and norm fostering growth, development and long-term success.



# 1 INTRODUCTION

Organisations are characterised by and built on a multitude of features and attributes, some of which are more important than others. Features claimed as central, enduring and distinctive form the basis of organisations' identities (Albert & Whetten, 1985). As suggested by Whetten (2006, 228): "not all institutionalized organizational features qualify as identity referents, but all identity referents must be institutionalized features of an organization". Consequently, only unique, perennial and central characters of an organisation can influence members' perceptions of 'who we are' at a collective level and 'who I am' at an individual level (Fiol, 2002; Corley, Harquail, Pratt, Glynn, Fiol & Hatch, 2006; Whetten, 2006).

The current paper is motivated by a study proposing cross-level identity linkages between a corporation's technological products and employees, who perceive the company's high quality products and services as the primary basis of their identification (Raitis & Hakala, forthcoming, see research paper #1). Other studies have also suggested a connection between technology and identity (Kilduff, Funk & Mehra, 1997; Tripsas, 2009; Ravasi & Canato, 2010; see also Joerges & Czarniawska, 1998). This study will, however, go a step further by empirically exploring the premises of products as organisational identity referents. In particular, the purpose of the study is to investigate the features and characteristics embedded in technological products that make them to be perceived as elements of organisational identity, and similarly target of employees' identification.

For this purpose, the study's theoretical framework is grounded on the tripartite organisational identity criteria introduced by Albert and Whetten (1985). In addition, the study applies and aims to extend the Ravasi and Canato's (2010) tentative framework of organisational identity and technology that illustrates the circumstances under which technological features come to be perceived as organisational identity referents. Herein, technology is defined as specific tools, machines and/or techniques known by a combination of features; for example, distinct parts, aspects and qualities (Griffith, 1999). Moreover, technology is also linked to the knowledge from which the products are elaborated (Kaplan & Tripsas, 2008), meaning that distinctive product features are directly linked to the capabilities of employees by whom they are developed, constructed or serviced.

Based on the idea that professions and occupations influence identity perceptions (Fiol, 1991; Glynn, 2000; see also Bechky, 2003; Svenningsson & Alvesson, 2003), the study's focus is on employees whose work and profession are closely tied to distinctive or superior products in one way or another (cf. Feldman & Orlikowski, 2011). Supposedly, informants who identify with products can provide convincing and valid data on the premises of products as identity referents. The case company in this study is an engineering corporation that manufactures, sells and maintains heavy equipment. The company's products are acknowledged being central to its success. Drawing from subjective perceptions of the employees the study is expected to reveal the conditions under which products can function as referents of organisational identity.

In the following chapters, the operationalisation of centrality, endurance and distinctiveness, based on which employees' perceptions of the company's products are evaluated, is discussed. Then, the study design is presented and empirical findings are introduced. Finally, the study concludes with theoretical and managerial contributions, study limitations and suggestions for future research.



## 2 THEORETICAL FRAMEWORK: ORGANIZATIONAL IDENTITY CRITERIA

Albert and Whetten's (1985) criteria of organisational identity are extensively applied in the field of organisational identity studies. However, few scholars go deeper and explain how particular organisational elements come to be perceived as part of an organisation's identity. Consequently, there is a call for empirical studies to investigate what makes organisational features perceived as central, enduring and distinctive from individual and organisational perspectives (Corley et al., 2006; Harquail & King, 2010; Ravasi & Canato, 2010). The study at hand addresses this important although neglected topic. Before addressing the conditions under which products can function as organisational identity features, the criteria of centrality, enduringness and distinctiveness is presented.

With reference to the established organisational identity criteria the criterion of central character refers to the core of the company; it defines what is important and essential concerning the organisation (Albert & Whetten, 1985). Corley et al. (2006) suggest that one way to determine *centrality* is to evaluate its 'depth'. The notion of depth implies that an identity referent must be deeply rooted in the organisation as opposed to being only a superficial or surface-level characteristic. This implies that the identity referent cannot be easily perceived or changed. In relation to technology, Ravasi and Canato (2010) have set more precise conditions on centrality. According to the researchers, a central technological feature has to accommodate two criteria: first, it has to be foundational and have historical value to the organisation. Historical value can be associated with the founding of the company or with any other major event(s) that has impacted the company and made it what it is today. Second, the feature needs to be central to the company's business model. Herein, centrality implies that the feature plays an essential role in the company's survival. The feature will also need to be sufficiently powerful to drive, for instance, decision-making and resource allocation. Changes in these features always indicate changes across the organisation (Ravasi & Canato, 2010).

The criterion of *distinctiveness* is equally important and necessary for an organisational identity referent. Accordingly, the uniqueness of culture, strategy, structure or other distinctive characteristics result in stronger organisational identification (Dutton, Dukerich & Harquail, 1994). Distinctiveness is evaluated in relation to other companies; that is, in the way and the degree to

which they are similar or different (Ashforth & Mael, 1989; Dutton & Dukerich, 1991; Clegg, Rhodes & Kornberger, 2007; Corley et al., 2006). Moreover, distinctiveness concerns being better than others, elevating the company's and also its members' social statuses (Ravasi & Canato, 2010).

Empirical studies on distinctiveness are scarce. In their rare study, Dutton and Dukerich (1991) identified six focal attributes that differentiated their case company from others. Based on employee perceptions, these attributes are professionalism and technical expertise, high ethics, superior quality and service, commitment to the welfare of the region, employee loyalty and sense of family (Dutton & Dukerich, 1991). Other studies have suggested that values and practices (Ashforth & Mael, 1989) or prominent employees are sources of distinctiveness (Mael & Ashforth, 1992). In his empirical study, Brunninge (2005) found that the identity of Scania, a truck manufacturer, was strongly linked to its products. Based on his organisational-level analysis, he was also able to identify some fundamental physical properties of trucks such as, for example, payload and emissions, which he connected to the product's foundational character. The study did not, however, investigate employees' subjective interpretations of what the truck means and represents to them and to the company.

According to Ravasi and Canato (2010), the distinctiveness of technology can be determined by evaluating its association with past achievements and social acknowledgement. Achievements can be gained in different contexts, in which a particular organisational feature makes the company successful. These achievements can concern, for example, innovation, market expansion and growth. Success stories created by these accomplishments eventually diffuse into the organisation and become important organisational myths and stories. The achievements portray the superiority of the company in relation to its competitors. Similarly, the greater the social recognition of a particular feature the more likely it is to be considered an identity referent (Ravasi & Canato, 2010).

In the literature, major debates on Albert and Whetten's (1985) criteria of organisational identity concern its proposed *enduring* nature. While some researchers still advocate the requirement of temporal rigidity (e.g. Whetten, 2006), many researchers stipulate that due to the unpredictable and constantly changing business environment, enduring organisational identity is neither possible nor advisable (e.g. Corley et al., 2006; Sveningsson & Alvesson, 2003; Gioia, Schultz & Corley, 2000).

Advocates of the social actor perspective emphasise the stability of organisational identity by describing it as "those things that enable social actors to satisfy their inherent needs to be the same yesterday, today, and tomorrow" (Whetten & Mackey, 2002, 398). Accordingly, the deepest organisational

commitments are those that can be repeated over time and across circumstances (Whetten, 2006). Identity is referred to as a historical product and changes concerning it are always incorporated with pain and resistance among the organisation's members (Alvesson & Willmott, 2002). Researchers with a constructionist outlook, however, accept a degree of inbuilt fluidity to the identity construct. It is argued that organisational identity is constantly under construction and, therefore, stable identity can only be a momentary state (Ybema, Keenoy, Oswick, Beverungen, Ellis & Sabelis, 2009). Thus, organisational identity should be conceptualised and perceived as dynamic and adaptive (Gioia et al., 2000; Sveningsson & Alvesson, 2003).

Identity dynamism is partly explained by increasingly complex and turbulent business surroundings. In such circumstances, adaptive identities are necessary as they enable practical ambiguity and facilitate the introduction and implementation of major organisational changes (Gioia et al., 2000). Fiol (2002) suggests that stable identities might even hinder companies' success in today's business environment. Acknowledging the past is important. However, more importantly, identities need to be adaptable to suit organisations' future aspirations (Gioia & Thomas, 1996; Gioia, 1998; Gioia et al., 2000; Hatch & Cunliffe, 2006).

Thus, nowadays, researchers are urged to perceive the organisational identity construct as continuous, rather than stable or changing. The term 'continuous' has a broader semantic meaning as it incorporates both change and the sense of sameness over time, connecting the company's past commitments and future goals (Gioia et al., 2000; Brunninge, 2005; see also Rousseau, 1998). From the company's perspective, continuous identities are important to their survival, development and long-term success. In their identity and technology framework, Ravasi and Canato (2010) propose that enduringness is not an input but rather an outcome of a process, whereby an organisational feature comes to be perceived as an identity referent. In other words, a given feature is not considered an identity referent simply because it has existed for a long time but because it will *most likely* be retained over time, even throughout changes (Ravasi & Canato, 2010).

The organizational identity criterion discussed above will be applied as the theoretical framework in this study. In particular, the criteria will be applied in evaluating the premises of products as identity referents. Before presenting the study findings, the empirical part of this research is introduced.

### 3 RESEARCH DESIGN

This study seeks to investigate the features and characteristics embedded in technological products that make them to be perceived as elements of organisational identity. To illuminate the linkages between product attributes, employees' self-conceptualisation and organisational identity, a qualitative case study with inductive logic was conducted. A qualitative approach with thick description was expected to generate rich data that would enable theory development and expansion to unexplored territory in the literature (Birkinshaw, Brannen & Tung, 2011). Building or developing theory that is accurate, relevant and testable is best achieved by building it from cases (Eisenhardt & Grabner, 2007). Thus, following Eisenhardt and Graebner (2007) and their logic of case selection, a company, whose success was based on esteemed, distinctive products was considered to be particularly suitable for the study.

The case company in this study is a multinational engineering corporation that manufactures, sells and maintains heavy equipment in B2B markets. The company operates in more than 130 countries and has approximately 12,000 employees. Due to ongoing investments in research and development, and the frequent acquisitions of strong product brands in the market, the company's products are synonymous with *quality*. Consequently, the company is acknowledged to be one of the leading suppliers of equipment, tools and service and technical solutions in the industry. At the time of the study's interviews, the company was implementing a new brand strategy that also had some implications on the visual appearance of its products.

#### Data collection

This study is part of a larger qualitative study on organisational identity involving one case company and a wide range of employees from ten different countries on four continents. The empirical data were collected in face-to-face interviews between November 2006 and September 2007. Altogether, the empirical data of the larger study comprise 266 interviews. For the purpose of this study, 109 suitable informants were identified from the database.

The informants were selected based on their position or occupation that indicated proximity with the company's products. In the literature, it is suggested that members in different professional and occupational groups identify, that is, define organisational core elements, differently (Glynn, 2000; see also Bechky, 2011). Furthermore, the fact that employees are exposed to

different organisational issues to varying extents suggests that top-level managers' scope is more conceptual and abstract than that of lower-level members who might possess a narrower and more technically-oriented perspective on organisational life (Svenningsson & Alvesson, 2003). The study does not suggest, however, that the selected informants represent the only available perspective on organisational identity (see Ravasi & Canato, 2010). However, focusing on a particular organisational professional group was expected to reduce interview data bias and in turn provide convincing and valid data on the premises of products as identity referents.

Following this line of thinking, an informant (herein also termed 'worker') denotes a person who takes primary responsibility for constructing, maintaining, servicing, selling or marketing a product. The informants are referred to as 'workers' because the majority of them hold blue-collar positions (e.g. mechanic, engineer or fitter) in the company. The chosen informants represent knowledgeable although diverse perspectives and all have close relationships with the product (cf. Eisenhardt & Graebner, 2007). The informants represent ten different nationalities; however, the cross-cultural aspect was not a focus of this study. The purpose was to focus on a professional group and its members' perceptions of the company's products. In these evaluations, nationality was not considered to play a critical role.

According to Albert and Whetten (1985), shared understanding on what is core, distinctive and enduring about an organisation is achieved inductively (see Albert & Whetten, 1985). In this study, the scholars' theoretical framework is employed to explain and interpret the findings, although the study is largely empirically driven. Empirical data were collected in interviews, in which one discussion theme addressed upcoming changes (i.e. the new brand strategy) and its possible impact on the products and company in general. For the company's products, the new strategy would mean visual alterations; for example, colour and product name changes. The strategy change also meant that the various product brands were to come under one name. Discussions on the name and visual changes led to discussions on the products and their relevance to both the individual and the company. The discussions often evolved around informants' concerns regarding the fact that all of the products were to be under the same brand name. Due to the many acquisitions, the company had various different product brands and evidently some were better than others. The workers also provided strong arguments concerning *their* products' superiority, past and current significance to the company and relevance to their own professional development. The new brand strategy evoked strong opinions and even opposition among workers closely engaged with the products. For the research purpose, these discussions were fruitful. The informants were also comfortable and knowledgeable in discussing the products as they

were closely related to them via their work. All of the interviews were recorded and transcribed verbatim by the researcher.

### Data analysis

Data analysis was conducted as a cyclical three-step process. In the first step, the researcher carefully read through the data. All interviews, even if the discussion topics did not relate to the studied phenomenon, were also read in their entirety. As the discussions were vivid and without a rigid interview structure, important pieces of information might be found anywhere in the interviews and the researcher did not want to overlook them. After the initial reading, the data were roughly organised in a word document under the central, endurance and distinctive organisational identity criteria. However, at this stage it was not possible to categorise all of the data and some parts remained unorganised as the researcher did not want to force the data into categories unless their match was explicitly clear. However, when informants stated that a particular feature was distinctive or central to the organisation, the categorisation was easy. At this stage, and due to the inductive nature of the study the researcher had only acquired a preliminary understanding on the identity criteria from the literature and therefore was only able to organise the data at a fairly abstract level. Some key words, core characters and meanings that did not fit into the criteria, but which the employees frequently employed when describing the products, were listed in a separate word document.

After the initial categorisation, the analysis continued iteratively, moving between the data and the relevant literature. First, the researcher revisited the literature to gain a deeper understanding on the organisational identity criteria. In this second step of the analysis and having conducted the initial data categorisation, it was possible to identify more linkages between the data and the existing criteria. During this phase, the data analysis moved from an abstract level into a more condensed and refined form. This accumulated understanding helped to refine further the categorisation and identify specific features that were characteristic to the case company.

In the third and final step of the analysis, the researcher compared the different concepts (i.e. central, distinctive and enduring) and endeavoured to discover linkages between them. After all, an identity referent is supposedly characterised by all of the three criteria. At this stage, the Ravasi and Canato model (2010) was revisited to understand the interrelatedness of the findings. Cross-referencing between the concepts was achieved also with the help of the listed key words, core characters and meanings. During this final stage of the analysis, the findings under each concept were refined and labelled to suit the company's beliefs. In addition, a criterion for a product to be perceived as an

identity referent was created. In the following section, the study's findings with illustrative examples and workers' direct quotations are presented.

## 4 STUDY FINDINGS

*“For me [the company] is quality product and quality service”.* (Australia, Sales Manager)

The above quotation illustrates the salience of the company’s products to the study’s informants. For this group of people, the products represent the core of the company and their ‘loyalties’ are with the product in one way or another. Below, the criteria of centrality, distinctiveness and endurance are discussed in light of the study’s empirical findings. The representative quotations from the data are presented to illuminate the features and characteristics embedded in the company’s products that make them to be perceived as elements of organisational identity.

The criterion of centrality

In line with Ravasi and Canato’s (2010) suggestion of the organisational identity feature being central to the business model, it is suggested that the criterion of centrality derives principally from the products’ relevance and role in the company’s overall success. As one sales manager stated when explaining the reasons behind the company’s success:

*“It’s the product that counts. At the end of the day, it’s the product”.* (Germany, Segment Sales Manager)

Thus, rather than relating the central characteristics to the founding of the company or any other major event or mere survival, centrality was evaluated and determined based on past, present and future organisational performance and outcomes.

Equally, the strong products represented the skills and knowledge of the employees working with them. Whether it was a mechanic fixing the product or a salesman dealing with the customer, it was the knowledge, know-how and expertise of these people that together added most value to the products and made them competitive and strong in the market. The skilful employees also kept the company together. They shared the same skill sets and technical knowledge that unified them as organisational members and professionals:

*“To some extent maybe having all that history in your mind because you have been here all the time might be a bad thing, but then again that’s what actually holds the organisation together. It’s all the people with their experience and knowledge.”* (Australia, Manager)



In other words, the products and their essential features were linked to the company's success, but they were also linked to the employees' technological know-how and professional skills; that is, their professional identity. Thus, the features that represented the products also represented the employees. However, as companies (or people) are not born with special traits (Ravasi & Canato, 2010), the skills and technological know-how were perceived to be the result of training and experience with a particular machine and technology, as stated by a mechanic from Peru:

*“The key to the company growth is constant training of personnel. Things change so much technologically speaking that if they don't receive training the personnel will not be competitive enough for the market. As long as the personnel is well trained and kept updated, the company is going to grow.”* (Peru, Mechanic)

Hence, improved product features and competitiveness were emerging and developing at the same time and pace as the employees' professional skills. Furthermore, and as evident also from the above quotation, product centrality was also enhanced by company support and investment. For example, the company initiated training, which in part strengthened professional identity, developed the products further and built employees' capabilities.

The data also revealed some differences between the workers' outlook and perceptions regarding the products. In particular, differences were evident between newer and longer serving employees. Generally, it seemed that those who had worked longest with a particular machine were strongly attached to it in many levels. These “old guys” knew their products well and knew how to fix them; their skills were very much tied to the particular product(s) with which they had been working. Due to their definite skill sets, which had developed by working with a product, they also identified most strongly with that particular product. Their identities as professionals are embedded in the products and in their capability and competence to develop, build, sell or fix them. Thus, these “old guys” did not evaluate the product centrality merely based on the capabilities built into it; for them, centrality comprised all the product features (e.g. visual, performance, etc.) that together made the product what it was. It seemed that the more time an employee spent working with a particular product, the more emotional his perceptions of the product were. As explained by a manager:

*“Not that we have a lot of older guys left, but I think they have a real infinity with the products and they don't want to see them disappear. I'm not sure how you deal with that. I think they will always be the same because they have been with that product for so long. Their skill is based on the last ten years in one area [...] If you have been working with one product for 20 years it's hard to lose the name.”* (Australia, Manager)

As the company was implementing changes to the visual aspects of the products at the time of the interviews, this topic was much discussed and commented on. The visual aspect of the products was considered important for two reasons: first, visual distinctiveness was considered important for product recognition and, especially, to distinguish the company's products from those of its competitors. Apparently, in this particular industry, major companies all have their own distinct colours. Second, the colour was perceived to have a strong symbolic meaning to the employees. Although, for the majority of people it was important that the company's products were recognisable from competitive products, the colours and names had a more important personal meaning for the "old guys". Many of them referred to themselves as, for example, "the orange guys" and were strongly opposed to any colour or name changes. For them, the symbolic, visual elements were also inherent parts of the product.

For the newer generation of employees, however, their professionalism was grounded principally on the technology in general and less on a particular product. While the newer employees appreciated the products, they mostly focused on the technological features that the products represent:

*"I love mechanics. I love the equipment, technology. I love to learn and I learn a lot. I love it here [...] But with all these problems, sometimes I think that I should go, but no I like it so much and I love it here. Of course there is a lot of consideration, as long as I give my best effort in my job and provide best service to my customer I will be okay and the company will be okay too."* (Mexico, Workshop technician)

As suggested by the above comment, technological features might not be company tied, meaning that although high technology was perceived as central it may not be perceived as distinctive. However, for older employees who perceive the product as unique; as an entity built of technology, capabilities and symbolic aspects, the particular product is suggested being perceived as central *and* distinctive to the company. Thus, for younger employees, technology was the primary concern and the product was just the vehicle by which it was carried. Consequently, symbolic aspects of the products, such as colours and names, were less meaningful to the newer employees, many of whom were able to objectively evaluate the changes and take a customer perspective proposing that:

*"There's no complaint [about the visual changes], as long as they [customers] are still getting the quality piece of equipment, they don't mind."* (USA, Field service technician)

Hence, according to the newer employees product design was not a core feature of the product. The quality of the products was most important, and the colour was merely its representation.

### The criterion of distinctiveness

Ravasi and Canato (2010) suggest that *distinctiveness* relates to the company's past achievements and positive social recognition. This study also found that, in determining distinctiveness, the comparison between competitors' products and customers' perceptions is weighty (see Dutton et al., 1994; Gioia et al., 2000). Herein, customers' perceptions and satisfaction with the products were key concerns and the company's products and their particular attributes were perceived to play a central role in contributing to customers' success. This 'value for customers' thinking also related to the company's central business logic.

To enrich earlier studies, some particular product features were discovered based on which the products' superiority and value for customers were measured within the particular industrial context. The two most important product attributes (of good quality) identified were: *product reliability* and *product performance*. Similarly, a sales supervisor in Brazil referred to the product's "*trustworthiness*" as a great advantage in the aggressive market. At the case company, the products were perceived to be good quality products providing superior performance and reliability to its customers. These features were distinctive and differentiated the company's products from their competitors' equivalent products, contributing to both the customers' and the case company's success.

Likewise, these features also represented the employees and their characteristics. In particular, this was evident in the service attitude and solution provider thinking that were also mentioned as distinguishing features of the company. Thus, product features (i.e. reliability and performance) were supported by skilful, reliable and efficient employees. For example, servicing and maintaining the machines were considered important because it keeps the machines running and, thus, provides value to the customer. Success stories were created at every level, as put by a Customer representative in Peru:

*"Every mechanic's job is important because it means solution for the customer."*

Providing good quality service brings new unique levels to the product offering, differentiating the company further. Solution provider thinking and the technical know-how and capabilities related to it were perceived to be part of the company's culture, as explained by a sales representative:

*"And it's got to be more than a slogan [solution provider thinking]. They [customers] really have to understand that that's our culture, that's what we do. It's the technical know-how, it's figuring out alternative ways of doing things, trying to save your operation money. Things like that. Internally, we have too many people who are still iron sellers and they are selling features*

*and benefits and all that sort of thing in what we think what the customer needs instead of listening to them and figuring out something that maybe nobody else can do. Because there are things that we can do that nobody else can do. And those are the things that we need to focus on.*" (USA, Sales representative)

Apparently, however, the competitors also had similar slogans and some informants rejected the use of the company's slogan for this reason. They concurred with the meaning of its message but, in their opinion, the exact wording was not sufficiently distinct:

*"My opinion, this term [company's vision] is overused. Everyone used that term and I just feel like we start telling our customers: 'hey we are [...]' Their thought of us: 'you are just coming on board with everyone else'. I think it's a very overused term. Really I don't understand that [the company] wants to use that term, but I try to call it something else [...] I would try to differentiate that little bit and to say: 'we are better than the other guys or we do something different than the other guys do'."* (USA, Sales manager)

Hence, differentiation and recognition in the market were important factors at all levels. Copying, doing the same things as others, did not enhance the social status at organisational or individual levels. Instead, the informants wanted to be different and better than their competitors. The distinctiveness was evaluated mainly based on the level of customer satisfaction and the superiority of the product in relation to competitors' offerings.

#### The criterion of enduringness

In their study, Ravasi and Canato (2010) propose that enduringness is not an input but an outcome of a process, whereby an organisational feature comes to be perceived as an identity referent. In other words, the centrality and distinctiveness of an element lead to its enduring nature (Ravasi & Canato, 2010). However, based on the study's findings, endurance is understood and interpreted in a different way. Rather than perceiving endurance as an outcome of a process, it is defined as the force *driving* the process.

Finding explicit and illustrative quotations from the data to support the argument is difficult. However, perceptions of product superiority as a long-term objective are embedded in many of the quotations and comments on central and distinctive features. The company's products and service were superior in the past and they are also expected to be superior in the future. Employees often highlighted the requirement of ongoing development: a workshop technician from Mexico talked about *"technical progress and their challenge to attain better proficiency"*.

Thus, in this study endurance is defined as a philosophy and objective, an organisational belief and norm fostering growth, development and success in

the long term. Consequently, it is suggested to foster and enhance the features that make company's product perceived as central and distinctive. It is suggested to derive from the company's long-term vision and the employees' motivation to enhance and develop their capabilities. These features are not an outcome but a required input. Consequently, it is proposed by the study that the criterion of enduringness feeds back to centrality and distinctiveness. Although product specific features might need to be adaptive and evolve due to competitive pressures and turbulent business environments, endurance can reflect and foster the company's vision of superior products representing stability in the otherwise dynamic organisational environment. Whereas the criteria of centrality and distinctiveness in terms of products related to intangible and tangible elements, enduringness herein is perceived as an intangible aspect of the corporation (cf. Glynn, 2000). Such a philosophy, grounded on years of practice, capabilities and future vision is difficult to compete against or copy.

## 5 CONCLUSIONS

This study explores the features and characteristics embedded in technological products that make them to be perceived as elements of organisational identity. Although previous studies have been able to identify different organisational elements and features fulfilling the central, enduring and distinct identity criteria, most of these studies have only reached a categorical level in their analysis and conceptual understanding. In this study, more specific attributes and linkages between the organisational identity, products and employees were found and presented. Moreover, the interrelatedness of the identity criteria has been empirically shown by the study.

The key finding in the study is that the centrality of the company's products is linked to its competitive force and overall success and outcomes. In other words, related to products, the criterion of centrality is fulfilled if the component has explicit influence on the company's success. Consequently, in terms of the conceptualisations of 'centrality as depth', 'centrality as shared' and 'centrality as structural' (Corley et al., 2006), the study proposes yet another possible conceptualisation: 'centrality as business value'. Supposedly, the factors that make the company successful are perceived as its central elements. Therefore, one route for discovering the central features can be via the value proposition.

Applied technology makes the products efficient, competitive and even superior in comparison to other products. However, based on the findings, the employees' perceptions of the features that make a product to enhance the success of the company were seen to vary depending on the tenure of employment. Among the 'old guys' the product was evaluated as a whole and the central features were more comprehensive. For the 'new guys' the centrality was related to technological features and product capabilities. Likewise, as the former perception is proposed to entail product centrality and distinctiveness, the latter seems to indicate only centrality.

In part, the study challenges and extends Ravasi and Canato's (2010) technology and identity framework. In particular, the role of endurance in the interrelations of the criteria is challenged. Defining the criterion of endurance in intangible terms, the study suggests that it feeds back to centrality and distinctiveness. This definition can be linked to the idea of identity being stable over time, but only at an intangible level. This definition also suggests the linkage of identity and culture (Hatch & Schultz, 2002). Consequently, a

different type of interrelation between the identity criteria is suggested. It is proposed that *endurance*, defined as a company philosophy and objective, fostering product based success in the long term, leads to the product and technology based *centrality* that in turn develops into superiority and *distinctiveness* in the market, herein measured in product performance and value for customers.

The limitations of the study are evidently bound to the single-case approach and the generalisability of the findings. Especially, findings concerning the distinctive features of the products are strongly case and industry bound. Hence, the findings of this study are by no means exhaustive and further research is needed. Another limitation might be that the cultural factor was not incorporated into the study, although informants represented different nationalities. The study is also focused only on employees, whose work is closely tied to the products. It might be argued that such a narrow perspective is not sufficient in understanding organisation wide phenomena, i.e. the criteria of *organisational* identity. However, as explained earlier in the study the narrow focus was expected to provide convincing and valid data on the premises of *products* as identity referents. An interesting future research topic would be to examine whether these perceptions are shared across the organisation and its members.

These limitations open avenues also for other future studies. Furthermore, more research is needed to explore the different elements of identity and their interlinkages between organisational- and individual-level identities. It would also be worthwhile to understand how technical or product features coexist and support other organisational identity elements. Previous studies have suggested that the interests of different professional groups lead to internal turbulence and rivalry (e.g. Glynn, 2000). Going forward, scholars should instead focus on finding interlinkages between the different identity elements. After all, the challenge is not to find a match between a single element of technology and the organisation, the problem is finding the composed set of many potential elements, or complements (see also Kogut & Zander, 1996). Finally, and most importantly, there is a call for further empirical studies. The interrelation of identity criteria is also worthy of more studies.

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Research paper 3

Playing it fair in Latin America – Employees' fairness perceptions in a  
multinational corporation

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## PLAYING IT FAIR IN LATIN AMERICA – EMPLOYEES’ FAIRNESS PERCEPTIONS IN A MULTINATIONAL CORPORATION

### Abstract

This study was designed to elaborate existing research on organisational justice and simultaneously find evidence on the universality of fairness as a corporate value. Drawing from social psychology and the justice literature, the study explores the relative weight of different forms of fairness in a multinational organisation. In particular, the focus is on fairness perceptions in Latin America. The empirical data comprise 109 face-to-face interviews conducted in Argentina, Brazil, Chile, Mexico and Peru. Based on the findings it is suggested that organisational fairness has more sources and dimensions than suggested by current studies. The study results show that the evaluations of fairness occur in all types and levels of organisational relationship. Evidence was also found on the viability of fairness as a corporate value in the Latin American context. For practitioners, the findings provide strong evidence on the validity of fairness as a corporate value in Latin American markets.



# 1 INTRODUCTION

Responsibility, values, justice, morality and ethics are among the key concepts that describe or are acknowledged in the business conduct of today's successful companies (Asgary & Mitschow, 2002; Hollender, 2004; Schwartz, Dunfee & Kline, 2005; Tyler, Dienhart & Thomas, 2008; Williams, 2011). In the organisation and management literature, organisational integrity is enforced by guiding principles or values that constitute one of the most important elements of organisational culture (Guth & Tagiuri, 1965; Paine, 1994; Roe and Ester, 1999; Schein, 1984; Welch & Welch, 2006). In organisations, values play a similar role as in larger societal contexts (Meglino & Ravlin, 1998). They function as a unifying element across different business units, functions and employee groups (Paine, 1994), reflecting the group members' perspectives on how things generally should be (Hofstede, 1985). The values upheld by companies also reflect their outlook on how to treat employees, customers, suppliers and other interest groups (Barney, 1986).

Previous studies on organisation and management have suggested a multitude of positive effects of ethics and values to business. For example, companies' ethical behaviour is suggested to attract and commit individuals to organisations (Andrews, Baker & Hunt, 2010; see also van Rekom, van Riel & Wierenga, 2006). Many researchers have also demonstrated that organisational values can drive members' behaviour (Chatman & Cha, 2003; Hofstede, 1985; Mintzberg, 1984; Roe & Ester, 1999; Tushman & O'Reilly, 1997; Williams, 2011). Through increased employee effort, values are suggested to increase productivity (Welch & Welch, 2006), cultivate innovativeness and flexibility (Barney 1986), and enhance companies' goal-oriented performance (Schultz, 1995) and their long-term strategic success (Tushman & O'Reilly 1997). Values can also distinguish companies from others (Williams, 2011) and support the building of strong corporate brands (Hollender, 2004). Ultimately, values serve as sources of competitive advantage (Lencioni, 2002) that can lead to greater financial turnover and profit (Barney, 1986; Hollender, 2004). In the case of a multinational corporation (MNC), values influence its subsidiaries' actions regarding the interests of the company as a whole (Forsgren, 2008; Nohria & Ghoshal, 1994).

It is suggested that for an organisational value system to be strong, values need to be taken seriously and agreed upon by the entire organisation (Chatman & Cha, 2003; Paine, 1994; Wiener, 1988; cf. Mead, 1994). Thus,

the composition of an MNC, that is, the diversity of people, cultures, attitudes and goals (Chang & Taylor, 1999), presents a clear challenge in defining organisational values. After all, value differences are posited to distinguish cultures from each other (Elizur, Borg, Hunt & Beck, 1991; Rosenblatt, 2011). Consequently, many researchers have questioned the possibility of individuals ever developing and sharing a similar set of values (Alvesson & Sandkull, 1988; Forsgren, Holm & Johanson, 2005; Welch & Welch, 2006). It is suggested that individual-corporate value congruency can occur only if the number of cultures represented in an organisation is low and the degree of employees' uniformity is high (Griseri, 1998). Similarly, Humes (1993) proposes that to alleviate any possible clashes between national cultures, corporate-wide core values should always be adjusted to the distinctive values of its international parts.

Opposing perspectives have also been presented. Some researchers have accentuated the existence of core human values or imperatives that cross cultures (Donaldson, 1996; Schwartz et al., 2005). According to Williams (2011), these fundamental values include honesty, fairness, achievement and concern for others (see also Asgary & Mitschow, 2002 and Schwartz et al., 2005 for their listings). Fairness, in particular, is postulated as one of the most distinguished moral imperatives, or values, that resonates with employees and affects their organisational behaviour (Masterson, Lewis, Goldman & Taylor, 2000; Williams, 2011). As a core human value, fairness is suggested to be of fundamental importance irrespective of time, circumstances, culture or religion (Schwartz et al., 2005, see also Donaldson, 1996). The topic of 'moral identity' is also receiving growing interest in identity studies. Therein, virtues and moral traits (e.g. fairness) have been identified as important elements in the construction of individuals' self-concepts and, through identification, linking them to societies and different groups (Aquino & Reed, 2002; Weaver, 2006).

This study follows the idea of core human values and suggests that, through virtuous organisational values, MNCs can create shared value systems across its members. Drawing from social psychology, with which fairness (i.e. justice) has been studied extensively in the organisational context, the study examines the relative weight of different forms of fairness in Latin America. So far, little attention has been paid to fairness perceptions in non-Western societies (Fischer et al., 2011; see also Greenberg, 1990). The study aims to investigate and illustrate employees' fairness perceptions by answering two questions: 1) *How does fairness present itself in organisational everyday life?* 2) *What are the key sources and forms of fairness?* These questions relate directly to the work environment and are concerned with employees' own



perceptions (Moorman, 1991). The empirical data comprise 109 face-to-face interviews conducted in Argentina, Brazil, Chile, Mexico and Peru.

The paper is structured as follows: first, to gain a better understanding on organisational fairness, its forms and sources, this research area is addressed next. The theoretical review is followed by the study design chapter, where the qualitative approach of the study is presented in detail. The paper concludes with empirical findings, conclusions, limitations and also suggestions for future research.

## 2 LITERATURE REVIEW: FAIRNESS IN AN ORGANISATIONAL CONTEXT

According to the deontological model of fairness, evaluations of fairness are based on moral standards and on people's general perceptions of right and wrong (Cropanzano, Goldman & Folger, 2003; Liao & Rupp, 2005; Turillo, Folger, Lavelle, Umphress & Gee, 2002). Thus, fairness is perceived as a human virtue (Turillo et al., 2002), by which different social contexts ultimately define the ethical framework and moral values of their people (Cropanzano et al., 2003). Herein, fairness addresses questions of right and wrong in terms of outcome, process and interpersonal interaction and treatment (ibid.).

In the literature, fairness has generally been evaluated by distributive justice (Adams, 1965; Blau, 1964), procedural justice (Thibaut & Walker, 1975) and interactional justice (Bies & Moag, 1986). Out of the three justice types, distributive and procedural justice have more established positions in the literature (Barling & Phillips, 1993). The relevance of interactional justice has been acknowledged by many researchers (Brockner, 2006; Mikula, Petri & Tanzer, 1990; Skarlicki & Folger, 1997; Tyler, Dienhart & Thomas, 2008); however, its standing as an independent type of justice has been questioned. Some researchers consider interactional justice as a subset of procedural justice (Aquino, 1995; Kazemi & Törnblom, 2008; Moorman, 1991), while others perceive the two dimensions as different independent types of justice (Colquitt, Wesson, Porter, Conlon & Ng, 2001). Increasingly, however, the three types of justice are believed to be strongly related although distinct constructs (Cohen-Charash & Spector, 2001). In the following, where possible, the three fairness types are presented separately to gain a better understanding on their differences and similarities.

*Distributive fairness.* Initially, justice researchers focused on fairness of outcomes, termed distributive justice (Colquitt, 2001). Distributive fairness is based on Adam's (1965) equity theory and is determined by outcome distributions. Herein, employees evaluate justice by comparing their profits (e.g. pay rises, rewards and promotions) to their effort; that is, input at work. Equity occurs when every employee's proportional rate of benefits is perceived to be equal to their contributions (Brockner, 2006; Colquitt, 2001; Folger, 1977; Greenberg, 1990). Equal ratios yield fair feelings and states of satisfaction (Greenberg, 1990; Lind & Van den Bos, 2002). Nowadays, however,

researchers are increasingly postulating that perceptions of justice derive mainly from relational instead of material factors (Blader & Tyler, 2003, see also Barsky, Kaplan & Beal, 2011; Greenberg, 1990). As a result, a large amount of fairness research currently focuses on procedural fairness (Blader & Tyler, 2003; Desai, Sondak & Diekmann, 2011); that is, on the processes of how decisions are made as opposed to the content of those decisions (Greenberg, 1990).

*Procedural fairness.* Procedural justice, introduced by Thibaut and Walker (1975), originally referred to fair decision-making procedures or mechanisms designed for the equitable allocation of resources. Thus, it referred to judgments concerning exchange relationships and its conceptual status in relation to distributive fairness was unclear (Folger, 1977). Nowadays, researchers perceive that procedural fairness comprises two dimensions: 1) fairness in decision-making and 2) fairness in the way people are treated; that is, interactional justice (Blader & Tyler, 2003; Greenberg, 1990; Moorman, 1991; Schwartz et al., 2005; Tyler et al., 2008).

In organisational everyday life, decision-making fairness is a central matter when evaluating fairness. Evidently, organisational decisions address a variety of organisational issues and, if important, their fairness is judged critically (Colquitt, 2001). Procedural fairness is suggested to stem from two sources or foci: formal and informal. The former emanates from the group's formal rules and the latter is linked to the implementation of the rules by managers or group members (Tyler & Blader, 2003). In any case, the primary source of procedural justice is the organisation and its systems (Greenberg, 1990; Yang, Mossholder & Peng, 2007).

Formal fairness implies a minimal level of fairness, which posits that organisational rules are, at least theoretically, interpreted and applied consistently within the entire organisation and for each employee (Hooker, 2005). At the formal organisational level (i.e. CEO and formal policies), employees evaluate decision-making fairness generally from four different angles. First, they evaluate the opportunity to express their opinions and influence in decision-making processes (Brockner, 2006; De Cremer, Tyler & den Ouden 2005; Tyler et al., 2008). Herein, some researchers refer to 'voice' as an element of decision-making procedure indicating employees' opportunities to express their opinions before decisions are made (De Cremer et al., 2005; Folger, 1977; Kazemi & Törnblom, 2008; Lind, Kanfer & Earley, 1990). The other three formal decision-making components are; rule clarity and transparency in decision-making and implementation (Brockner, 2006; Tyler et al., 2008); neutrality and objectivity in the information and decision-making criteria; and consistency in applying the rules over time, situations and across

people (Blader & Tyler, 2003; Tyler et al., 2008; see also Folger & Bies, 1989; Moorman, 1991; Williams, 2011).

Decision-making fairness can also be evaluated at the informal workgroup level. Herein, fairness is judged based on decision-making processes that originate from particular agents or group-level authorities; for example, managers (Blader & Tyler, 2003; Colquitt, 2001; Tyler et al., 2008; van Dijke, Cremer, Mayer & Van Quaquebeke, 2012). According to Blader and Tyler (2003), managers can influence decision-making fairness in at least two ways: first, they can control the quality of organisational decision-making with their interpretations and implementation of the formal rules. Second, in situations where no formal rules can be applied, managers exercise 'discretionary decision-making'; hence, make decisions on their own (Blader & Tyler, 2003). Folger and Bies (1989) have pointed out that making fair decisions is arguably a key responsibility of managers. Fair decisions and their implementation are a source of legitimacy and authority that managers need to earn by exercising "the spirit of the law" more than "the letter of the law" (Folger & Bies, 1989, 81).

*Interactional fairness.* Fairness is also evaluated based on the quality of employee treatment. That is, employees consider the way they are treated by others as a determinant of fairness, independent of the possible outcomes of that treatment (Greenberg, 1990). Similarly, they can also be affected by the way others are treated (Turillo et al., 2002). In general, interactional fairness refers to respectful and sensitive treatment of employees by decision-makers or superiors (Aquino, 1995; Brockner, 2006; Mikula et al., 1990; Skarlicki & Folger, 1997; Tyler et al., 2008). Employees expect to be treated equally and politely, with respect and dignity (Brockner, 2006; Folger & Bies, 1989; Moorman, 1991; Tyler et al., 2008). At an organisational level, formal rules regarding treatment can include, for example, sexual harassment or discrimination based on gender and race (Blader & Tyler, 2003).

The emerging theme: Fairness judgments and cultural variety

Recently, social psychology studies have begun to explore the validity of the different justice dimensions across cultures. As such, some evidence on cultural differences has been discovered. For example, Yang et al. (2007) found that power distance, as a cultural variable, moderates relationships between the procedural justice climate and employee commitment and also organisational citizenship behaviour. Similarly, Fischer et al. (2011) discovered that justice perceptions in power distant and collectivistic samples are very similar. Interestingly, cross-cultural convergence concerning fairness has also been reported. In a recent study in the Arab context, Suliman and Kathairi (2013) found organisational justice (i.e. procedural and interactional) to be

“positively and significantly correlated with commitment and job performance”. Moreover, Fischer et al. (2011) found the Western-based measure of justice to be applicable across the working populations in 13 different non-Western nations.

The studies presented above serve as scarce but notable examples of the increasing interest in and awareness towards cultural issues in organisational justice research. More than a decade ago, Greenberg (2001) had already elevated the question of cross-cultural differences as a priority in the field. However, until very recently, there have been few studies addressing these questions. Above all, we need to enhance our understanding on ethical frameworks (Cropanzano et al., 2003), the different sources or foci of justice perceptions (Li & Cropanzano, 2009; Liao & Rupp, 2005; Törnblom & Kazemi, 2011) and antecedents of organisational justice. Little attention has been paid to fairness dimensions in non-Western societies, meaning that the universality of justice perceptions has not been addressed (Fischer et al., 2011; see also Greenberg, 1990). In particular, considering their elevated importance, there is a call for furthering understanding on procedural fairness (Yang et al., 2007) and interactional fairness (Cohen-Charash & Spector, 2001). This study aims to address some of these pertinent issues.

### 3 RESEARCH DESIGN

This study seeks to understand and explore the relative weight of different forms of fairness in a multinational corporation (MNC). The focus of the study is on employees' perceptions in Latin America, where 'fairness' as a corporate value is suggested to hold exceptional relevance (Raitis & Hakala, forthcoming, see research paper #1). Following Chatman and Cha (2003) and in line with how studies on values are generally conducted, the study was designed to apply a fine-grained approach. A qualitative research approach was applied to gain a comprehensive understanding on the topic (Miles and Huberman, 1994).

For capturing the rich real-world organisational context, a single-case approach was adopted (Eisenhardt and Graebner, 2007). Comparing responses from employees of the same organisation was expected to reduce the likelihood that responses are biased by organisation-specific policies. The case criteria were that the company needed to have 1) operations (i.e. business units) in Latin America and 2) 'fairness' as a corporate value. The study's case company is a large high-technology engineering group with advanced B2B products. It employs more than 14,000 people around the world with operations in North America, South America, Europe, Australia, Africa and Asia. Its headquarters are in Northern Europe. Critically, it has extensive business operations in Latin America and 'fairness' as one its core global values. The case company was first approached via personal contacts. Approval for the study and access to the organisation were granted to the researcher upon acceptance of the formal research proposal. This study is part of a larger study and access was granted for a more general study purpose.

These questions relate directly to the work environment and are concerned with employees' own fairness perceptions (Moorman, 1991).

#### Data collection

In the organisational studies, justice is considered to be a socially constructed phenomenon. Following this tradition the perceptions of fairness are to be based on employees subjective perceptions (Colquitt et al., 2001). Consequently, face-to-face interviewing was chosen as the data collection method. Addressing employees directly is supposedly the best method for gaining rich, rigorous and focused perceptions on values (Barsky et al., 2011; Meglino & Ravlin, 1998; Schein, 1984; cf. Blader & Tyler, 2003). Furthermore, in cross-

cultural studies, face-to-face discussions are suggested to be the most reliable means for assuring data equivalence across sources in various countries (Hult et al., 2008). Considering that employees' fairness perceptions are based on subjective experiences and thoughts (Blader and Tyler, 2003), participant and cultural diversity were emphasised in the interviewee selection. In the Latin American region, the case company has operations in Argentina, Brazil, Chile, Mexico and Peru. Thus, to gain a comprehensive understanding on fairness in region of Latin America, all of the five countries were included in the study (see Table 1).

Table 1 Interviewee demographics

	Argentina	Brazil	Chile	Mexico	Peru	TOTAL
<b>Interviews (n)</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>26</b>	<b>22</b>	<b>109</b>
Occupations (n)						
Employees with subordinates (e.g. vice presidents, supervisors, team leaders and managers)	8	5	2	13	15	<b>43</b>
Employees with no subordinates (e.g. salesmen, assistants, mechanics, receptionists and analysts)	12	16	18	13	7	<b>66</b>

Participants from these countries were selected to represent different departments, organisational levels, professional groups, both genders and different age groups (for studies employing similar approaches, see Cardinal, Sitkin & Long, 2004; Jaeger, 1983). Participant diversity was considered important as it reduces interview data bias and eliminates any attempts to distort the authenticity of the data by image-conscious management (Eisenhardt & Graebner, 2007). In total, the data for this study comprise 109 semi-structured face-to-face interviews that were conducted between November 2006 and January 2007 (See Table 1).

Van Rekom, van Riel & Wierenga (2006) suggest studying values in the context of everyday organisational behaviour. Arguably, grounding the study in daily behaviour avoids 'truisms' relating to corporate values that are often faced by studies employing other methods (van Rekom et al., 2006). To enable the discovery of different form of fairness, the researcher did not impose any

preconceived ideas (i.e. fairness perceptions) on what fairness might entail (for a similar approach see, Mikula et al., 1990; Skarlicki & Folger, 1997). During the interviews, participants were encouraged to present their own subjective experiences and feelings concerning fairness in their working environment. An initiating question, that is, “*Do you perceive the corporate values in action?*” was put to each interviewee at the beginning of the interviews. At this point, the researcher also reminded the interviewees of the three corporate values, including ‘fairness’.

The interviews were conducted in English, Spanish or Portuguese depending on the preference of the interviewee. An external interpreter was employed for interviews held in Spanish and Portuguese. By eliminating the language handicap and by conducting the interviews at interviewees’ respective workplaces, the aim was to encourage the informants to share their own authentic experiences and stories (Alvesson & Kärreman, 2007; Shah & Corley, 2006). This was achieved as the informants seemed to discuss issues freely and were happy to share their experiences and feelings. Interestingly, the face-to-face interview method was highly appreciated by the participants. Many commented that the interviews served as an excellent example of how the corporation is actually interested in their opinions. All of the interviews were tape recorded and transcribed verbatim.

### Data analysis

Data analysis was undertaken in sequential phases. The steps of analysis replicate the researcher’s own discovery process, whereby the findings developed progressively over the course of the analysis. As a first step in exploring and understanding the Latin American employees’ fairness perceptions, the researcher read through the transcripts and applied open coding with NVivo qualitative research software. In this phase, all descriptions including ‘fairness’ were sought and retrieved. As the company also had two other corporate values, it was important to ensure that only perceptions of ‘fairness’ were included in the analysis. Occasionally, interviewees talked about values in general without mentioning any specific value. These comments were also excluded. Altogether, 106 descriptions of fairness were found from the data.

In the second phase, the objective was to analyse the data to discover points of convergence with existing organisational fairness types (i.e. distributive, procedural and interactive). In addition to elaborating the dimensions, it was also thought that finding correspondence between theory and data would validate the chosen research method. Presumably, if it was possible to link the findings with the existing theory, novel parallel fairness types or sources (if prevalent) might also be discovered. The second phase of the analysis commenced with intensive reading of the transcripts. As a result, various



descriptions relating to existing fairness dimensions were found. Further categorisation of the data within the dimensions proved to be more challenging as some of the illustrations were multidimensional and complex. Herein, to add rigour to the analysis, NVivo software was employed to organise and categorise the data (Sinkovic, Penz & Ghauri, 2008). The study's findings are presented and discussed next.

## 4 FINDINGS

Based on the data analysis, the perceptions of fairness among Latin American workers seemed to fit relatively well with existing fairness types (i.e. distributive, procedural and interactional). However, within these types, the data provided some new insights on the foci and sources of fairness. Employees also provided evidence of the relative importance of the fairness types. The findings concerning each fairness type are presented below. To illustrate the findings, some selected quotations from the interviewees are presented in Tables 2, 3 and 4.

### Distributive fairness

There were few descriptions collected on distributive fairness; only five from a total of 108. The marginal importance of distributive fairness has already been reported by Mikula et al. (1990) in their empirical study on injustices among students. The study's findings support this earlier proposition. The content, that is, the way distributive fairness is perceived and experienced by the employees, is partly consistent with the literature. One informant (see Table 2: DF1) referred to inequity between managers' and workers' salaries. The huge income gaps were not perceived to be equitable. Another informant (see DF2) had perceived inequity in the workers' wage trend. That is, people who started at the company received the same salary as those who had worked there for longer, meaning that work experience and longer organisational membership were not taken into account.

Moreover, references to the 'legality rule', a sub-rule in distributive justice referring to fairness violations and inconsistencies with existing laws and regulations on rewards and punishments (see e.g. Berkowitz and Walker, 1967), were also found (see DF3, DF4 and DF5). These perceptions were, however, mentioned in reference to customers and bribery. Interestingly, in these comments, the company's principles and the country's laws were conceptually connected. That is, abiding by the 'fairness' value set by the company would result in law-abiding actions as per existing laws and regulations. Folger and Bies (1989, 81) propose that managers should exercise 'the spirit of the law' more than to 'the letter of the law'. Sharma, Borna & Stearns (2009), however, suggest that organisational fairness can blind employees to ethical business lapses. The study's findings suggest otherwise. In response to Folger and Bies (1989), it seems that both approaches are necessary.

Furthermore, organisational fairness is evaluated in internal and also external relations (see Table 2).

Table 2      Distributive fairness perceptions

Description	Data sample
Inequity of the proportional rate of profits in comparison to contributions <sup>a</sup>	<p>DF1: “About fair play. There are many things for people difficult to understand [...] You see the HR manager in a Chrysler. A very big and expensive car. Very expensive cars for people that don’t have direct [contact] with the customer. And people say: “I am working to pay for all this. I don’t justify, I don’t understand that. [...] I guess these benefits are according to the position. I feel this in the workshop. The salaries are not bad, but the difference is a lot.”(Chile, customer service representative)</p> <p>DF2: “What about fair play? If you have been there for four years and a guy comes earning the same amount practically. Those who come in say ‘this is a good salary for me’, but after they see that another person has been there for four years earning the same thing, they say ‘Oh dear, I have another four years with the same salary’.”(Brazil, engineer)</p>
Legality rule <sup>b</sup>	<p>DF3: “We have to do the right thing. We do not need to do anything on the dark side to be better. [...] we must do what is right under Mexican or international laws. More the fair play because [...] sometimes they [customers] ask how much it is for this guy because they want to know if there are differences in prices. But we say that we cannot. We are protecting all our customers. We work under those values.” (Mexico, financial assistant)</p> <p>DF4: “Fair play is important. Outside the company, we cannot say what type of policies our customers follow. But we try to follow the clean path, fair play. We know of the existence of legislation and if you break the law, drastic consequences could appear for the company.” (Argentina, warehouse chief)</p> <p>DF5: “All the companies, the biggest global Brazilian companies are working the same processes. We have different names but they use the same fair play. [...] For example, if you go to visit [a customer] you cannot enter with a gift. This is the policy that the global and biggest companies use.” (Brazil, customer segment manager)</p>

(a) e.g. Brockner, 2006; Colquitt, 2001; Folger, 1977; Greenberg, 1990

(b) e.g. Berkowitz and Walker, 1967

Herein, as the informants also referred to the company's rules, these fairness perceptions can potentially be associated with procedural fairness. However, as these references address bribery, which could be defined as one type of inequity in reward distribution, the distributive fairness type seemed more appropriate.

#### Procedural fairness

When searching for points of convergence between the data and procedural fairness, it was occasionally difficult to distinguish between procedural and interactional fairness judgments. This was particularly challenging when informants referred to individuals' behaviour. Differentiating between inconsistent rule-based behaviours and improper treatment was not always easy. Nevertheless, evidence was found linking fairness perceptions to consistency in applying rules over situations and across people. The sources of fairness in these examples were the immediate manager (see Table 3: PF1) and also the employees in general (see PF2). In other words, adhering to the company's rules and employing fair behaviour were considered the responsibility of each and every employee.

Evidence was also found of fairness in 'discretionary decision-making', that is, managerial decision-making not based on formal rules (Blader and Tyler, 2003). However, instead of employees making these evaluations, the data suggest that managers solving (internal or external) problems often base and justify their decisions on fairness (see PF3 and PF4).

When interviewing employees working in remote locations (i.e. work sites situated far from main offices), fairness was often evaluated in terms of communication (see PF5 and PF6). Apparently, and especially for members physically remote from their main office with little contact with the rest of the organisation, being kept up to date on occurrences in the company builds employees' sense of togetherness and creates feelings of equal membership. Previous research has already introduced 'informational justice', which suggests that fairness is evaluated by the way organisations share information, especially concerning important decisions (Colquitt, 2001). This dimension, however, has previously been linked to the interactional justice type (Colquitt, 2001). Here, incorporating corporate communication into procedural fairness is justified by two reasons: first, the organisation is the primary source of corporate communication. Second, corporate communication is suggested to promote transparency of corporate actions and also provide equal opportunities for all members to gain an adequate amount of relevant information.

Furthermore, being provided with relevant information concerning one's work was referred to as an element of fairness (see PF7). Following Lind et al. (1990), it is proposed that relevant information on task-related procedures and

assignments enhances perceptions of fairness as employees feel that they have better and fairer chances to succeed in the task at hand (see Table 3).

Table 3 Procedural fairness perceptions

Description	Data sample
Consistency in applying the rules over time, situation and across people <sup>a</sup>	<p>PF1: “When I joined the company, these were values that had a deep effect on me. They appeared serious. Especially since I had worked for other companies where you had to adapt to your boss, whatever the values he might have [...] In other workplaces you have to adapt to your boss, but here I can be myself.” (Argentina, assistant)</p> <p>PF2: “Yes, a lot of emphasis has been put on fair play many times at the company, with the employees, customers and ourselves. I think each of us is working on honesty as employees of the company and individuals [...] We apply the rules of the company, to respect everybody, to behave properly.” (Mexico, technician)</p>
Discretionary decision-making <sup>b</sup>	<p>PF3: “Yes, we are trying to apply. If something wrong happens, we say of this was not fair play. So we are talking about them when we have problems.” (Peru, import manager)</p> <p>PF4: “Every time we have a problem we go back to the core values. If we have a problem with a customer, we go to the values and say ‘Well this is not fair play’, and you need to go back and explain it to him.” (Argentina, segment manager)</p>
Informational justice <sup>c</sup>	<p>PF5: “More communication is needed. Maybe fair play is not easy to see. But with time and communication, it can be reached.” (Chile, technician)</p> <p>PF6: “He receives a newsletter every month about what’s happening in [the company]. So it’s easy for him to understand what’s happening. I think communication is good. His supervisor always has meetings to explain what is happening.” (Chile, apprentice)</p>
Relevant information <sup>d</sup>	<p>PF7: “It’s easy to use fair play [...] we have new scheduling. It’s very concrete and it is easy to go to work and not just get a long process to understand what he should do. It’s better.” (Chile, technician)</p>

(a) Blader and Tyler, 2003; Tyler et al., 2008; see also Folger and Bies, 1989; Moorman, 1991; Williams, 2011

(b) Blader and Tyler, 2003

(c) Colquitt, 2001

(d) Lind et al., 1990

### Interactional fairness

Concerning descriptions of fairness relating to employee treatment, it was discovered that the sources of fair treatment were not solely managers or the organisation per se as suggested in the literature (e.g. Aquino, 1995; Brockner, 2006; Mikula et al., 1990; Skarlicki & Folger, 1997; Tyler et al., 2008). In fact, the findings suggest that all organisational members, regardless of their level or position, were expected to treat others fairly (see Table 4: IF1, IF2 and IF3). Moreover, evaluations of organisational fairness and fair treatment were extended also outside the company's borders. Herein, an example of helping and supporting proximate communities was presented (see IF4). These findings imply a multitude of sources and foci within the interactional fairness type. They also support the notion that people are also affected by the way others are treated (Turillo et al., 2002). This notion is especially evident concerning matters of discrimination, as discussed next.

When looking for evidence of formal interactional fairness, a common theme in discussions with the Peruvian informants was the improper treatment of employees in lower positions (see IF5, IF6 and IF7). The unequal treatment of these employees mainly derived from racial discrimination, occurring not only within the organisation but across the nation. Racial discrimination was reported only in Peru, or at least there was no indication of such injustices in the data regarding the other Latin American countries in the study (i.e. Argentina, Brazil, Chile and Mexico). With reference to earlier research, discrimination based on race as an element of interactional fairness (Blader & Tyler, 2003) was corroborated by the study with the above limitations. Interestingly, the perceptions of discrimination were presented as if the company was the discriminatory party. Clearly, in accordance with the corporate principles, racial discrimination is not accepted. The societal context in Peru clearly had a weakening impact on the organisational principles of fairness (see Table 4).



Table 4      Interactional fairness perceptions

Description	Data sample
Cf. respectful and sensitive treatment of employees by decision makers or superiors <sup>a</sup>	<p>IF1: “Sometimes there are escapes but general [...] If it happens, it happens in fair play. When you don’t value your human capital, you start looking at people as numbers. It is dangerous for a company that has a project of growth such as ours, when you start dealing with people as if they were figures.” (Brazil, analyst)</p> <p>IF2: “Fair play depends on each person, how each one acts.” (Argentina, manager)</p> <p>IF3: “Fair play we need, because without it we would act selfishly and wouldn’t help”. (Argentina, product support manager)</p> <p>IF4: “Fair play is [...] everyone pushes the same car. We work very closely. It’s very important, the values. Fair play also with customers, now we are expecting to work with different communities. Give them support. This year instead of giving presents to customers we are giving this money to small communities to help them. There are small towns, communities that need a lot of help and some of our people are from those communities, they live there.” (Peru, assistant)</p>
Discrimination based on race <sup>b</sup>	<p>IF5: “In fair play you have the cultural acceptance, colour of the skin. This is very difficult in Peru, but when you close the door you are at [the company]. You are not in Peru.” (Peru, supervisor)</p> <p>IF6: “It is very difficult with all the competence to maintain fair play [...] fair play is one that is the weakest. Example, not only business wise but the way you relate to people in the lowest positions. It’s the weakest.” (Peru, workshop chief)</p> <p>IF7: “Sad to say that with all the years in the company they (corporate values) are not complied with. Fair play lacks reinforcement especially. There are differences in Lima and in Providencias. [...] The differences in Lima and outside relate to how the company treats the people, does not regard the treatment of the people in the field good or fair.” (Peru, accountant)</p>

- (a) e.g. Aquino, 1995; Brockner, 2006; Mikula et al., 1990; Skarlicki and Folger, 1997; Tyler et al., 2008.
- (b) Blader and Tyler, 2003

To date, organisational justice research has identified three fairness dimensions (i.e. distributive, procedural and interactional). The study findings corresponded with all of the three existing fairness types. Furthermore, the findings demonstrate the multitude of sources and foci of organisational fairness. The findings are discussed in terms of their theoretical and practical implications in the following final chapter.

## 5 CONCLUSIONS

The study's findings are suggested to contribute to research on corporate values and organisational justice. By taking an empirical approach and an employee perspective in a non-western context, the study provides a novel richer perspective on values and fairness in an organisational context. In response to the study's questions, it can be concluded that fairness presents itself at all levels and in much of organisational life. The sources of fairness are multiple and the forms of fairness relate to interactional fairness types. The study's results postulate fairness as a collective organisation-wide attribute. Furthermore, this study adds to the scarce but emergent discussion on culture's influence on organisational fairness judgments. Thus, evidence was found on the viability of fairness as a corporate value and as an element of organisational identity in the Latin American region. In the following, these findings and their practical and managerial relevance are discussed. The study concludes with discussion on the study's limitations and possible avenues for future research.

### Theoretical and managerial implications

The study findings are in accord with previous studies in that they suggest the existence of the three organisational fairness types: distributive, procedural and interactional. In addition, the shift of focus from distributive fairness to procedural and interactive fairness (e.g. Desai et al., 2011) is also supported. In addition, the study extends current understanding on the sources and foci of organisational fairness. Based on the study results, it is proposed that the evaluations of fairness penetrate into all types and levels of relations, both internal and external. In other words, fairness judgments are pervasive and collective throughout the organisation. For instance, organisational fairness is not only judged by managers' behaviour, it is judged by the behaviour of all organisational members (cf. Liao & Rupp, 2005). In addition, fair procedures and treatment of customers also reflect on the fairness of the organisation.

In the Latin American context, it seems that fairness judgments are strongly affected by societal norms. Even if highly appreciated as a moral virtue, fairness is not as broadly and strongly prevalent in these societies as in Western societies. Consequently, the company is perceived to be 'fairer' than the societies in which it operates. This finding has at least two implications on research: first, it might mean that the fairness standards or expectations of

Latin American workers are lower than or at least different to their Western colleagues. The exception here is Peru, where societal normative constraints or injustices existing in the country also penetrated the organisation's boundaries to some extent. Thus, following Greenberg (2001), it is proposed that although fairness might be a universal value, its operationalisation is location bound. Second, the study's findings might aid understanding on why organisational fairness is important and what makes an organisation fair.

Finally, it is suggested that 'fairness' is a viable and even recommended corporate value in Latin America, where fairness is highly valued by employees as an actual existing organisational value. Clearly, this discovery does not fully address the question of universality of fairness; however, it at least gives some indication of it in a non-western context. Based on the study's results, it is suggested that fairness as a corporate value in Latin America has the potential to attract and commit individuals to organisations and drive members' behaviour.

For practitioners, the findings of this study imply the usefulness of fairness as a corporate value. Especially, in the Latin American context, a multinational company abiding by the principles of fairness is differentiated from local companies, making it more appealing. However, as employees might not be familiar with fairness, they might have difficulties or at least very different perceptions of its application in practice. In such instances, training on and internalisation of the values are required.

#### Limitations and future research avenues

In terms of limitations, the fact that the research covered a single case might be perceived as a constraint, which can be addressed by future research. Examining the phenomenon in other business contexts and testing the findings on quantitative data would also be of value. The case company also had two other rather similar values. For this reason, distinguishing between them might have been challenging for some interviewees. The fact that the five Latin American countries included in the study were examined together and not separately did not allow for the emergence of possible differences between the countries.

The results of this study suggest several interesting avenues for future research. The study found evidence on the applicability of fairness as a corporate value in Latin America. However, its relevance and function as a corporate value (e.g. enhancing competitiveness) will need to be further examined. Furthermore, even if this study suggests some new sources and foci of organisational fairness, these results are by no means exhaustive. More research is needed to investigate the plurality of organisational fairness. Future studies might also incorporate different cultural contexts to further evaluate the viability of fairness as a universal value. In particular, the question of value

congruency across cultures, that is, whether members of a multinational organisation can share similar values, needs to be addressed further. These questions are pivotal considering the focal role and importance of values to organisations and also the multicultural contexts in which many companies operate. For instance, the results of the researcher's previous study (see research paper # 1) led her to speculate that organisational fairness judgments might be different in Western countries, where distributive fairness might be more relevant. The consequences of a fair organisation versus an unfair society might also be an interesting topic. Are the employees also applying fair conduct outside the company and do they accept unfairness in other contexts? Related to this, another interesting research question concerns the strength of values. Finally, the researcher believes that the findings of this study can also be utilised and tested in other research streams. For instance, the literature on socialisation and internalisation of corporate values is one possible stream.



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