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Title	BUILDING PARTNERSHIPS IN THE RUSSIAN BUSINESS ENVIRONMENT – alternatives for internationalizing Finnish ICT SMEs		
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Abstract

Building partnerships has emerged as a key factor in high-tech SMEs' internationalization. Lately many Finnish high-tech SMEs' interests have moved in particular to Russia, where the business environment sets its own challenges for foreign companies' partnerships. That is why the objective of this study is to analyze partnership alternatives of Finnish ICT SMEs in their exports to Russia. The sub-objectives that were formed to support the main objective, are: 1) to investigate the Russian business environment from the viewpoint of Finnish SMEs, 2) to examine how ICT SMEs select their partners and 3) to study how the partnerships are organized and managed.

The empirical research of this qualitative thesis was conducted with four theme interviews among Finnish ICT SMEs that have experience of operating with partnerships in Russia. Three expert theme interviews were also made in order to collect material of the recent changes in the Russian business environment. As a result, four different partnership models were recognized and those were analyzed separately. Models are characterized by partnerships with Finnish/Russian sales agents and Russian distributors that have proved to be indispensable when operating in Russia. An analysis of the Russian business environment showed that the environment is still today challenging for Finnish firms. The exports to Russia and familiarity with the Russian business culture among other issues require resources that small Finnish companies do not necessary possess.

Companies must be sensitive in their partnership formation with the Russian actors and the success of a partnership in the Russian markets is a sum of different factors. Finnish ICT SMEs firms must consider, how they learn to know the Russian culture, what kind of partners they really need in order to export products over the border and how the sales is organized in Russia. Moreover, firms must take into consideration, how the after-sales services and support are organized in the challenging environment. That is why firms need skilled partners in their exports to Russia.

Key words	Partnership, SMEs, ICT, Russia
Further information	