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Title	MANAGING INTERNATIONAL GROWTH – Challenges for the subcontractors in the Finnish metal and engineering industry		
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Abstract

The Finnish metal and engineering industry is going through major changes. Subcontractors must take responsibility of larger parts of the end product as well as internationalise with their contractors. Thus the purpose of the study is to find out what kind of challenges subcontractors in the Finnish metal and engineering industry encounter in the international growth process. To meet the purpose of the study, the subject is divided into two sub objectives:

- to describe the international growth process of a subcontractor
- to discover what kind of challenges the subcontractors encounter in the international growth process.

This study uses a single case study approach. The case company of this study is a Finnish group in the metal and engineering industry. The company is a valid choice for this study since it is currently in a process of growing and becoming international simultaneously. Three executives were interviewed in the case company as well as two executives in the two of the case company's key customers.

The growth process varies between companies and there is no single pattern of growth. The growth process of a subcontractor is highly dependent on its contractors. The internationalisation of industrial subcontractors differs from the standard assumption of business internationalisation. The difference relates to subcontractors' close relations to customers. The internationalisation of the contractor often initiates the internationalisation of the subcontractor.

The major challenges the case company has encountered in the international growth process are related to the economical crisis, the customers, know-how of the personnel, reorganisation of internal structure and becoming a system supplier.

It is vital for the Finnish economy that subcontractors in the metal and engineering industry do not lose contractors to foreign competition but seize the opportunity to grow international with their contractors.

Key words	Subcontracting, metal and engineering industry, challenges, internationalisation, growth
Further information	