



Culture in Business Interaction: An Individual Perspective

Empirical studies in Finnish-Russian
business relationships



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The culture of academia can be described by many different words, for instance, 'competitive' and 'supportive', 'constructive' and 'destructive', 'flexible' and 'strict'. I am grateful that on my PhD journey, I have been surrounded only by its 'supportive' and 'constructive' atmosphere. For the creation of this atmosphere I owe it to several people and now, in the end of this journey, I would like to acknowledge them.

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Tampere, March 31st 2014

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ABSTRACT

The main objective of this doctoral dissertation is to reach a holistic and in-depth understanding of the intercultural interaction within dyadic business relationships through the perspective of individual managers. The empirical setting is dyadic business relationships between Russian and Finnish firms in construction and engineering industries. The motivation for the study mainly arose from: 1) the lack of business marketing literature considering cultural and individual perspectives; 2) the need to find ways to study intercultural issues in business relationships, other than through the application of models derived from the work of Hofstede (1980).

The study consists of two parts, an introductory essay containing the research objectives, theoretical foundations, methodological choices, limitations and contributions, and original research articles. The four articles each address a sub-objective: 1) to develop an understanding of intercultural business relationships development, cultural adaptation, and its role in the development of trust (Article 1); 2) to develop an appropriate methodological framework for studying business interaction from a cultural and individual perspective (Article 2); 3) to develop an understanding of the role of culture in individual manager's sensemaking of interaction events in business relationships (Article 3); and 4) to develop an appropriate theoretical framework for studying interactive intercultural business relationships in international industrial markets (Article 4).

The ontological and epistemological foundations are built on the interpretivist/social constructivist view of reality. Interaction, in this study, is seen as being conducted between individuals, who are the key representative actors of their firms. In turn, culture is regarded both as an independent context existing prior to the individuals' participation in it, and as knowledge incorporated by the individuals, who use it in sensemaking and interaction across cultures. The methods applied in the articles are: an interpretive qualitative study (Article 1), a literature review and conceptual analysis (Article 2), a structural analysis of the narratives and a metaphor analysis (Article 3), and a literature review and conceptual analysis (Article 4).

The main contributions are the following. First, it contributes to business

marketing literature by developing the theoretical, conceptual, and methodological underpinning of IMP theories in relation to culture. Second, the thesis contributes to the growing literature on managerial sensemaking in industrial markets by looking at it from a cultural perspective, as well as emphasizing the importance of figurative language in cultural sensemaking.

Keywords: dyadic business relationships, interaction, culture, cultural adaptation, cultural schemas, sensemaking, metaphors.

REFERAT

Huvudsyftet för denna doktorsavhandling är att nå en holistisk och djup förståelse för den interkulturella interaktionen inom dyadiska affärsrelationen ur ett individuellt ledarskapsperspektiv. Den empiriska utgångspunkten bygger på dyadiska företagsrelationer mellan ryska och finländska företag inom bygg- och verkstadsindustrin. Incitamentet för studien uppstod framförallt från: 1) bristen på litteratur inom industriell marknadsföring som berör det kulturella och individuella området; 2) behovet av att hitta andra sätt att studera interkulturella frågor inom företagsrelationer än tillämpningen av modeller som bygger på Hofstedes (1980) arbete.

Avhandlingen består av två delar; en introducerande kapp innehållande syfte, teoretisk bakgrund, metodologiska val, avgränsningar och kontribution samt forskningsartiklarna. De fyra forskningsartiklarna innehåller alla ett underordnat syfte: 1) att skapa förståelse för utvecklingen av interkulturella företagsrelationer, kulturell anpassning och dess roll i utvecklingen av förtroende (artikel 1); 2) att utveckla en ändamålsenlig metodologisk ram för att studera affärsinteraktion ur ett kultur- och individperspektiv (artikel 2); 3) skapa en förståelse för kulturens roll för den individuella ledarens "sensemaking" av interaktionshändelser i affärsrelationer (artikel 3); och 4) att skapa en ändamålsenlig teoretisk referensram för studien av interaktionen i interkulturella affärsrelationer på internationella industriella marknader (artikel 4).

Den ontologiska och epistemologiska grunden är bygger på en interpretivistisk/social konstruktivistisk verklighetssyn. Studien utgår från att interaktionen sker mellan individer på nyckelpositioner i respektive företag. Kultur ses dels som ett självständigt kontext som existerar före individens medverkan, dels som kunskap som individen inkorporerar i sin "sensemaking" och interaktion mellan kulturer. Metoderna som används i artiklarna är interpretivistisk kvalitativ studie (artikel 1) litteraturgenomgång och konceptuell analys (artikel 2) strukturerad narrativ- och metaforanalys (artikel 3) och litteraturgenomgång och konceptuell analys (artikel 4).

Huvudbidragen är följande: först bidrar avhandlingen till industriell marknadsföringslitteratur genom en utveckling av den teoretiska, konceptuella

och metodologiska bas för ett kulturperspektiv inom IMP teoribildningen. För det andra bidrar avhandlingen till den växande litteraturen om ledarskap och "sensemaking" inom industriella marknader genom att analysera det från ett kulturperspektiv och genom att betona betydelsen av figurativt (metaforer och idiom) språk i kulturell "sensemaking".

Nyckelord: dyadiska affärsrelationer, interaktion, kultur, kulturell anpassning, kulturella scheman, "sensemaking", metaforer

TIIVISTELMÄ

Tämän väitöskirjan päämääränä saavuttaa kokonaisvaltainen, syvä ymmärrys kulttuurien välisestä vuorovaikutuksesta, kahdenvälisistä liikesuhteista tiettyjen johtajien henkilökohtaisten näkökulmien kautta. Empiirisena asetelmana on venäläisten ja suomalaisten yhtiöiden kahdenväliset liikesuhteet, rakennus- ja koneteollisuudessa. Motivaationa tähän tutkimukseen oli 1) kulttuuristen ja yksilöllisten näkökulmien vaje yritysmarkkinointi kirjallisuudessa; 2) tarve löytää tapoja tutkia yrityssuhteita, toisenlaisia malleja kuin jo sovellettu Hofstedin (1980) työssä.

Työ koostuu kahdesta osasta, esittely kirjoitus sisältää tutkimuskohteita, teoreettisen perustan, metodologisia valintoja, rajoitteita ja myötävaikutuksia ja alkuperäisiä tutkimuskirjoituksia. Jokainen neljästä kirjoituksesta viittaa alaiheseen: 1) luoda ymmärryksen yritysmarkkinointi suhteiden kehittämisessä, kulttuurisen sopeutumisen ja sen rooli luottamuksen kehittämisessä (Artikkeli 1); 2) luoda asianmukainen metodologinen puite yritysvuorovaikutuksen tutkimiseen, kulttuurisesta ja henkilökohtaisesta näkökulmasta (Artikkeli 2); 3) luoda ymmärryksen kulttuurin roolista keskustelutilaisuuksilla yritysvuorovaikutuksessa johtajien henkilökohtaisessa merkityksellistämässä (”sensemaking”)(Artikkeli 3); ja 4) luoda asianmukaisen teoreettisen viitekehyksen tutkimaan vuorovaikutteisia kulttuurienvälisiä yrityssuhteita kansainvälisissä teollisuusmarkkinoissa (Artikkeli 4);

Ontologinen ja tietoteorinen perusta on rakennettu konstruktiiville näkemykselle tulkinnallisesta tai myös sosiaalisesta todellisuudesta. Vuorovaikutus tässä tutkimuksessa, nähdään johteenä yksilöiden välillä, jotka ovat avain edustajat toimijat heidän yhtiöissä. Omasta puolesta kulttuuri katsotaan sekä itsenäisessä kontekstissä olemassa olevassa henkilökohtaisessa osallistumisessa siinä ja kuin yksilöiden liittämä tieto, jotka käyttävät sitä merkityksellistämässä (”sensemaking”) ja vuorovaikutuksessa kulttuurien välillä. Kirjoituksissa sovellettu työtapa on tulkinnallis laadullinen tutkimus(Artikkeli 1), kirjallisuuden arvostelut ja konseptualistinen analyysi (Artikkeli 2), selostuksen rakenteellinen tarkastelu ja meforan analyysi (Artikkeli 3), ja kirjallisuuden arvostelu ja konseptualistinen tarkastelu(Artikkeli 4).

Pää kontribuutiot ovat seuraavat: Ensinnäkin, se tukee yritysmarkkinoinnin kirjallisuuden, kehittämällä teoreettisen, käsitteellisen ja suunnitelmallisen tuen “IMP”- teorioille suhteessa kulttuuriin. Toiseksi, opinnäyte tukee kasvavalle kirjallisuudelle, yritys merkityksellistäminen (“sensemaking”) teollisuusmarkkinoissa katsomalla sitä kulttuurisesta näkökulmasta, kuin myös korostamalla kuvannollisen kielen tärkeyttä kulttuurisessa merkityksellistämässä (“sensemaking”).

Avainsanat: kahdenväliset yritys-suhteet, vuorovaikutus, kulttuuri, kulttuurinen sopeutuminen, kulttuurinen kaava, merkityksellistäminen (“sensemaking”), metaforat.

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LIST OF ARTICLES AND AUTHOR'S CONTRIBUTION

The publications included in Part 2 of the thesis and the author's contribution to each publication is described below. In Article 1 both authors contributed equally to the work, however, due to the initial agreement regarding the order of authors, it is not alphabetical.

1. Weck, M. & Ivanova, M. (2013). The Importance of Cultural Adaptation for the Trust Development within Business Relationships. *Journal of Business and Industrial Marketing*, 28(3), 210 – 220.

Both authors contributed to the work equally. The author of the thesis has been responsible for constructing the theoretical framework, conducting data analysis and interpretation, and writing out the findings, discussion and conclusions. Furthermore, the author made the revisions and together with the co-author presented an earlier version of the article in the 27th IMP-conference, Glasgow, Scotland in August 31 – September 3, 2011.

2. Ivanova, M. & Törnroos, J-Å. Developing a research model for making sense of intercultural interaction in business relationships. – *on second round of review in a journal*.

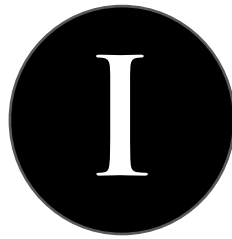
Lead author. The author is responsible for leading the conceptual discussion, constructing the methodological framework and research model, conducting data analysis and interpretation of the illustrative example and writing out the article. Together with the co-writer the author presented an earlier version of the article at the 22nd Nordic Academy of Management conference, Reykjavik, Iceland, August 21-23, 2013.

3. Ivanova, M. & Torkkeli, L. (2013). Managerial sensemaking of interaction within business relationships: A cultural perspective. *European Management Journal*, 31(6), 717-727.

Lead author. The author has been responsible for constructing the theoretical framework, collecting data from Russian-speaking respondents, conducting data analysis and interpretation, leading the discussion and the writing process. The author also coordinated the publication process and made the revisions.

4. Ivanova-Gongne, M. (2014). Culture in business relationship interaction: An individual perspective. *Journal of Business and Industrial Marketing*, forthcoming.

Sole author. The author is solely responsible for the writing process and making the revisions. Furthermore an earlier version of the article was presented in the 27th IMP-conference, Glasgow, Scotland in August 31 – September 3, 2011.



**PART I
OVERVIEW
OF THE
DISSERTATION**

1

INTRODUCTION

“The first condition of having to deal with somebody at all is to know with whom one has to deal”

Georg Simmel

This chapter presents the research background of the study with a literature review (section 1.1), followed by the description of the empirical context and a review of previous literature on similar contexts (section 1.2). In section 1.3, the motivation for this academic thesis is presented. Finally, section 1.4 outlines the research aims, questions, and scope of the study, concluding with the structure of the thesis.

1.1. Research background

Nowadays the business world consists of interlinked entities, which require acting cooperatively in order to reach the desired aims. Rare are the companies that can afford to ignore business interaction with other businesses, institutions or other entities. Therefore, it is important to regard companies as being in business relationships with each other and as a part of larger contexts.

Business relationship studies are a sub-field of relationship marketing, which began to develop in the late 1970s (Möller & Halinen, 2000). The current study is limited to a business-to-business context, referring to actions, exchanges, and events occurring between firms. Thus, the term ‘business relationships’ is treated in relation to the industrial, business-to-business context and should not be confused with the same term related to business-to-consumer relationships. In the field of business marketing, business relationships and interaction concepts were introduced by the International Marketing and Purchasing group (IMP group) which was established in 1976 (Turnbull, Ford & Cunningham, 1996). The IMP group developed two theoretical approaches to business marketing studies, namely the interaction approach (Håkansson, 1982) and the network approach (Håkansson & Snehota, 1995).

The concepts of business relationship and interaction are at the core of both interaction and network approaches. Since then, numerous scholars have followed the IMP group conceptual framework, and have attempted to contribute new knowledge by conducting interdisciplinary studies, by considering various empirical contexts and methods, by discussing the results with peers at the annual IMP conferences, and producing numerous papers (impgroup.org). However, this dissertation does not specifically focus on any of the aforementioned approaches, it takes to the fore their main elements, namely business relationship and interaction.

The other main concepts with regard to business marketing studies and related to business relationships, are for example: actors, activities and resources (e.g. Håkansson & Snehota, 1995; Lenney & Easton, 2009; Ramos, Roseira, Brito, Henneberg & Naudé, 2013), processes (e.g. Medlin, 2004; Halinen, Medlin & Törnroos, 2012), trust (e.g. Andersen & Kumar, 2006; Brennan & Turnbull, 1999; Morgan & Hunt, 1994; Mouzas, Henneberg & Naudé, 2007), commitment (e.g. Blankenburg Holm, Eriksson & J. Johanson, 1999; J. Johanson & Vahlne, 2003; Morgan & Hunt, 1994), relationship quality (e.g. Vesel & Zabkar, 2010), relationship value (e.g. Biggemann & Buttle, 2012; Blankenburg Holm et al., 1999; Westerlund & Svahn, 2008), adaptation (e.g. Brennan & Turnbull, 1999; Brennan, Turnbull & Wilson, 2003; Hallén, J. Johanson & Seyed-Mohamed, 1991; Pornpitakpan, 1999). One aspect that business marketing studies have given little consideration to is the cultural component of business relationships and interactions (Ellis, Lowe & Purchase, 2006; Fletcher & Fang, 2006) and the role of cultural adaptation (e.g. Pornpitakpan, 1999). Nevertheless, cultural differences can be a boundary area for conducting international business relationships efficiently and can have a decisive effect on relationship factors, as e.g. trust. In particular, Seppänen, Blomqvist and Sundqvist (2007) call for more research considering the effect of culture on trust in business relationships, and mention that there is a gap in international research on this issue.

Furthermore, the main actors engaged in any business relationships are people, who represent their companies and act on the company's behalf. Individuals are embedded in various cultural contexts and incorporate within themselves different cultural knowledge from these contexts. They then use this knowledge in their actions and in sensemaking of events within a business relationship. Therefore, considering the individual perspective on intercultural business relationships and interaction may provide new knowledge on the issue in focus.

The *individual perspective*, as considered here, implies viewing the world through the perspectives of the studied subjects, in particular investigating what cultural meanings they impose on e.g. certain interactions, experiences, events and concepts. Recently some attempts have been made to emphasise the individual perspective on business relationships and interaction (e.g. Ellis & Hopkinson, 2010; Leek & Mason, 2010; Tähtinen & Blois, 2011). However, most of the IMP group studies regard organizations or networks as the main unit of analysis (Henneberg, Naudé & Mouzas, 2010), and the number of individual level studies remains low. Furthermore, although business marketing research is predominantly done through the means of interviews, the voices of the individuals are lost, as the story is told through the perspective of the whole organizations. However, it is the individual with a certain cultural background who is the decision maker in the business relationship process, thus listening to their voices, understanding their “language” and uncovering the cultural meanings behind their stories is crucial (see also section 4.4.1). This study focuses on the cultural aspects of interaction and cultural adaptation in the context of dyadic business relationship regarded from an individual perspective.

Cultural studies in marketing and business spheres gained prominence in the 1960s with the introduction of Hall’s (1960) perspective on culture as a silent language (Yaprak, 2008). After nearly half a century researchers still have a great interest in the topic of culture and have still not resolved all the challenges it may bring to business. On the basis of an international business literature review and personal research experiences Leung, Bhagat, Buchan, Erez and Gibson (2005) propose that situations where culture would be of no importance are rare. During the past decade a considerable number of studies have dealt with culture in relation to, for example: expatriate management (Johnson, Lenartowicz & Apud, 2006; Peltokorpi, 2010), intercultural negotiation and collaboration (Chua, Morris & Mor 2012; Gelfand, Lun, Lyons & Shteynberg, 2011; Imai & Gelfand, 2010), sales performance and service satisfaction (Sanchez, Pico & Comer, 2010; Sharma, Tam & Kim, 2009). A vast number of articles consider intercultural issues as an additional component and not as the main focus of the research (e.g. Berg & Holtbrügge, 2010; Hutchings & Weir, 2006; Lucero, 2008).

Hofstede’s (1980) cultural dimensions still remain the most prominent perspective on culture in international business studies (Venaik & Brewer, 2010), in spite of receiving a considerable amount of criticism for the way it was developed (Fang, 2003; McSweeney, 2002). Numerous quantitative articles use Hofstede’s dimensions to deal with cultural issues, for example: interaction in multinational corporations (e.g. Graf, Koeszegi & Pesendorfer, 2010),

intercultural negotiations (e.g. Liu, Stahl & Chei, 2010; Warden & Chen, 2009), business relationships (e.g. Cannon, Doney, Mullen & Petersen, 2010; Lohtia, Bello & Porter, 2009; Williams, Han & Qualls, 1998). Several qualitative studies also apply Hofstede's dimensions as the base for cultural interpretations (e.g. Cheng & Seeger, 2012; Voldnes, Grønhaug & Nilssen, 2012). Furthermore, other predefined cultural models are used fairly often in business research (e.g. Ardichvili et al., 2012; Sarala & Vaara, 2009), which may limit the flexibility of cultural interpretations and the creation of new knowledge. Thus, applying another perspective to culture than that of Hofstede (1980) or other predefined cultural models (e.g. House, Hanges, Javidan, Dorfman & Gupta, 2004; Trompenaars, 1993) would be beneficial for the study of cultural aspects of international business and in particular business relationships. Some conceptual articles propose deviant approaches to culture, e.g. a social constructionist approach (Shenkar, Luo & Yeheskel, 2008), a discursive approach (Ellis et al., 2006; Zaidman, Te'eni & Schwartz, 2008), an action approach (Friedman & Antal, 2005) but do not go further than conceptualizations. This study treats and analyses culture from an interpretive and social constructivist perspective. It considers culture as a context comprising norms and rules developed prior to the individual's participation in it, and as knowledge inherited and learned by individuals through participation in various cultural contexts (see sections 2.2 and 3.2).

In terms of methodology, cultural studies in international business have been mainly conducted in a quantitative manner (see Leung et al., 2005), which does not allow an in-depth perspective on intercultural situations to be reached. In turn, "broadening of research methodologies" and increased application of an interpretive approach have been promoted in marketing and IMP research in particular (Lowe & Hwang, 2012, p. 706). Therefore, conducting a qualitative study of an interpretive nature (for further overview see section 4.4) could contribute to the growing body of intercultural business literature. Furthermore, it can assist in obtaining a thorough understanding of individual managers' view of the issue in focus. The predominant amount of qualitative studies in business marketing is conducted by means of a case study using personal interviews in particular (Dubois & Gadde, 2002; Halinen & Törnroos, 2005). However, the methodological basis for interpretive cultural studies within the theoretical framework of the IMP is not sufficiently developed. This study attempts to develop a theoretical (see Article 4) and methodological framework (see Article 2) for reaching more in-depth results when investigating the individual perspective on intercultural interaction.

Finally, business-to-business relationships studies mainly apply a one-sided perspective to the issues in focus (e.g. Leek, Turnbull & Naudé, 2006; Öberg

2010; Tidström & Hagberg-Anderson, 2012). A study applying a two-sided perspective to intercultural interaction would be of particular interest. Article 3 represents an empirical study investigating business relationships and interactions from both sides of the dyad.

1.2. Empirical context of the study

The empirical context relates here to business relationships between Finnish and Russian firms operating in industrial markets, mostly with regard to a situation where a Finnish counterpart is the initiator in business relationships with a Russian partner. These days, Finnish companies have an on-going growing interest in Russian markets (Ollus & Simola, 2006). The geographical proximity of these countries makes cooperation between their businesses more beneficial, with the history of trade and cooperation dating back to the end of 19th century (*ibid.*). However, few studies have focused on business relationships between Finnish companies and Russian firms or state authorities (e.g. Heikkilä, 2011). Moreover, despite a long history of cooperation in various spheres of activities and geographical proximity, cultural differences and misunderstandings still underlie Finnish-Russian business relationships (Suutari, 1998; Vinokurova et al., 2009). Therefore, there is a definite need for cultural research in this context. The industries to be focused on are engineering and construction. Engineering and construction industries comprise various kinds of sub industries, and most of the companies in these industries tend to have narrow specialization and produce complex products. Consequently, these types of companies do not have all the resources and skills for production and have to form business relationships in order to run business, production, and other processes effectively in order to be competitive in the market.

The Finnish business community is often equated with a Western one (e.g. Salmi, 2000). The cultural transition of Finnish society towards a more Western view occurred in the 1990s, especially in urban environments (Granlund & Lukka, 1998). Furthermore, internationalization of Finnish companies has given a strong boost to the gradual transformation of traditional Finnish communication culture (*ibid.*). Business in developed countries, such as the Finnish one, represents steadiness in views and tends to be more innovative, while business in the former USSR countries is still associated with instability of views. However, “compared to China and India, Russia has rarely been presented in international research on marketing, especially in a context of business relationships” (Tretyak, 2013, p. 163). Therefore, the main empirical focus here is primarily on the cultural aspects related to the actions and thinking of the Russian managers, as it represents greater practical value. Furthermore, while

Western business is more network relationship oriented (Jansson, M. Johanson & Ramström, 2007), dyadic business relationships prevail in Russia (Kouchtch & Afanasiev, 2004), which makes dyadic business relationships a more fruitful context for the study (see further section 2.1).

Several studies on business in Russia touch upon such issues as blat (i.e. personal networks) (e.g. Jansson et al., 2007; Ledeneva, 1998; Mattsson & Salmi, 2013; Michailova & Worm, 2003), trust (e.g. Ayios, 2004; Radaev, 2005) and changes that occurred after the collapse of Soviet Union (e.g. Hallén & M. Johanson, 2004; Kouchtch & Afanasiev, 2004; Salmi, 1996). Puffer and McCarthy (2011) in their review on two decades of Russian business and management research consider cultural aspects as the driving factor of business behaviour and decision making in Russia. Most studies in the 1990s and through to the early 2000s investigated the issue of culture in the Russian business context using Hofstede's (1980) cultural dimensions (ibid.). Throughout the 2000s and the beginning of 2010s, studies regarding cultural aspects in a Russian business context still predominantly apply Hofstede's dimensions (e.g. Naumov & Puffer, 2000; Michailova & Hutchings, 2006; Voldnes et al., 2012). A more thorough perspective is needed for the study of culture in a Russian business context in order to develop new insights into the topic, which this study attempts to achieve (for the description of the perspective on culture see section 2.2).

In terms of methodological choices, a number of studies on business relationships with Russian firms are conducted by reviewing literature and secondary information (e.g. Huber & Wörgötter, 1998; Jansson et al., 2007; Mattson & Salmi, 2013; Salmi, 1996). The authors justify this particular choice of methods by the restriction on access to information from Russian business (see further section 4.4.2). The empirical studies are conducted mainly in a quantitative manner (e.g. Dolgopyatova, Iwasaki & Yakovlev, 2009; Kouchtch & Afanasiev, 2004; Smirnova, Naudé, Henneberg, Mouzas & Kouchtch, 2011; Radaev, 2013). However, this mostly concerns studies conducted or led by Russian-based scholars, which may imply that this is the preferable type of methodology for conducting business research within the Russian academic community. Some studies base their findings on a single or a few qualitative case studies (e.g. Degbey & Pelto, 2013; Hallén & M. Johanson, 2004; Karhunen & Kosonen, 2013). However, most of these studies take a Western perspective by interviewing either Western based managers who are in relationships with Russian ones or Western companies' acquisition of subsidiaries in Russia. The present study adds to the growing literature on Russian business contexts by conducting two qualitative studies (Article 1 and Article 3). Furthermore, Article 3 embraces both the Finnish (Western) and Russian perspective on the

cultural aspects of interaction in a dyadic business relationship context.

Finally, most of the studies applying IMP group concepts to the context of Russian business are conducted at an organizational level (e.g. Degbey & Pelto, 2013; Dolgopyatova et al., 2009; Jansson et al., 2007; Hallén & M. Johanson, 2004; Huber & Wörgötter, 1998; Kouchtch & Afanasiev, 2004; Salmi, 1996; Smirnova et al., 2011; Radaev, 2013). Therefore, taking an individual as the unit of analysis could contribute to the literature on Russian business.

1.3. Motivation for the study

Motivation is a force that drives the individual towards action and achievement of his/her aims and goals. In this section, I will briefly outline my motivations for engaging in this individual and to some extent collaborative project. First, there is a need to clarify my personal background.

In my previous university I studied Marketing, but was always interested in psychology and human-related issues as such. While working on my Master's thesis I became more acquainted with the B2B sector, but in relation to business models and information and communication technology (ICT). At the same time, I accidentally obtained books by Håkansson (1982) and Hofstede (1980). Thus, I became more interested in B2B interaction and relationships, as well as culture. Nonetheless, I did not use the work of Hofstede (1980) except for its critique. First, I wanted to combine the information and communication technology (ICT), cultural and economic issues, and research their impact on business relationships and networks. However, within the first year of my PhD studies the topic became more focused and resulted in being increasingly related to my personal interests concerning the individual and culture. Doing something of personal interest is already a motivation in itself. Furthermore, living in Finland for some time by then and being of Russian origin was the major basis for the motivation to conduct intercultural research and gain more knowledge on the cultures in both countries and the cultural differences between them. My main concern can be summarized by the following question: "Why, after having such a long history of relationships in various spheres of activities, is the interaction between Finnish and Russian managers still determined by cultural misunderstandings?"

Likewise, motivation also arose from exploring the literature more, and identifying gaps that have not been covered to a sufficient extent (see sections 1.1 and 1.2). Thus, stipulated by the theoretical and research background the following motivations appeared:

- The need to study Russian-Finnish business relationships from both perspectives of the dyad. This could provide a holistic understanding and an “insider” perspective on the issue in focus, which would allow the Finnish and Russian managers respectively to understand the thinking of each other, leading to an improvement in communication.
- The need to find ways to study intercultural issues in business relationships, other than through the application of Hofstede’s (1980) model. Positivistic models, such as that of Hofstede (1980) limit the possibilities cultural interpretations, thus presenting the world in black and white. Development of conceptual and methodological models applying concepts and research methods not related to the positivistic models application may allow consideration of the cultural complexity and possible cultural change (e.g. cultural adaptation).
- The need to find new methodological ways to research intercultural interaction in business relationships from an individual perspective. Due to the predominant application of quantitative methods in cultural studies in business, a methodological model complying with interpretive and social constructivism traditions may allow the individual layer of intercultural business interaction to be reached.
- The need to study business relationships at an individual level in a cultural context. International business relationships are intrinsically linked to the individual, who is the main representative of the firm, and to cultural contexts in which they are conducted. Therefore, the role of individuals and their understanding of the interaction situations should not be diminished by generalising the results to a firm or business network level. Understanding the individual perspective on business interaction and the cultural meanings related to it may help to reach the deep-seated cognitive layer of business relationships, which can be the cause of subtle interaction problems.
- The need to understand cultural aspects of interaction and cultural adaptation in business relationships. Due to international business being conducted by individuals with different cultural background, understanding the cultural aspects of interaction may allow cultural misunderstandings to diminish and thus improve interaction. In turn, understanding the process of cultural adaptation may allow managers to diminish the cultural distance between themselves and their partners, thus improving business relationships and increasing trust.

- The need to conduct an up-to-date qualitative study, taking into account the latest aspects concerning intercultural interaction between Russian and Finnish businesses. Russian business is constantly developing and attempting to become more “Western”. An up-to-date research on the cultural aspects of Finnish-Russian business relationships and interaction will allow the tracing of recent changes and whether the culture of doing business in Russia has changed since the 1990s.

1.4. Research questions and outline of the study

As stipulated in the literature review and motivation, the main objective of the study is:

To understand intercultural interaction within dyadic business relationships between Russian and Finnish industrial firms through the perspective of individual managers.

Construction and engineering industries are taken as the specific empirical context, due to the higher availability of initial information on the firms from these industries. The main question of the study is the following:

How can we reach an understanding of the role of culture in interaction within dyadic business relationships through the perspective of individual managers and what are the main implications of this understanding?

The particular research questions that need to be answered in order to uncover the main question and reach the research objectives are the following:

1. *How do business partners learn and culturally adapt in their business relationships overtime, and how does it affect mutual trust? (responded in Article 1)*
2. *How can we study intercultural business interaction from an individual perspective, and what are the methodological implications for business marketing researchers? (responded in Article 2)*
3. *How do individual managers culturally make sense of interaction events in Finnish-Russian business relationships? (responded in Article 3)*
4. *How can we reach an understanding about the individual perspective on interaction within intercultural business relationships through an*

appropriate theoretical framework incorporating the concepts of culture?
(responded in Article 4)

Each article in this dissertation is an attempt to answer the corresponding question and a step towards reaching the main objective. Due to the abductive nature of the study (see section 4.2), the questions do not accord with the standard sequence format for questions, i.e. “theory to empirics”. The development of the knowledge within this project was a process of going backwards and forwards between the studies. Thus, the articles are presented in an order that would allow the reader to have a more structured reading experience, gradually enhancing the knowledge gained with each article.

Furthermore, the following limitations should be acknowledged when reading the current work and applying its findings:

- It is predominantly of an exploratory nature, due to the lack of previous research on the precise issue in focus.
- The ontological and epistemological foundations (see section 4.1) do not presume the existence of one absolute truth. Thus, the possibility of other interpretations of the results is not excluded. However, the findings and interpretations presented should be treated as a one of the many possible truths and deserving the utmost consideration.
- The focus on intercultural interaction from the perspective of individual actors excludes the consideration of other possible theoretical concepts, e.g. power, dependence, relationship value, which can be of importance when investigating the particular empirical context. Furthermore, although interaction and business relationships have a process nature, I do not claim this research to be a process one, due to its specific focus on the cultural aspects of interaction and related methodological choices. The retrospective nature of the interviews allows tracking the business relationship development and interaction process to some extent. Nonetheless, any correctly conducted process research would require an application of e.g. longitudinal methods or interviews at several points in time in order to reach more profound results.
- The methods applied are simply one of the many ways to look at the investigated issues (for further research suggestions see section 6.3). The choice of methods was taken by considering the focus and objectives of the study (see section 4.4). Furthermore, the data obtained is mostly retrospective.

Figure 1 presents the research setting indicating the main objective, theory, focus, context, and methodology. The study consists of two parts, namely an introductory overview and four original articles. The following chapters of the introductory overview and the original articles uncover the issues presented in figure 1 in a more detailed manner.

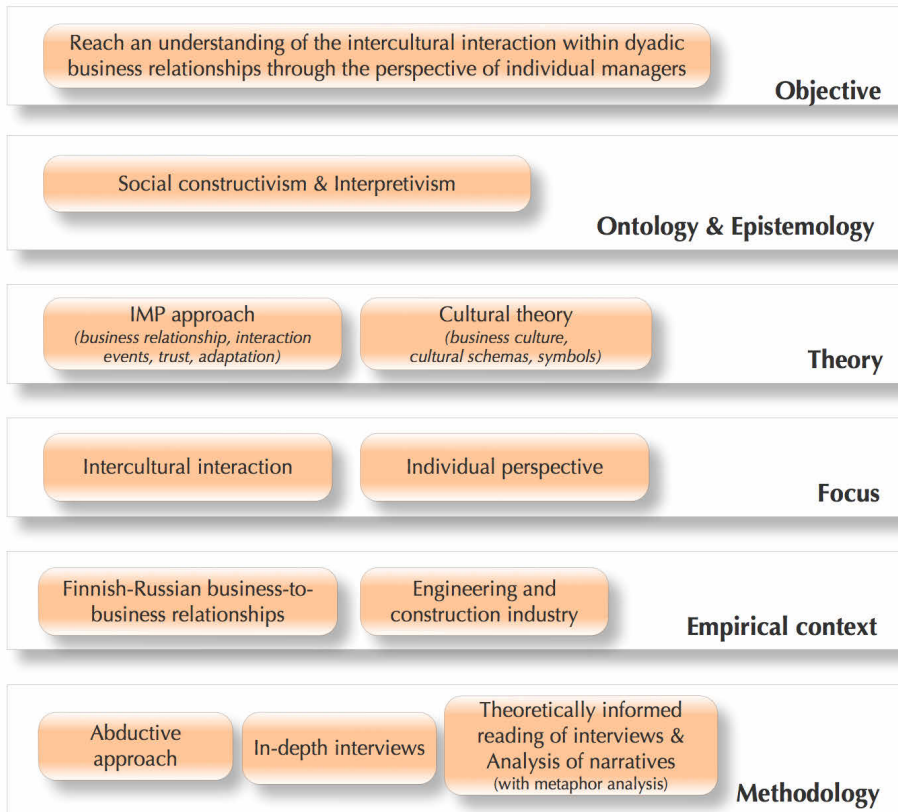


Figure 1. Research setting

The introductory part outlines the theoretical and conceptual basis of the study (chapters 2 and 3). Further, the methodological choices of the study and the summary of the articles are presented (chapter 4 and 5). Chapter 6 provides the contributions, implications for practitioners and researchers, and further research avenues. The first article represents itself as an empirical investigation and allows a basic, one-sided perspective on the issue in focus to be obtained. The second article is concerned with the methodological issues pertaining to intercultural research on interaction in the context of dyadic business relationships. The third article strives to reach a more in-depth, two-sided perspective on the

studied topic. Finally, the fourth article develops a conceptual framework, which could be used in further studies on cultural aspects of business relationships and interaction regarded through an individual perspective.

2

BUSINESS RELATIONSHIPS DEVELOPMENT: A cultural perspective

*“In nature we never see anything isolated,
but everything in connection with something else ”*
Johann Wolfgang von Goethe

The following chapter overviews the theoretical underpinning of the concept of an intercultural business relationship and relationship development. First, I provide the definition and overview of the business relationship concept (section 2.1). Second, the perspectives on culture for business relationship research are outlined (section 2.2). Finally, I present the issues of business relationship development and cultural adaptation (sections 2.3 and 2.4)

2.1. Dyadic business relationships

The establishment of relationships in a business context date to the pre-industrial era in which two parties of an exchange had to deal directly with each other and had no intermediaries in between. The need for having business relationships in the modern world re-emerged due to social changes, such as rapid technological advancements, increase in competitive intensity, and a concern for customer retention (cf. Grönroos, 2006). Nowadays, business relationships are frequently regarded in the context of business networks, i.e. “a structure where a number of nodes (business units) are related to each other by specific threads (relationships)” (Håkansson & Ford, 2002, p.133). Möller and Halinen (1999, 2000) outlined four levels in managing business networks and relationships: level one - “industries as networks”, level two - “managing focal nets and network positions”, level three - “managing relationship portfolios” and level four - “managing exchange relationships”. This research pertains to level four, which follows the general question “How are relationships created and managed?” (p. 36) and where dyadic relationships are in focus. For the purposes of this research, the context of dyadic relationships is regarded as more fruitful for an in-depth individual level analysis (see section 1.2). This context allows fewer actors to be focused on, and the conducting of a more scrupulous analysis of their interpretations of the events. Therefore, the concept of business network is not regarded further.

Dyadic business relationships can be defined as “the receptacle for the combined experience of the participants” (Turnbull et al., 1996, p. 45). The actors within dyadic business relationships can be regarded as companies or individuals representing their firms (Håkansson 1982). Here the focus is on the interaction between individuals, with the term “individual” treated as a person. From this perspective, individuals are the only powerful entities in the social world (Peters, Pressey, Vanharanta & Johnston, 2013 citing Harré & Bhaskar, 2001), meaning that business relationships are social constructions that are developed by individuals engaged in business interaction with each other (Biggeman & Buttle, 2009). Interaction between key individuals is thus the central driving process for developing business relationships, creating mutual orientation and value, and gaining mutual benefits (Anderson & Narus, 1991; Håkansson & Snehota, 1995) (for more detailed discussion on interaction see section 3.1).

2.2. Perspectives on culture for business relationships research

The concept of culture in international business relationships studies is either regarded as a natural component not deserving special focus (Holden, 2004) or from a *functionalistic* perspective (Fletcher & Fang, 2006; Lowe, Carr, Thomas & Watkins-Mathys, 2005), meaning that predefined cultural aspects are applied in the interpretation of the research findings (Schultz & Hatch, 1996). Thus, the use of cultural dimensions models (e.g. Hofstede, 1980; Trompenaars, 1993) is predominant in business relationships research (Fletcher & Fang 2006; Holden, 2004; Lowe et al. 2005), as well as in international business research in general (Leung et al., 2005). These studies seek to predict cultural behaviour by applying a certain set of cultural dimensions as a theoretical base.

An *interpretive* perspective can be fruitful for reaching a more comprehensive understanding of how culture imbues business relationships and interaction. Marketing management scholars have rarely regarded the interpretive nature of the cultural construct (Alvesson, 2002; Lowe et al., 2005). This perspective emphasises the importance of meanings and symbols with the presupposition that social life is mediated through meanings (Alasuutari, 1995; Alvesson, 2002). Researchers within the interpretive stream of cultural research stress that meaning structures do not use people, on the contrary, people employ ‘meaning systems’, ‘cultural distinctions’, ‘schemes’ or ‘interpretation repertoires’, when making sense of the world and acting (Alasuutari, 1995). Thus, the focus of interpretive studies is on the individuals’ interpretation of encounters and attainment of cultural meaning to it (Martin, 2002). Culture, in this sense, is not a power, but a contextually existing element that should be thickly described

(Geertz, 1973). If taking business relationships research in particular, culture forms the root metaphor on which the interaction process develops meaning (Ellis et al., 2006). Alvesson (2002) makes a clear distinction between culture as a variable (e.g. Hofstede, 1980) and culture as root metaphor thinking. In the root metaphor stream, nothing can be seen as “not-culture”, everything that contains a meaning for a group of people is seen as culture. Thereby, applying an interpretive perspective on culture and not using any predefined cultural dimensions as a theoretical base can result in discovering new cultural meanings and theories.

Another categorization that deserves attention is the *etic/emic* distinction, which is at the core of cultural studies (see e.g. Berry, 1999). The ‘etic’ approach is usually associated with the functionalistic perspective and the cultural dimension model application (see Morris, Leung, Ames & Lickel, 1999). However, I regard the etic/emic distinction not in relation to the methodological approach applied, but rather as two different ways of treating the cultural construct. “The question of whether a construct is emic or etic depends on whether it describes events, entities, or relationships whose physical locus is in the heads of the social actors or in the stream of behavior.” (M. Harris, 1976, p. 335). Despite several distinctions between the emic and etic perspective on culture, the “results of their use shade into one another” (Berry, 1999 citing Pike, 1967) rather than contradict. Berry (1999) citing Pike (1967) states that the only way to start a cultural study is by having a rough and tentative description of culture using an etic perspective. Further application of the emic perspective allows a deeper understanding of culture, in particular “the way how the language of culture is constructed” (ibid., p. 167).

Another distinction of “emic” and “etic” lies in the way of researching the cultural phenomena either in “local” terms or from an “outsider” perspective respectively, where the terms emic/etic and “insider”/“outsider” are used interchangeably and are treated mostly in relation to the methodology and research approach applied (Morris et al., 1999). I regard the “outsider” and “insider” perspectives not in relation to the researcher and the research methods applied, but rather in relation to the stories of the individuals engaged in intercultural interaction, and to what is considered as the cultural construct. In this manner, Article 1 is conducted from an “outsider” perspective, as it regards the Finnish managers understanding of their relationships with the Russian partners and of the Russian managers’ behaviour. Thus, the construct investigated is ‘etic’ and culture is regarded in a general manner implying management practices, norms and rules of behaviour in particular situations, i.e. ways of doing business in a particular country. In turn, Article 3 investigates the “insider” perspective, i.e. what is “in the heads” of Russian and Finnish individual managers when making

sense of their dyadic business interactions. In this article individuals are viewed as possessing a cultural repertoire of schemas (see section 3.2) applied by them in sensemaking of interaction events.

To conclude, building on the emic/etic discussion (Berry, 1999; M. Harris, 1976) and applying the “insider”/“outsider” perspectives in a different manner to Morris et al. (1999), I regard culture both as independent from individuals (outsider perspective) and as embedded into the individual (insider perspective). An individual is born into a certain cultural context and inherits certain conceptions (Geertz, 1973). However, he/she is differently exposed to various cultural contexts constructed by certain communities and adds various cultural knowledge into his/her repertoire during his/her lifetime (Berry, 1999; Glenn, 2004). Thus, *culture* is both an independent context and knowledge within the individuals, which they use in interaction and sensemaking in various cultural contexts. On the context-level (etic/outsider perspective), culture is regarded as general norms and rules of behaviour constructed by particular cultural groups and existing prior to the participation of a certain individual in this context (see Article 1). On a knowledge-level (emic/insider perspective), culture represents itself a repertoire of cultural schemas inherited or learned by an individual by participating in and/or being exposed to certain cultural contexts (see Article 3 and section 3.2). However, it does not imply that the individual cannot participate in further social construction of certain cultural contexts. The individual is both exposed to cultural contexts and takes active agency in cultural construction. While this study covers both the “in” and “out” of the individual’s head aspect of culture it leaves the development and construction of culture by individuals for further research (see section 6.3).

Finally, for mere clarification, a line between the terms cross-cultural and intercultural should be drawn. An equal mark is often put between these concepts. However, the term ‘cross-cultural’ implies a comparison of different groups’ cultural systems considered abstractly or independently from any form of social interaction (Gudykunst 2003; R. Scollon & S.B.K Scollon, 2001). In contrast, the term ‘intercultural’ considers cultural aspects when members of different groups are directly engaged with each other, focusing on situations occurring within these intercultural encounters (ibid.). For the purposes of this research the term “intercultural” is applied.

2.3. Business relationships development

Business relationships occur over time and several scholars outlined various phase categorisations of relationship development (e.g. Andersen, 2001; Dwyer,

Schurr & Oh, 1987; Ford, 1980). Relationship phases describe the major shifts in impressions of the parties towards each other (Jap & Ganesan, 2000). The characteristics of these phases refer to the relationship's strength and the direction of the relationship's growth, i.e. strong, stable or declining growth (Eggert, Ulaga & Schultz, 2006). Article 1 applies Dwyer et al. (1987) relationship development phases framework, as it allows a systematic interpretation of "relationship processes, behaviours, and orientations" over time (Claycomb & Frankwick, 2010, p. 253). Dwyer et al. (1987) outlined five phases of dyadic business relationship development:

1. **Awareness**, where the parties gain pre-interaction knowledge on possible partners and define a feasible future partner.
2. **Exploration**, where initial interaction occurs and the interacting parties determine the potential advantages and disadvantages of the future relationship
3. **Expansion**, where interaction between parties becomes more affectionate, and the benefits from the business relationship and mutual interdependence between the parties are being increased.
4. **Commitment**, where the investment of resources into the relationship and trust towards each other is on the highest level.
5. **Dissolution**, where the parties become dissatisfied with each other, evaluate the advantages and disadvantages of relationship's prolongation and make a decision on whether to continue, reconstruct or end the relationship.

From an individual perspective, relationship development can be seen as a process of bonding between the interacting individuals, which might lead to enhanced trust (Andersen & Kumar, 2006; Morgan & Hunt, 1994), mutual commitment (Ford, 1980; Wilson & Mummalaneni, 1986), adaptation, and reduced distance (Ford, 1980). For a retrospective investigation of interaction between the parties of a dynamic business relationship under construction the first three phases have substantial potential. The commitment phase is a more stable, routine one and might not be fruitful for a retrospective research, as the events happening on this phase can be of less importance and consequently can be forgotten by the respondents. Whereas, the dissolution stage, although having intensive interaction between parties and memorable events, represents a process of destruction or re-construction rather than construction. Thus, Article 1 considers only the Awareness, Exploration and Expansion phases as they are presumably invigorated with more memorable interaction events and are central for relationship construction, adaptation, and trust development.

Finally, it should be noted that business relationship development is not necessarily a linear process and relationships "are continuously re-created over and through

time” (Halinen et al., 2012, p. 215). However, the phases of relationships, as applied in Article 1, are regarded as a useful framework for organizing the data for further analysis of managerial actions across the relationship cycle.

2.4. The role of cultural adaptation for trust development across the business relationships development

Adaptation is one of the core terms in business relationships development. However, studies on adaptation within the IMP group were mainly conducted on an organizational level and from a resource perspective (e.g. Gadde & Snehota, 2000; Hagberg-Andersson, 2006; Jahre & Fabbe-Costes, 2005). From an individual perspective adaptation represents behavioural modifications carried out by individuals of one organization in order to meet the interaction demands of their business relationship counterpart (cf. Brennan et al., 2003). In an intercultural context adaptive behaviour is motivated by a desire to reduce cultural distance (Francis, 1991). IMP research in *cultural adaptation* among the interacting managers of business relationships is scarce (e.g. Pornpitakpan, 1999). In the process of cultural adaptation, individuals attempt to adapt to the counterpart by transforming communication style and becoming accustomed to practices, behavioural norms, and differences in beliefs (Ellingsworth, 1983; Francis, 1991; Pornpitakpan, 1999).

I regard cultural adaptation as an important component for the *development of trust*, which is in turn vital for business relationship’s development and effective interaction. On an inter-firm level, trust is the company’s belief that the business partner will perform actions that will benefit the firm and not undermine its business operations (Anderson & Narus, 1986). However, within business relationships it is the individuals and not the firms who experience trust towards the business partner (Blois, 1999). Thus, in this thesis interorganizational trust is seen as a consequence of interpersonal trust. An individual’s level of trust grows by gaining more knowledge and understanding of the people and through “the actual experience of working with them” (ibid., p. 206). This includes knowledge of partner’s cultural background (Inkpen & Currall, 1997). Cultural adaptation thus allows trust development between the counterparts by becoming more “fluent” in reading culturally specific trust-related signals, symbols and patterns (see Child & Möllering, 2003). This relates also to *symbolic communication* between counterparts, which is overviewed in more detail in section 3.3. Cultural adaptation on a cognitive level allows incorporating cultural schemas into individual’s cultural repertoire and applying them when required (for further overview see section 3.2).

During the course of business relationships, cultural adaptation can occur through the acquisition of *second-hand* and *first-hand knowledge* on the cultural specifics of the partner. Second-hand knowledge consists of the reputation (McKnight, Cummings & Chervany, 1998), e.g. of a company, of an individual or of the business situation in the country in general and is gained from external sources, e.g. third party experiences. Positive reputation may enhance trust and promote better interaction (Ring, 1997). However, in intercultural contexts second-hand knowledge can be, to some extent, based on national stereotypes, which represents a generalisation about a particular society (Ailon-Souday & Kunda, 2003) and often implies negative associations. Second-hand knowledge is formed at the awareness stage, where the parties are not directly interacting with each other. First-hand knowledge, on the contrary, is gained in further stages of business relationships through interaction with the actual counterpart. It allows acquiring relevant knowledge of the partner's cultural background, properly adapting to cultural differences and as a consequence shortening the cultural distance and enhancing trust. Blois (1999) particularly notes that trust grows through acquiring more knowledge and understanding of the counterpart.

In sum, the concepts discussed in chapter 2 provide general knowledge on the importance of culture in business relationship development. However, business relationship development also represents “a sequence of individual and collective events, actions, and activities unfolding over time in context” (Pettigrew 1997, p. 337). These events can be regarded as the microstructure of relationships and occur through the means of intercultural interaction between the representative individuals of the partner firms. The next chapter provides more detailed knowledge on the role of culture in interaction events within a business relationship.

3

INTERCULTURAL INTERACTION IN BUSINESS RELATIONSHIPS: An individual perspective

*“ Society exists only as a mental concept;
in the real world there are only individuals ”*
Oscar Wilde

Focusing on the aspects of intercultural interaction from an individual perspective, the following sections cover theories allowing more in-depth, emic knowledge on the issue of culture in business relationships and interaction. First, I describe the concepts of interaction and interaction events are then presented considering the individual perspective, and consequently the process of individual sensemaking (section 3.1). Second, the role of culture in individual sensemaking of interaction events is regarded (section 3.2). Finally, I overview the symbolic communication of sensemaking (section 3.3).

3.1. Business interaction as an inter-individual encounter

Business relationship development consists of interaction episodes or *events* that are “motors that engage the energy of a relationship” (Schurr, 2007, p. 161). The terms “episodes” and “events” are often used interchangeably in the literature (Tidström & Hagberg-Andersson, 2012) and are synonymic (Merriam-Webster online dictionary, n.d.). In a similar manner to Tidström and Hagberg-Andersson (2012, p. 334) this research views events as specific interaction happenings which are perceived by managers within a dyadic relationship independent of whether they have a positive or negative outcome. Moreover, people tend to regard events within dyadic relationships predominantly as “normal” and they “may even be unaware of certain aspects underlying their own activities” (Möller & Wilson, 1995). Thus, this issue also relates to the methodological underpinnings and how the data is analysed. The criterion underlying the choice of interaction events, which are considered as important is outlined in section 4.4.3.

From a social, interpersonal perspective interaction includes activities based on message exchange and meaning assignment (Schall, 1983), implying a cognitive, interpretive, and communicative process (Bagozzi, 2006). In turn, interaction

events are constructed from subjective interpretations of individuals (Tidström & Hagberg-Andersson, 2012). “Events are given their meaning by their human connection to past, present and/or future events” (Halinen et al., 2012, p. 216). Each personal interpretation of an interaction event might have an impact on the future events by being the base for actions (Ford & Håkansson, 2006). Moreover, human interpretation of the events and the perception of time and change vary and are in line with their cultural background and personal characteristics (Halinen et al., 2012). Subjective interpretation thus is one of the major constructs for understanding the intercultural interaction process (cf. Ford & Håkansson, 2006). This corresponds to the concept of *sensemaking*, which is at the same time a retrospective and prospective process (Weick, Sutcliffe & Obstfeld, 2005)

Sensemaking can be defined as “the way people make bets on ‘what is going on’ and what to do next” (Colville & Pye, 2010, p. 373) or as the process of ascribing meaning to events. It is a cognitive, narrative, and communicative process (Balogun & Johnson, 2004; Brown, Stacey & Nandhakumar, 2008; Henneberg et al., 2010). Sensemaking has been introduced to business academia by Karl Weick (1969, 1995) and is mainly applied in organization and management studies (e.g. Balogun & Johnson, 2004; Brown et al., 2008; Rouleau & Balogun, 2011; Weick, 1995; Weick et al., 2005). It has also been applied to some extent in business network studies mainly focusing on sensemaking in relation to network pictures (e.g. Abrahamsen, Henneberg & Naudé, 2012; Colville & Pye, 2010; Henneberg et al., 2010; Möller, 2010). Article 3 regards sensemaking of interaction events in dyadic business relationships.

3.2. Use of culture in cognitive managerial sensemaking about interaction events

Concerning culture, studies on sensemaking mostly consider either the concept of organizational culture (S.G. Harris, 1994; Hatch & Schultz, 2002) or national culture dimensions, which are treated as stereotypes applied in sensemaking (Bird & Osland, 2006; Osland & Bird, 2000). However, when making sense of a business relationship interaction situation other types of cultural knowledge might be applied. From this perspective culture is regarded as a system of knowledge shared by a certain community (Busch, 2012). This leads to the consideration of *cultural schema* concept.

Schemas can be generally described as cognitive knowledge structures related to personal experiences, understandings, and associated feelings and are applied in individual interpretations of situations (S.G. Harris, 1994; Nishida, 1999;

Van Gorp, 2007). The concept of schema is widely used in organization and management research (e.g. S.G. Harris, 1994; Balogun & Johnson, 2004; Rerup & Feldman, 2011; Rousseau, 2001) and has its roots in social cognition studies (Fiske & Taylor, 1991, 2013). However, within organization studies it has been used mainly in relation to organizational culture and within social cognition research it has been applied in relation to the national culture framework. In IMP group studies Welch and Wilkinson (2002) presume that a focus on ‘ideas’ (e.g. meanings, schemas, scripts) “can contribute to our understanding of network development”, relationships and interaction (Ellis et al., 2006, p. 25). Although Welch and Wilkinson (2002) go some way towards incorporating culture in IMP theories the authors limited themselves to the concept of organizational schema and “fail to develop and understand culture” (Ellis et al., 2006, p. 25)

While the concept of organizational schema regards knowledge shared by members of an organization, a cultural schema contains knowledge constructed and shared within various cultural environments or groups (Nishida, 1999; Garro, 2000), i.e. organizational, professional, national, traditional, or any other. Thus, the concept of cultural schema can be seen as a link between the cultural context and the cognition of an individual (see DiMaggio, 1997). Each individual has a repertoire of various inherited and learned cultural schemas. An individual enhances his/her repertoire of cultural schemas through direct and indirect interaction with cultural groups (Gould & Grein, 2009). Furthermore, cultural schemas assist the individual in the sensemaking process and meaning making (Friedman & Antal, 2005; Strauss & Quinn, 1997).

Sensemaking has been predominantly studied as a conscious process (Weick et al., 2005). However, each individual may consciously or unconsciously make sense of interaction events (see Ford & Håkansson, 2006). Thus, at least two types of cognition can guide the sensemaking of interaction, namely automatic and deliberate cognition (see Cerulo, 2010; DiMaggio, 1997).

- ***Automatic cognition*** entails an unconscious process where an individual attends to more familiar and accessible cultural schemas (Cerulo, 2010; DiMaggio, 1997). The current study regards empirically only automatic sensemaking and the use of accessible cultural schemas by individual managers involved in long-term dyadic relationships (Article 3).
- ***Deliberate cognition*** is more conscious and may lead to a change from the usage of familiar schemas to new ones (ibid.).

The incorporation of counterpart’s schemas into an individual’s repertoire may occur through deliberate cognition. Subsequently, the counterpart’s schemas may

be used on an automatic level in an individual's sensemaking depending on their accessibility (Hong, Morris, Chiu & Benet-Martinez, 2000). The accessibility of a counterpart's cultural schemas is derived from the level of adaptation to them (cf. Nishida, 1999). Adaptation is a gradual process (Balogun & Johnson, 2004) and thus application of counterpart's cultural schemas by the individual can be expected at the later stages of a business relationship. Furthermore, willingness to culturally adapt to a counterpart's schemas may be increased through positive perception towards the counterpart's culture, a high level of trust towards the culture and the partner as an individual, and a high degree of dependence on the partner (see Article 4).

Article 4 provides a conceptual model based on the concepts already discussed and also regards the symbolic communication of sensemaking, which is overviewed further (see section 3.3).

3.3. Symbolic communication in sensemaking

Cultural meanings, assigned by individuals to interaction events through cognitive application of cultural schemas in the sensemaking process, are then transferred by means of symbolic expression (Samovar, Porter & McDaniel, 2009; Weber & Dacin, 2011). Sensemaking in this sense has a communicative character (Balogun & Johnson, 2004). Regardless of its subjective nature (i.e. what is symbolic for one individual may be non-symbolic for another) a symbol, as a conceptual tool, is effective for understanding hidden meanings (Alvesson, 2002, p. 15). Furthermore, symbols can assist in uncovering cultural schemas (Swidler, 1986, 2001). Ellis et al. (2006) advocate the inclusion of the *symbol* concept in cultural studies of business relationships. Symbols can be broadly categorized as verbal and non-verbal. This thesis considers only verbal symbols in the form of figurative language, as for example metaphors and idioms (Article 2, 3 and 4).

A *metaphor* is a verbal symbolic device that allows externalization of cultural meanings and understandings (Lakoff & Johnson, 2003) and can assist in understanding cultural differences in sensemaking (see Landau, Meier & Keefer, 2010). For the purposes of this study, a metaphor is considered in broad terms as implying "a figure of speech in which a word or phrase literally denoting one kind of object or idea is used in place of another to suggest a likeness or analogy between them" (Merriam-Webster's online dictionary, n.d.). In relation to individual sensemaking the concept of a metaphor has been to some extent applied in management and organization studies (e.g. Boudens, 2005; Nicholson & Anderson, 2005). Landau et al. (2010, p. 1062) see a "metaphor-

enriched perspective” as complementing the schema view and allowing better understanding of reality. Other verbal symbols that incorporate cultural understandings are idioms (Glucksberg, 2001). *Idioms*, as applied here, are metaphoric by nature, however, they represent longer expressions (i.e. a word cannot be an idiom) and imply a more stable cultural meaning (ibid.).

Considering intercultural interaction, impediments to the transfer of meaning may occur due to differences in cultural backgrounds and consequently differences in meanings incorporated in similar figurative language expressions (cf. Alvesson, 2002; Schäffner, 2004). Thus, lack of in-depth knowledge of the particular culture may lead to misinterpretation of cultural schemas encoded in symbolic expressions, consequently resulting in subtle problems in business relationships.

Figure 2 summarizes the aforementioned theoretical background and concepts in relation to the articles included. The relation between all of the concepts is seen as bi-directional. The dotted arrows represent the relations that have been regarded in the papers only in a conceptual manner. Article 1 observes mainly the concepts overviewed in chapter 2, while Article 3 focuses on the concepts discussed in chapter 3. Finally, Article 4 is of a conceptual nature and to some extent links all the concepts presented. Article 2 is of a methodological nature and thus is included in figure 2 as an external element; however, it is related to the concepts presented in article 3 and 4 and thus is linked to them on the figure. The summary of the articles’ content is presented in more detail in chapter 5.

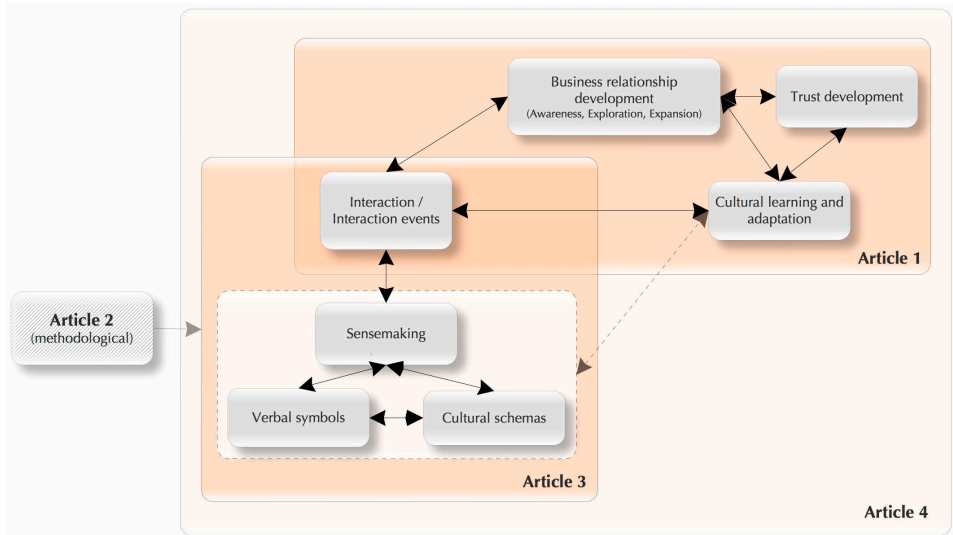


Figure 2. Conceptual model summary of the thesis in relation to the articles included



RESEARCH METHODOLOGY AND METHODS

In this chapter, I present an overview of the ontological and epistemological foundations of the study (section 4.1), followed by a brief review of the abductive nature of the research and the pilot studies conducted (section 4.2 and 4.3). Further, I outline the methodological choices of the empirical articles presented in the thesis (section 4.4), including the description of the research strategy, approach, and method of data collection, as well as the analysis approach and methods of analysis. I conclude the chapter by presenting some critical reflections on the methodological choices.

4.1. Ontological and epistemological foundations of the study

The research paradigm, followed by the researcher, and then the basic beliefs predefine, to a considerable extent, the choice of data collection methods, and the lenses through which to analyse the data. Thus, any researcher should above all clarify, “what paradigm informs and guides his or her approach” (Guba & Lincoln, 1994, p. 116). Burrell and Morgan (1979) outline four research paradigms: radical humanist, radical structuralist, interpretive, and functionalist. Concerning particularly qualitative research Guba and Lincoln (1994) indicate positivism, postpositivism, critical theory, and constructivism as the main research paradigms. In an attempt to identify the appropriate paradigm for this study, the following discussion concerns the positivism and interpretive/social constructivism divide, which is prevalent in international business academic discussions (Welch, Piekkari, Plakoyiannaki & Paavilainen-Mäntymäki, 2011).

International business scholars, to a large extent, apply *positivist* approaches in their studies (Welch et al., 2011). However, the positivist paradigm may contain some disadvantages when following it in the study of intercultural business relationships and interaction from an individual perspective. First, the knowledge developed through the application of a positivist approach is context-independent (Guba & Lincoln, 1994; Hudson & Ozanne, 1988). Excluding context when studying intercultural business relationships could lead to a diminishing of the holistic nature of the research and to a disregarding of

the embeddedness of business relationships in broader structures. Second, the knowledge generation applying a positivist approach is time-free (Hudson & Ozanne, 1988, p. 509). Business relationships are shaped over time and therefore this aspect should be to some extent acknowledged. Last, from a positivist perspective reality is single and objective (ibid.). In business relationships there can hardly be an objective reality, as each party has its own subjective perspective and the task of the researcher is to understand the subjective views of the parties concerning their business relationships.

Having outlined the inapplicability of positivist assumptions to the study of intercultural business relationships and interaction, *interpretivist* and *social constructivist* paradigms are overviewed. The main word in the interpretivist tradition is “verstehen” (to “interpret”, “understand”) (see Welch et al., 2011), whereas the knowledge produced is subjective, which corresponds with the objectives of the study. During recent years, interpretivism has received increasing attention from business scholars, particularly in organizational culture studies, institutional theory, and in studies of organizational identity, learning, and cognition (Schultz & Hatch, 1996). The focus of interpretive studies is on how individuals interpret and understand their experience and how these interpretations and understandings relate to action (Smircich, 1983). Interpretive research is usually conducted by applying qualitative methods (A. Prasad & P. Prasad, 2002). Article 1 is conducted in an interpretivist manner seeking to understand respondent’s subjective experiences, and considering the contextual factor and using qualitative methods of data collection. In the analysis process, we partially sought to understand the meanings, which the respondents implant in their answers, which is the cornerstone of interpretative research (A. Prasad & P. Prasad, 2002). However, the way of reporting the study, using scales in some questions when collecting data and having an a-priori stages model for relationship development falls to some degree into “qualitative positivism” (ibid.). “Qualitative positivism uses non-quantitative methods within traditional positivistic assumptions about the nature of social or organizational reality and the production of knowledge” (ibid., p. 6). However, the research question related to this article does not require such “depth” of the findings as the one guiding Article 3 (see section 1.4). Furthermore, as mentioned earlier, the stages model serves predominantly as a tool for organizing the data (see section 2.3) rather than inhibiting the possibility of interpretations deviating from the model. Article 1 aims at the preliminary and basic understanding of the issue in focus and thus the extent to which the interpretive perspective is applied is feasible.

Article 3, in contrast, is conducted in a purely interpretive manner, following a social constructivist paradigm. The interpretivist and social constructivist paradigms have similar roots and can be defined as non-critical, non-positivist

paradigms (Brand, 2009). Similar to interpretivism, constructivism is said to be focused on understanding and grasping meaning, however, it is also concerned with the process of meaning-making (ibid.). Scholars often see these two paradigms as synonymous, with their meaning being “shaped by the intent of their users” (Schwandt, 1994, p. 118). I also see constructivism as similar to interpretivism and use these terms interchangeably. However, for the purpose of Article 3, the term social constructivism was used in order to emphasise not only the need for uncovering the meanings implanted by respondents in their narratives, but also the need for understanding “how these meanings were constructed” (Welch et al., 2011, p. 753). Article 2 (which is methodological) uses the terms interchangeably. In turn, Article 4 (which is conceptual) applies only the term of interpretivism, with usage of ideas and words (e.g. socially constructed knowledge), which also accord with social constructivism. In Articles 2 and 4, interpretivism is treated as similar to social constructivism in order to broaden the possible scope of the literature review for the development of conceptual models suitable for researchers preferring either one of the terms.

To conclude, within qualitative research tradition the beliefs of the researcher might slightly change on the path towards establishing the ultimate belief system. Thus, not all of the articles included might strictly follow an interpretivist or/and social constructivist tradition. However, each article represents one step forward in enhancing knowledge and skills in conducting an interpretivist, social constructivist study.

4.2. Abductive nature of the research

Qualitative research is predominantly either of an *inductive* or *abductive* nature, while quantitative research usually has a *deductive* character. The disadvantage of pure induction generally is the lack of theoretical pre-knowledge, while the disadvantage of deduction is being excessively saturated with theory in a way that it restricts alternative interpretations. Nonetheless, the task of various theoretical and methodological perspectives should be in inspiring and keep “the researcher’s eyes open to all kinds of observations instead of narrowing his vision” (Alasuutari 1996, p. 375). The abductive character of the current research does not ignore theoretical pre-knowledge and at the same time allows flexibility in the development of the research by moving ‘back and forth’ between the theoretical and empirical world (Dubois & Gadde, 2002, p. 555). Järvensivu and Törnroos (2010) develop the idea of abduction further by claiming that “in some phases, the researcher’s logic may follow abduction in a pure sense; in other stages, the reasoning may lean more toward deduction or induction” (p. 102). The authors argue that the process of switching between deduction and induction or

pure abduction can be described as the abductive approach (ibid.). Consequently, the theoretical framework is constantly being modified throughout the study as the researcher becomes more informed about the empirical and conceptual background of the research focus.

In the process of writing the present work, a reasonable amount of theories and concepts related to the focus were first overviewed, which represented itself as a more 'deductive' phase of the research. A research plan was developed and elaborated through the means of peer reviews during numerous presentations on doctoral seminars and workshops. Second, Article 1, although having in itself some important findings, served as an initial empirical exploration of the topic and allowed for the creation of new ideas for the development of the consequent articles. The consequent articles were done alternately, i.e. in a process of constantly moving back and forth between one article and the other. Thus, while Article 2 and 4 developed a methodological and conceptual model for investigation of the issues in focus respectively, some of the conceptual and methodological ideas from these papers were applied in Article 3. It should be also noted the Article 4 was developed throughout the whole period of thesis writing. In this way a constant switch between the empirics and theory was reached, which may imply a pure 'abduction' phase of the research.

Figure 3 represents the abductive research process of the study. The first column shows the research process including the empirical studies done and the literature used at each stage in order to widen the theoretical perspective. The second column presents the concepts derived from the related research process stage and the third column represents the articles, which resulted from the certain stages of the research process and related concepts. The following subsections describe the empirical process in a more detailed manner.

4.3. Pilot studies

In this section, I briefly describe the findings from the interviews conducted during the pilot studies. These interviews gave additional background knowledge for the interpretation of the interviews included in the publications. The pilot studies also highlight some of the obstacles that can be met on the way to gaining access to data from Russian managers.

First, the plan was to obtain Russian contacts with the help of my connections in Russia. After which I intended to interview the obtained Russian contacts and contact their Finnish partners through them. However, the initial plan had

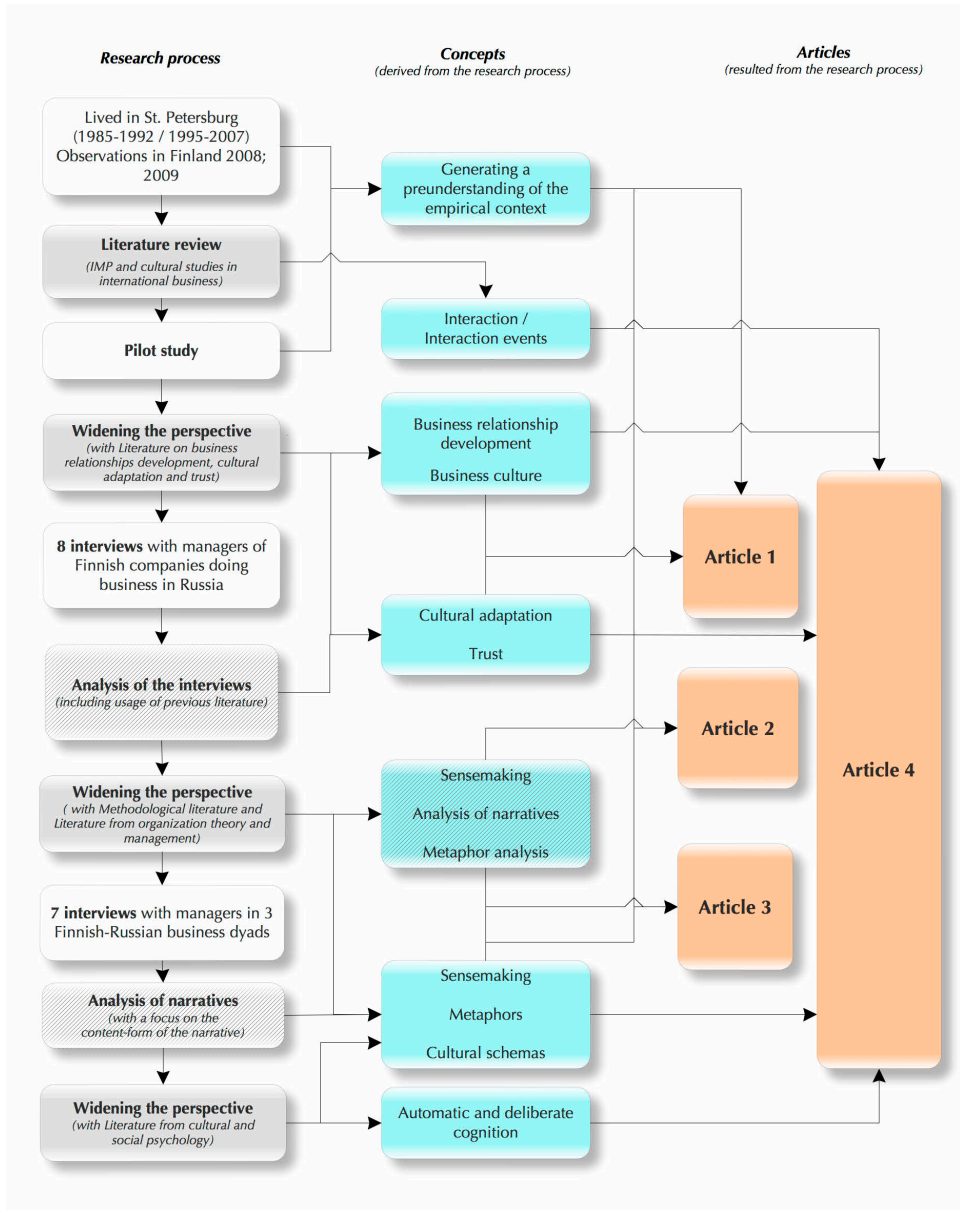


Figure 3. Abductive nature of the research process¹

1 The author gratefully acknowledges Dr. Pia Polsa for giving the idea for figure 3.

to be modified after several unsuccessful attempts to obtain the firms' and/or managers' contacts this way. Having understood that Finnish companies are inherently more open to any research endeavours, I recognized that a feasible way to obtain the research data would be by interviewing the Finnish managers first and asking them to give their Russian partners' contacts. Using a database of Finnish companies operating on the Russian market obtained from the local Chamber of Commerce I sent out several e-mails to managers of engineering companies and consequently called them asking about the possibility of conducting an interview. Three managers agreed to meet me.

The first interview gave substantial general information about the Russian market, e.g. on Russian companies postponing payment, highly profit-oriented managers, the importance of personal contacts, high hierarchy, corruption, and the complex import taxation system. However, the interview data was not applied further, due to the absence of any notes during the interview and the poor quality of the recording. Consequently, I was not able to transcribe the interview in order to analyse it properly. Moreover, the manager interviewed was at an initial stage of business relationships with Russian companies and thus contacts with Russian managers were scarce. Accordingly, the knowledge obtained about business relationships and interaction was not at the in-depth level that was needed for reaching the objectives of the study. Nevertheless, this first face-to-face interview experience taught me to always have two audio recorders when going on an interview and to take some notes on a paper during and after the interview.

During the second interview, I came to understand that a Russian company actually owned the firm of the manager interviewed. Regardless of the claims by the Finnish manager about the high level of independence of his company from its Russian parent company, the relationship was "internal". Therefore, this interview did not give the contextual setting required, due to the focus of the study being on "external" business relationships. The information gained from the interview was on similar topics to the first one, implying that the basic cultural issues between Finnish and Russian organizations are similar both in internal and external relationships. In this case, I still contacted the Russian counterpart and had an interview, which did not give any fruitful results. The main reason for this being the reluctance of the respondent to devote sufficient time to being interviewed.

The third interview was conducted without any problems and the contextual setting was relevant. The manager talked about the importance of personal relationships in the Russian market, difficulties in arranging a meeting with Russian business people, import processes and other topics similar to those of

the first two interviews. Later on, when conducting interviews for Article 3, I had an opportunity to visit this Finnish manager’s Russian partner. However, the language of the interview with the Finnish manager was English and thus did not correspond with the interviews conducted for Article 3, which were done in the native languages of the respondents (the role of language in the interviews is discussed further in section 4.4.2). Moreover, the Finnish manager had high level of knowledge of the Russian language and culture and therefore cultural misunderstandings between the partners were scarce.

To conclude, the “pilot” interviews with Finnish managers gave general background information for reflecting on the further studies, an understanding of how to proceed with the research and a useful experience of conducting face-to-face interviews with business people in the field studied. However, the interviews for articles 1 and 3 were conducted with different managers and within other companies than those interviewed in the pilot studies (see section 4.4.2).

4.4. Methodological choices of the empirical articles

Table 1 outlines the methodological choices of the two empirical articles (Article 1 and 3) in relation to the following categories (see Bryman & Bell, 2011):

- research strategy - the plan for reaching the objectives outlined;
- research design - in what form the particular plan is executed and presented;
- data collection method - how the data is being obtained;
- analysis method – how the data is analysed and processed.

Table 1. Overview of the methodological choices in the empirical articles

	Article 1	Article 3
Research strategy	Qualitative research	
Research design	Interview study	Case study
Data collection method	Semi-structured in-depth interviews	
Analysis methods	Theoretically informed reading	Structural analysis of narratives; Metaphor analysis

The following sub-sections highlight the methodological choices of Article 1 and 3 related to each category in a more detailed manner, and also to some extent reflect on the underpinnings of the Article 2, which is of a methodological nature

(particularly in section 4.4.3). Article 4 is of a conceptual character and thus did not apply any specific methods apart from a literature review.

4.4.1. Research strategy and design

As the research objective is to obtain in-depth understanding of the issues under study, the *qualitative research strategy* was chosen as the most appropriate (see Yin, 1989). Researchers have used several metaphors to illustrate qualitative research process, e.g. “mushroom picking”, “true fiction”, “rhetorical constructions”, “co-construction”, “bricolage” (Alvesson, 2011). However, none of these metaphors is suitable when describing the research strategy applied. The main metaphor for the research process in this study can be characterized as “language mastering”, as the ultimate aim is to reach an in-depth understanding of the issues in focus through scrupulous analysis of respondents’ stories. From this perspective qualitative research is regarded as investigating other peoples’ “voices” with an aim to reach an understanding of the stories of the individuals and how they use their “languages” to construct their story (see Silverman, 2011). The main questions guiding this type of qualitative research are “*How do people construct their version of things?*” and “*What is going on there?*” (ibid.). Moreover, for an interpretative qualitative research, such as the current study, the “Why?” question should be somehow included in the investigation process. Both empirical articles in this thesis attempt to answer “how” and “what” issues, however the “why” side of the problem is much more present in Article 3.

The main research designs employed in the empirically based articles are *qualitative interview study* (Article 1) and *case study* (Article 3). Conducting a qualitative interview study is particularly helpful for obtaining the respondent’s perceptions, reactions, and understanding of particular events or issues (Weiss, 2008). In addition, this type of design is useful for exploratory studies when there is a lack of empirical knowledge concerning a particular issue (see Daniels & Cannice 2004). In the case of Article 1, the interview study design allowed the role of cultural adaptation towards trust development to be explored in business relationships, which has previously scarcely been researched. Furthermore, it allowed the obtaining of sufficient information, and the respondents’ perceptions on the topic.

Studies based on interviews may also result in cases being created (Daniels & Cannice, 2004), however in Article 1, the design was thematic and no particular case was constructed, as would be appropriate for a case study design (see Eriksson & Kovalainen, 2008). However, in contrast, in Article 3 two cases were constructed. A case in its initial linguistic meaning simply implies an ‘event’

'situation' or 'condition' (Swanborn, 2010). In Article 3, each case represents itself as a situation in a dyadic business relationships development with the description of the related interaction events from the perspectives of both sides of the dyad. Thus, the prerequisite of a case study design is to have a many-sided view on a situation in a certain contextual setting (Halinen & Törnroos, 2005) and this was, to some extent, considered in the design of Article 3. It should be also noted that here the case study is by no means regarded as a predefined design, but rather an emergent logic formed in the research process (Piekkari, Welch & Paavilainen, 2009).

The cases presented in Article 3 are of an intensive nature, meaning that their aim is to "understand and explore the case from 'the inside' and develop understanding from the perspectives of people involved in the case" (Eriksson & Kovalainen, 2008, p. 119). This type of case study also stresses the importance of understanding "cultural meanings and sensemaking processes in specific contexts" (ibid.), which is consistent with the main objective and theoretical background of Article 3. Therefore, in contrast to Article 1, the research design of Article 3 allows a more in-depth, specific knowledge of the issue under study. However, identifying Article 3 with a case study is omitted from the publication text itself, in order to avoid confusions and make its methodological underpinnings less complex for academic journal readers.

4.4.2 Data collection method

The main research method used consisted of in-depth semi-structured interviewing. An in-depth interviewing technique was chosen, as it is particularly useful when conducting research at an individual level (e.g. on subjective reactions) and allows "greater sensitivity to the meaning contexts surrounding informant utterances" (Lee, 1993, p. 104). Reaching the meaning layer of the respondent's story was particularly important for Article 3. In the case of Article 1, in-depth interviewing appeared to be useful for understanding the respondent's experiences (see Crouch & McKenzie, 2006; Silverman, 1993). Although the main focus was on interview data, secondary data (e.g. general information on the company and previous literature on Finnish-Russian context) was taken into account when reflecting on the interviews.

The number of interviews in each study varied. Article 1 bases its findings on eight in-depth interviews, which was regarded as sufficient due to the exploratory nature of the study (see Crouch & McKenzie, 2006). Furthermore, the data obtained for Article 3 confirmed some of Article 1 findings. The interviews for Article 3 were conducted with different managers and within

other companies than those participating in the interviews for Article 1. This is due to the change of the co-author and the end of the project in the framework of which the interviews for Article 1 were done. Seven in-depth interviews with key individuals from three Finnish-Russian business dyads were conducted for the purposes of Article 3. However, findings from only four interviews were included, due to the unfitting intercultural settings of the excluded interviews. In particular, a bicultural manager from the Finnish side was present in one of the dyads, which made the nature of the business relationship and interaction slightly different from those of the other two investigated dyads. The relationship thus included less cultural misunderstandings due to the high level of knowledge of the bicultural manager on Russian culture. However, the interviews in this dyad still gave some useful additional information for interpreting the findings of the study and the bicultural setting may provide interesting avenues for further research (see section 6.3). The small number of interviews in Article 3, however, is not regarded as a limitation, due to its social constructivism nature (see section 4.1). In social constructivist tradition each interview represents the respondent's construction of his/her social reality, i.e. possible reality (cf. Brand, 2009). Furthermore, Crouch and McKenzie (2006, p. 493) state that even one interview can provide new knowledge if this interview is viewed as "an instance of social reality".

All the interviews included as data were face-to-face, in-depth, semi-structured, and mostly retrospective and lasted from 1 to a maximum of 2.5 hours. The interviews within Article 1 were more structured and to a larger extent followed the interview guide (see appendix 2). In Article 3, the interviews were conducted in a more conversational setting with more 'freedom' for the respondents to relate their stories, and with the interviewer acting as the conversation moderator. Thus, the interview guide for Article 3 (see appendix 4) served as a conversation guide and was not strictly followed. The choice of respondents was primarily driven by the purposes of the study. Thus, the focus was on managers, who are directly involved in business relationships and interaction with a Russian/Finnish counterpart. The general characteristics of all the interview subjects (both of those participating in the pilot study and in the empirical studies) is presented in appendix 1. Each subject was interviewed once, which conforms to the settings of the current study, as it is not of a process nature (see section 1.4) and does not construct organization level cases, but its main objective was to obtain individual perspectives on the issues in focus.

The character of data in the empirical studies is different, while in Article 1 it represents a one-sided perspective on the issue from managers of Finnish companies, in Article 3 the data is two-sided and represents the perspectives of managers from both Russian and Finnish companies. In particular, the Article 1

interviews were obtained from Finnish managers who were at different stages of relationship development with their Russian partners. This was done in order to obtain data on cultural issues, cultural adaptation, and trust development at different stages of business relationships. In Article 3, one of the dyads was for a short time involved in seller-buyer relationship, after which the relationship transformed into a seller-distributor form, and it was here that the major event occurred. The other dyad, on the contrary, was mostly involved in a seller-buyer relationship when the major event occurred and only recently began to operate through a seller-distributor function. The difference in the types of the relationship development allowed us to obtain stories from different periods of the relationship and provided a qualitative diversity, which is beneficial when applying a social constructivist perspective (see Kvale 1996).

As business-to-business interaction in Russia is predominantly conducted on high hierarchical levels, the respondents in both studies represented what is called in business research “*elite*” interviewees. Welch, Marschan-Piekkari, Penttinen and Tahvanainen (2002, p. 613) define an “elite” interviewee as a person representing senior or middle management, which has a high status within the company and has been working in it for a considerable amount of time. An “elite” interviewee also has extensive knowledge of the industry in which he/she is working and has considerable amount of personal contacts both locally and internationally (ibid.). The characteristics of all the interviewed respondents accord with the aforementioned definition. *Obtaining access* to the “elites” can be problematic for a researcher (Welch et al., 2002). However it did not present a major challenge in case of this thesis. The respondents for Article 1 were interviewed within the framework of a research project at the co-author’s institute. Thus, the respondents were already acquainted with the interviewers and were bound by mutual obligations and interested in obtaining a research report on the results of the study. Although the interviews for Article 3 were conducted independently from any research project, reaching the “elites” did not present a challenge. This is because Finnish senior managers from SMEs, who are more open to academic research, were contacted first. The contact details of Finnish managers were obtained from Finnish-Russian Chamber of Commerce’s database of Finnish companies operating on the Russian market. Furthermore, we sent out several e-mails to Finnish managers and consequently called them asking about the possibility of an interview. As a result, three Finnish managers agreed to participate in the study.

Obtaining information from Russian managers can also be challenging and is rooted in the restricted openness of the Russian business leaders and general lack of cooperation between business and academia (see Michailova & Liuhto, 2001). Therefore, for Article 3 we obtained the Russian contacts from Finnish

managers and approached them via the Finnish side, which might be the most viable option for obtaining access to data from the Russian managers. This represents a cultural way to approach the issue and to some extent resembles the Russian cultural concept of “blat”. Among other things, “blat” relates to “favour of access”, where information or services are more accessible if a stranger contacts a Russian person through a common contact person or his/her friend (see Ledeneva, 2009). Another method of establishing rapport and trust during the interview with Russian managers was the use of personal questions in the beginning of the interview. In this way some interpersonal interaction along with a show of moderate interest in the respondent’s personality occurred before proceeding to more specific questions, which is important for establishing trust with Russians (cf. Ayios, 2004).

The empirical context, i.e. business relationships between firms in construction and engineering industries, posed additional challenges in terms of acquiring access to rich and thick data. First, industrial managers are usually less open regarding their operations, due to the high complexity of their products and services and the fear of information leakage. All the respondents were promised a certain degree of anonymity and confidentiality, which enabled them to be more open and trusting. Second, the investigation of both sides of the dyad in Article 3 may have restricted the respondent’s desire to speak openly about some highly problematic events in their business relationships. However, the retrospective nature of the interviews may have helped the managers to be more open about the problematic issues because they had already been resolved. The interviews might also have allowed them to allude to certain important events hoping to resolve the issues raised by obtaining an outsider view on the situation. Furthermore, the method of analysis of the respondents’ interviews for Article 3 allowed for an uncovering of subtle nuances, which may have been outside of the respondents’ awareness (see sections 4.4.3 and 4.4.4).

Third, the male domination of heavy industry oriented professions resulted in the interview encounters being mostly between a female researcher and male respondent. Schwalbe and Wolkomir (2003) state that in an interview setting a man strives to show and preserve his masculinity and be in control of the situation. Thus, the interviewer needs “to allow men to feel in control and powerful in a particular way: by providing useful information” (ibid., p. 60), i.e. give them a feeling of being ‘experts’ in their topic. The feeling of being in control and the retrospective nature of the interviews may enhance male respondents’ openness and emotional expressivity about their thoughts and actions (see ibid.). Although the same strategy was applied in the male-male interview setting of the three interviews with Finnish managers for Article 3, the respondents were less open about their thoughts than those interviewed in a female-male setting.

This may refer to the different effectiveness of the researcher qualifications in various cultures (see Polsa, 2007). However, here I refer to the professional cultural context, where the female-male setting of the interviews might have helped the respondents' perception of being in control - more than that of male-male encounters, consequently enhancing the openness and expressivity of the respondents and improving rapport. Finally, for Article 3 we also sent out a cover letter (see appendix 1) to all the prospective Finnish respondents. Further, we also sent the cover letter to the Russian partners of the Finnish respondents that agreed to participate, in order to introduce the character of our research. As the respondents were knowledgeable about the nature of the prospective interview, it might have provided them the feeling of being in control of the situation and consequently have enhanced initial trust and rapport.

Furthermore, the interviews for both empirical studies presented were conducted using the native language of the respondents. Within intercultural research, knowledge of the language used by the subjects researched allows a 'localized understanding' of 'contextualization resources', which are "invoked through speech" (e.g. cultural artefacts, personal experiences, historical and social settings) (Welch & Piekkari, 2006, p. 431). Interviews conducted in the native language of the respondents also produce "more authentic answers that exhibit "more subtle nuances" (ibid., p. 428). Moreover, answers in the native language of the respondent contain greater emotive expressivity (Pavlenko, 2007), which is acknowledged in Article 3. However, interviewing in several languages might pose challenges for the researcher. In the empirically based articles, language challenges were overcome by being a native speaker of Russian and co-authoring the papers with fluent or native Finnish language speakers, and having an average understanding of Finnish myself. The analysis of the interviews for both studies was also conducted taking into account the original language. A more detailed description of the methods of analysis is presented in the next section.

4.4.3 Methods of analysis

First and foremost, the origin of the researchers may have a certain role in the cultural interpretation process. As mentioned in section 1.3, I am of Russian origin and in Article 1 my co-author is also of Russian origin, but has lived in Finland for about 20 years. Being of Russian origin allowed us to make reflective interpretations of the individual respondents' perspectives regarding Russian business culture. Thus the knowledge produced may to some extent represent a co-construction from respondents' and researchers' perspectives. In Article 1, we conducted the interview analysis as a "*theoretical reading*" (Kvale, 2007; Kvale & Brinkman, 2009). This type of analysis includes reading the interviews,

reflecting through theoretically informed “lenses” on certain topics of interest, and unsystematically writing interpretations (Kvale & Brinkman, 2009). The themes of interest were outlined by an a-priori framework, which was further modified and developed according to the findings. First, the interview data was distributed according to the topics of interest. After which, we chose the quotes that facilitated an elaborate interpretation of the situation and interpreted them by consulting previous literature on Russian business culture and other related literature. This flexible and unrestricted method of analysis allowed a fundamental exploratory understanding of the phenomenon under study to be obtained.

In Article 3, my co-author is of Finnish origin, which enhanced the credibility of an “insider” interpretation of both Finnish and Russian perspectives (see Lincoln & Guba, 1985). Although I was responsible for the analysis, I constantly consulted with my native Finnish co-author regarding the interpretation of the Finnish respondents’ interviews. In this case, we attempted to reach an understanding of the social realities constructed by the respondents. The sensemaking of the respondents during the interviews for Article 3 resulted in several narratives. Lieblich, Tuval-Mashiach and Zibler (1998) delineate four approaches towards analyzing the narratives: holistic-content, holistic-form, categorical-content and categorical-form. The holistic approach deals with the narrative as a whole, without dividing the narrative into parts according to predefined categories (i.e. categorical approach). The content approach looks at the meaning of the story, while the form approach regards the narrative’s style and structure, i.e. the choice of words and metaphors. The content and form are not easily separated from each other and the form can be the embodiment of the content (ibid.). Therefore, the current work applies both to the content and the form approaches concurrently, thus regarding the narrative as a whole, i.e. holistic approach (Article 2 and 3).

As the aim of Article 3 is to obtain a more in-depth understanding a more intensive and exhaustive analysis was needed. We attempted to make sense of the respondents’ stories by *analysing* their *narratives* focusing on their reasoning for the interaction event occurring, and the metaphors and idioms used to describe the event. The criterion for choosing the events was the presence of some sequence of actions with a certain outcome and the extent of storytelling about the event. As both sides of the dyad were considered, we tried to link contrasting perspectives of the same event. We first analysed the narratives with a focus on metaphors and idioms applied by the respondents in their storytelling, which is similar to *metaphor analysis* (Cornelissen, Oswick, Christensen & Phillips, 2008). I regard metaphor analysis as a coherent tool for understanding the cultural content of the sensemaking narratives provided by the respondents, due to the metaphors ability to convey cultural meanings (see also Article 2 and section

3.3). Metaphors are thus considered as the ‘form’, which embodies the ‘content’ of the narrative (Article 2 and 3). The technique developed by the Pragglez group (2007) was considered as useful for identifying the metaphorical units in text. According to this technique a lexical unit is metaphorical if its contextual meaning within a narrative contrasts with its basic meaning (i.e. the historically older meaning) (ibid.). Further interpretation of metaphors and idioms was done considering the whole narrative of the event and the related contexts. However, due to the small amount of metaphors and idioms in the narratives of the events, we also regarded how the respondents constructed their narratives about interaction events, which is similar to a *structural analysis of the narrative* (Labov & Waletzky, 1967).

According to Labov and Waletzky (1967) a narrative can consist of six structural elements: “abstract (a summary of the narrative’s topic, what the story is about); orientation (time, place, situation, participants); complicating action (what actually happened); evaluation (the meaning and significance of the action, the “so what”); resolution (what finally happened); and coda (the ending and exit)” (Makkonen, Aarikka-Stenroos & Olkkonen, 2012, p. 291). Although structural analysis has previously only been rarely applied in empirical studies (Makkonen et al., 2012), it can be an effective tool in grasping the meaning of the narrative (Riessman, 1993). We particularly focused on the identification and interpretation of the “evaluation” component of the narrative (the “so what”) as it is infused with meaning (Huberman & Miles, 2002; Makkonen et al., 2012). The “evaluation” part of the narrative contains information on how the narrators “want to be understood and what the point is”, i.e. their interpretation of the story and why it is important (Riessman, 1993, p. 20). The application of metaphor analysis and structural analysis to the narratives helped us to uncover some of the underlying cultural schemas used by the respondents in the construction of interaction events. It further resulted in the identification of cultural differences in managerial sensemaking.

4.4.4. Critical reflections on the methodological choices

Being reflexive on one’s own research is an important practice for today’s qualitative researcher (Alvesson, 2003). Although some critical reflections have been done while describing the methods, here I raise the issues which have not yet been touched upon.

First, during the interviews for Article 1 the word culture was used, which might have created some biases. Thus, the Finnish respondents might have reflected on the perceived cultural differences and the perceived level of their

cultural adaptation to Russian partners. Furthermore, the one-sided type of investigation in Article 1 did not allow investigating the Russian perspective on the actual level of adaptation needed. Nonetheless, during the data gathering for Article 3 we tried to avoid the use of word “culture” in order to look at the unconscious application of cultural schemas by the respondents, and some of the cultural differences corresponded with those obtained in Article 1. On the other hand, it should be noted that the cover letter sent out to the respondents in Article 3, before the interview, (see appendix 3) contained a description of the nature of the research, in particular the focus on cultural differences. Thus, the respondents might have been initially subconsciously oriented to talk about cultural aspects. The cultural schemas applied in sensemaking about interaction events were discerned through the in-depth analysis of the narratives provided by the respondents in Article 3 (see section 4.4.3). The two-sided investigation in Article 3 also allowed some results on the Russian view on cultural adaptation to be obtained (see section 5.3).

Another drawback of the methodological underpinning may be the general lack of member checks (see Lincoln & Guba, 1985). *Member checks* or respondent validation include testing or validating data interpretation with the respondents, i.e. by sending research reports to them (Lincoln & Guba, 1985; Silverman, 2011). However, the main disadvantage of this technique of credibility enhancement is that it may work only when “the results of the analysis are compatible with the self-image of the respondents” (Silverman 2011, p. 372). This disadvantage is especially relevant when applying the member check technique for credibility enhancement of an individual-level piece of research, such as the one conducted here. Rather than a means of validation, member checks are often regarded in qualitative research as a useful tool for gaining additional information (Silverman, 2011), which was how the member checks were treated.

In Article 1 a report with research results was sent to all of the respondents. However, it did not give any additional information or critique. As Article 3 follows a social constructivist paradigm and regards automatic cognition (i.e. predominantly unconscious application of schemas) member checks might, on the contrary, create a bias as most of the schemas applied may be outside of respondent awareness (Elliot, Fischer & Rennie, 1999). Nevertheless, the reports were sent to the Finnish respondents but did not give any additional feedback. Russian respondents were generally not interested in receiving any report. Michailova and Liuhto (2001) outline two possible reasons for such behaviour in Russian managers: First, they are not interested in an “outsider” perspective on their company’s operations. Second, they lack experience in interaction with academia. Thus, it can be concluded that in over a decade Russian managers behaviour towards academia seems to have remained the same.

Other means of credibility enhancement described by Lincoln and Guba (1985) is *prolonged engagement*, which is done in order to learn the culture and establish trust and rapport. In this study no prolonged engagement was done. However, learning about the culture was not needed, as the researchers were a-priori acquainted with the culture of the respondents (see section 4.4.3). Meanwhile, other ways for building trust and rapport were described in section 4.4.2. Finally, discussions of the findings and interpretations with fellow scholars during conferences and workshops and between the co-authors, as well as the peer-review process also represent an additional means of credibility enhancement (Elliot et al., 1999) applied to all of the articles.

Table 2 summarizes the criteria for the trustworthiness of the research and the way of addressing the criteria in the thesis. Discussion on how some of the criteria were considered was raised in this section, while the other criteria are mentioned throughout the first part of the thesis. The criteria for evaluation of trustworthiness are based on Lincoln and Guba (1985, 1986). The definition of the criteria (Lincoln & Guba, 1985, 1986, Guba & Lincoln, 1982), which were not described in the foregoing section, is presented below:

- *Triangulation of data* refers to the usage of various sources of data collection, multiple theories, and different investigators.
- *Negative cases* refer to cases that can be seen as exceptions from the main sample “that prove the rule...broaden the “rule”, change the “rule”, or cast doubt on the “rule” altogether” (Patton, 2002, p. 554). In the current work, the negative cases are those interviews that were not presented in the final empirical publications (e.g. pilots studies), due to a differing contextual setting, but served as additional information when interpreting the findings in the empirical articles.
- *Peer debriefing* implies the presentation of the research to a disinterested peer and its discussion in a form of an analytical session. However, contrary to a positivistic researcher, a social constructivist is not required to prove the relevance of the approach developed and “too much criticism can be damaging in the extreme” (Lincoln & Guba, 1985, p. 309).
- *Transferability* involves providing the reader with rigorous, “thick” description of the findings and their context, which can allow the readers to make judgments on the fit of the findings or part of the findings to the context they are focusing on (Lincoln & Guba, 1985). Thus, it shows “the extent to which the findings can be applied to other contexts” (Storbacka, Polska & Sääksjärvi, 2011, p. 38).

- *Dependability* implies the dependency of the research process on the external changes and the possibility of replicating the research at a different time under the same circumstances. *Confirmability* looks at whether the findings have been confirmed as accurate by others. Dependability and confirmability criteria can be fulfilled by an *external audit*, i.e. review, done by a “competent external disinterested auditor” (Lincoln & Guba, 1986, p. 77).

Table 2. Trustworthiness of the research

Criteria	Way of addressing
Credibility	
Prolonged engagement	<ul style="list-style-type: none"> • The researcher is a Russian native and thus has extensive knowledge of the Russian culture; • The researcher lived in Finland for a few years before starting the pilot studies and the interviews for the articles and is quite knowledgeable about Finnish culture; • The co-authors of the three articles in the thesis (Article 1, 2, 3) are of Finnish origin or lived in Finland for a considerable amount of time and shared their views on the issue in focus.
Triangulation of data	<ul style="list-style-type: none"> • Observations and field notes were made during the interviews; • Secondary data such as pilot studies, general information on the company and previous literature on Finnish-Russian context was considered when reflecting on the primary data for the articles; • Perspectives on the issue from various investigators were considered, through discussions with the co-authors regarding the interpretations of the interviews; • Multiple theories were used, due to the interdisciplinary nature of the research.
Negative cases	<ul style="list-style-type: none"> • The interviews applied in the study varied in their contextual setting (e.g. presence of a bicultural manager, internal relationships). The diverging interviews that were not presented in the publications were used as background information and had a role in changing and broadening the theoretical framework and assumptions during the research process.
Peer debriefing	<ul style="list-style-type: none"> • Several mini-debriefings were made by presenting the articles at various workshops, seminars and tutorials and being interrogated by various academic colleagues.

Table 2. (continued)

Criteria	Way of addressing
Member checks	<ul style="list-style-type: none"> • Due to the individual level character of the study member checks were regarded more as a means of obtaining additional information, as they could result in bias if the respondents did not perceive the results as compatible with their “self-image” (see Silverman, 2011); • Reports with the results of the study were sent to all the Finnish respondents. Russian respondents were disinterested in obtaining the reports (see section 4.4.4).
Transferability	
Thick descriptive data and the extent to which the findings can be applied to other contexts	<ul style="list-style-type: none"> • The results and the particular contexts were thoroughly described; • The results are not industry specific due to the focus being placed on individual cultural specifics, which are derived more from the participant’s ethnicity and the general business context of the country; • I believe that the results from the empirical Articles 1 and 3 can be transferred to other business relationships between firms from developing-developed countries, due to the similarity of the cultural contexts; • The developed conceptual frameworks in Article 2 and 4 can be applied to any industrial and country context, as they are not country or industry specific.
Dependability and confirmability	
External audit	<ul style="list-style-type: none"> • The research methods are not time specific; • All of the articles in the thesis were reviewed by impartial reviewers of the journals in which they were published (Articles 1,3 and 4) or in the process of a second round of review (Article 2); • The earlier versions of the articles were presented at conferences and thus passed an impartial peer-review before being accepted to the conference.

5

SUMMARY OF THE ARTICLES AND REVIEW OF THE RESULTS

The following sections summarize the contents and findings of the articles included in this thesis. The main points of each article are outlined in Table 3.

5.1. Article 1: The importance of cultural adaptation for the trust development within business relationships.

Overall summary

In Article 1, co-authored with Marina Weck, we investigated the role of cultural adaptation in trust development along the dyadic business relationship life cycle. We took three stages of business relationship development, namely awareness, exploration and expansion, as the conceptual base. This article was developed through a combination of the research interests of the two co-authors and their theoretical backgrounds, namely trust (Marina Weck) and cultural aspects of interaction along with cultural adaptation (Maria Ivanova). Thus, both authors contributed to the work equally. The motivation for conducting this empirical study was the lack of the previous studies on trust development and cultural adaptation in a separate or an interlinked manner. The study regards the concept of culture mostly in terms of *business culture* considering the culture of the business community in a particular country, i.e. way of doing business in a particular country. The empirical context for this study is Finnish-Russian business relationships regarded from a Finnish perspective.

Through a literature review an a-priori theoretical framework was developed and presented the assumed role of cultural learning and adaptation in trust development throughout the three chosen stages of business relationship development. On the basis of the a-priori framework, an interview guide was developed and used in the interviews with eight top- and middle- managers of five Finnish companies. The main topics of the interviews were business relationship developments with their Russian partners and the role of the cultural aspects and cultural adaptation in trust development.

Table 3. Summary of the articles included in the thesis

	Article 1	Article 2	Article 3	Article 4
Authors	Marina Weck & Maria Ivanova	Maria Ivanova & Jan-Ake Törnroos	Maria Ivanova & Lasse Torkkeli	Maria Ivanova-Gongne
Title	<i>"The importance of cultural adaptation for trust development within business relationships"</i>	<i>"Developing a research model for making sense of intercultural interaction in business relationships"</i>	<i>"Managerial sensemaking of interaction within business relationships: A cultural perspective"</i>	<i>"Culture in business relationship interaction: An individual perspective"</i>
Responds to the Gaps	The need to study business relationships at an individual level in a cultural context; The need to understand cultural aspects of interaction and cultural adaptation in business relationships (cultural adaptation is not covered in Article 2).			
Link to the dissertation	The need to conduct an up-to-date qualitative study, taking into account the latest aspects concerning intercultural interaction between Russian and Finnish businesses.	The need to develop new methodological ways to research intercultural interaction in business relationships from an individual perspective.	The need to study Russian-Finnish business relationships from both perspectives of the dyad; The need to conduct an up-to-date qualitative study, taking into account the latest aspects concerning intercultural interaction between Russian and Finnish businesses.	The need to find ways to study intercultural issues in business relationships, other than through the application of Hofstede's (1980) model;
	Develops a basic understanding of intercultural business relationship development, interaction, and cultural adaptation between Russian and Finnish partners.	Develops a methodological model for the study of intercultural interaction in business markets considering the individual perspective. The methodological model developed was partly applied in paper 3.	Develops an in-depth two-sided understanding of sensemaking about intercultural interaction between Russian and Finnish partners.	Develops a conceptual understanding of the issues in focus and provides avenues for further research.

Table 3. (continued)

	Article 1	Article 2	Article 3	Article 4
Individual perspective consideration	Considers the individuals' interpretations of their business relationship development and interaction with the partners as primary for understanding the issue in focus.	Investigates the methods useful for analysis of the respondents about intercultural interaction.	Takes up individual managerial sensemaking and applies the concept of cultural schema, as cultural knowledge residing in individual's mind. Regards the individual constructions of the interaction experiences.	Focuses on the process of cognitive sensemaking of business interaction events by the individual.
Main concepts	Business culture; Cultural adaptation; Trust; Business relationship development	Business relationship; Interaction; Sensemaking; Narrative approach; Metaphor analysis	Business relationship; Interaction events; Cultural schemas	Business relationship; Interaction; Interaction events; Cultural schemas; Verbal symbols
Method	Qualitative; Interpretive; "Theoretical reading" of interviews	Conceptual (analysis of narratives and metaphor analysis for the illustrative example)	Qualitative; Structural analysis of narratives; Metaphor analysis	Conceptual
Data	8 in-depth semi-structured interviews	Conceptual. A narrative extract was employed for illustrative purposes.	4 in-depth semi-structured interviews	Conceptual
Main findings	<ul style="list-style-type: none"> • Several cultural differences between the Finnish and Russian way of doing business; • Framework depicting the role of cultural adaptation in trust development during business relationship development. 	<ul style="list-style-type: none"> • 'Sense-translation' model incorporating narrative approach and metaphor analysis for understanding of the individual perspective on intercultural interaction. • Usefulness of metaphors and idioms for the study of cultural aspects of business relationships and interaction. 	<ul style="list-style-type: none"> • Several differences between the cultural schemas used by Finnish and Russian managers in their sensemaking about intercultural interaction; • Usefulness of metaphors and idioms in deciphering the cultural schemas of managers. 	<ul style="list-style-type: none"> • Process of individual sensemaking about interaction events and the role played by culture in this process. • The role of automatic and deliberate cognition in the application of certain cultural schemas in individual sensemaking of business interaction;

Table 3. (continued)

Key contribution	Article 1	Article 2	Article 3	Article 4
	<p>• Shows the importance of cultural adaptation to specific cultural practices of business partners for the positive development of trust. In particular, it highlights the need to culturally adapt to specific interaction situations during the latter stages of business relationships development.</p> <p>• Enhances the understanding of Russian-Finnish business relationships and interaction by highlighting several cultural specifics of Russian business culture.</p>	<p>• Provides a research framework for uncovering intercultural interaction in business relationships from an individual perspective, in particular for unfolding the cultural meanings of sensemaking about interaction within business relationships.</p> <p>• Highlights the importance of a linguistic turn in business marketing studies.</p>	<p>• Applies the concept of cultural schema to the understanding of the role of culture in sense making about business relationship interaction, deviating from the predominant application of functionalistic models.</p> <p>• Provides individual managers' perspectives from both sides of dyadic business relationship and increases understanding of intercultural business-to-business relationships and interaction in a Finnish-Russian context.</p>	<p>• Presents a conceptual framework for the study of the individual's perspective on business relationship interaction events, which incorporates cultural concepts from social cognition, e.g. cultural schemas, automatic and deliberate cognition, thus diverging from the predominantly applied Hoistede model and allowing more flexibility in cultural interpretations.</p>

Main results

The results showed the perception of Finnish managers toward the importance of cultural adaptation in trust development. Based on the individuals' perceptions of the business relationships' success the results assume that cultural adaptation actually took place. Further, the a-priori framework was modified on the basis of the achieved findings, resulting in the conceptual framework describing the role of cultural adaptation in trust development (see figure 4).

The study shows that acquisition of cultural knowledge about the way of doing business in a specific country and adaptation to this knowledge is essential for the positive development of trust. Furthermore, knowledge regarding national culture appears to be important only at the awareness stage of business relationships and is mainly related to stereotypical knowledge. Interaction is regarded as a prerequisite for obtaining stereotype-free cultural knowledge of the partner. "First-hand" knowledge of the business culture of a partner obtained through multiple interactions is considered vital to the following stages of business relationship development, namely 'exploration' and 'expansion'.

The study also outlines several cultural differences between the Finnish and Russian way of doing business, in particular the importance of open communication, activeness, appreciation, and respect when interacting with Russian managers. The decisive difference, however, appeared to be the importance of interpersonal friendship in business relationships, which was high between the partners in long-term relationships. This was further related to different levels of friendship in the Russian context, namely "acquaintance", which describes a person who has been met a few times, but cannot be entirely trusted yet, and "friend", which indicates that the person is almost a part of the family (see Richmond, 2009). In accordance with this distinction the business relationship phases within the conceptual framework were given an appropriate classification (see figure 4).

Thus, the "awareness" phase relates to a situation where adaptation occurs between "strangers", and the counterparts may adapt to each other with caution and rely on "second-hand knowledge", in particular cultural stereotypes. At this phase, a positive reputation is considered a prerequisite for trust initiation. During the "exploration" phase the counterparts become "acquaintances" and obtain initial "first-hand knowledge" of each other through their first interactions. The cultural aspects, which are of importance and require adaptation to at this phase, are open communication, activeness, respect, and appreciation. Thus adaptation to these cultural aspects may increase the level of trust and advance the business relationship to the next phase. The "expansion" phase leads to adaptation and becoming "friends", which includes development of close personal relationships

and promotes more trust growth.

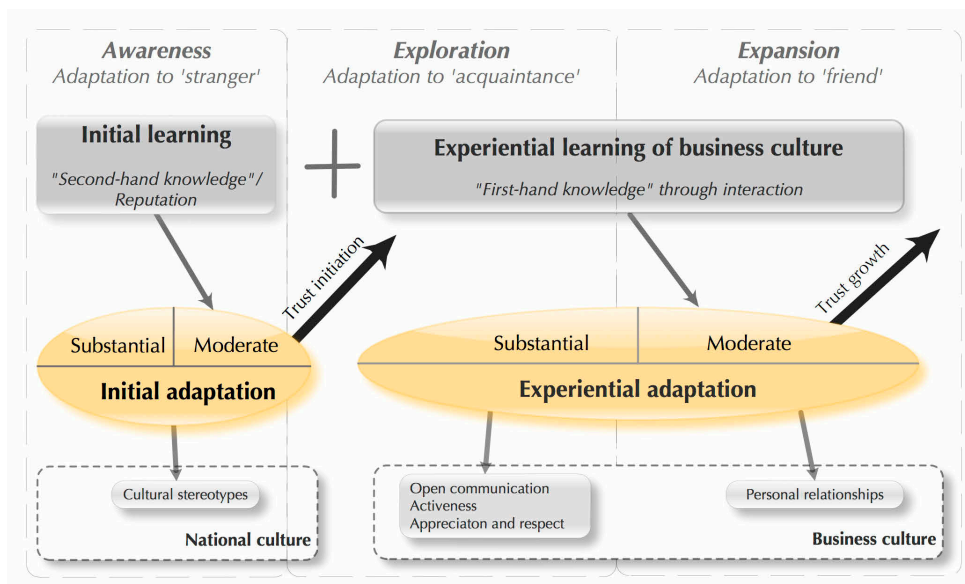


Figure 4. Conceptual framework developed in Article 1

Lastly, the Finnish managers perceived the level of their cultural adaptation to Russian business partners as moderate. However, the results present a one-sided perspective and it is possible that Russian managers may perceive this extent of adaptation as insufficient (see section 5.3) or have a different understanding of what “moderate adaptation” implies.

5.2. Article 2: Developing a research model for making sense of intercultural interaction in business relationships

Overall summary

Article 2, written together with Jan-Åke Törnroos, represents a conceptual investigation into methods applicable for the study of intercultural interaction from an individual perspective. The motivation for the article is the lack of methodological contributions to the study of cultural aspects in business marketing research, and the need to develop a research model, which could prove useful in consecutive studies on similar topics.

We considered several possible methodologies before selecting sensemaking, a narrative approach, and metaphor analysis as the most suitable for the purposes being pursued. The main criterion for choosing these methods was their

presumed ability to grasp the individual perspective on intercultural interaction in the context of business relationships. The conceptual underpinnings of the chosen methods were then reviewed. Although sensemaking has been previously applied mostly as the way the respondent ascribes meaning to his/her experiences (likewise in Article 3), in this article it is also regarded as the perspective through which the researcher approaches the obtained data. Narrative is mostly regarded as the product of a respondent's sensemaking with an emphasis on how the story was constructed. Metaphor analysis is seen as particularly helpful in grasping the underlying cultural content of the narratives.

Main results

A review of the chosen methods resulted in the development of a research model for uncovering interaction in business relationships from an individual and intercultural perspective; the research model was named 'sense-translation' (see figure 5). The name is metaphorical and implies the possibility of interpreting and adapting a story obtained from a local or international respondent for the reader taking into account the cultural meaning transfer.

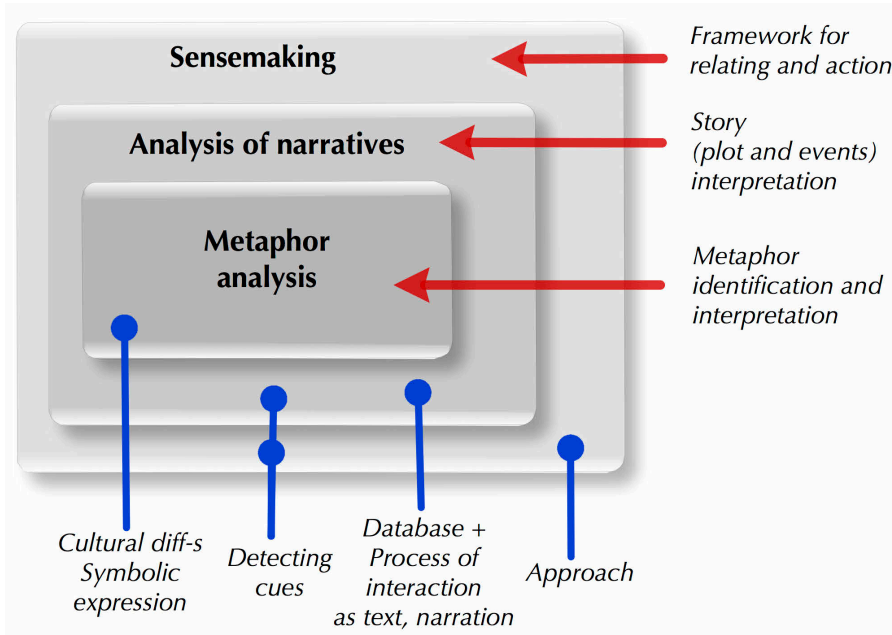


Figure 5. Research model developed in Article 2

The analysis of narratives and metaphor analysis are embedded in the sensemaking approach and assist in uncovering the story's overall and cultural meaning respectively. A holistic-content-form approach is applied to the

analysis of the narrative. The whole narrative is regarded in order to uncover the individual's reasoning behind the story and the cultural meaning of the narrative (the content) is reached by conducting a metaphor analysis within the narrative, i.e. regarding the 'form' of the narrative (see section 4.4.3 for an understanding of the content-form approach to the narrative). The metaphor analysis is focused on the identification of the metaphor in the story, based on the Praggel jazz group (2007) approach (see section 4.4.3), and its interpretation. In order to enhance the credibility of the metaphor an analysis researcher should be familiar with the lingo-cultural context of the metaphors applied, which concerns the type of culture investigated, e.g. national, professional, industrial.

We further applied a brief narrative extract from the data obtained for Article 3 as an illustrative example of the model's application. Applying an illustrative example allowed us to outline the advantages and disadvantages of the model and make its application and limitations clearer for the reader.

The main disadvantages of the model are:

- that good access to data and trust towards the researcher from the respondent is required;
- the process of analysis is highly time-consuming and requires a reflexive approach to the findings;
- that preliminary knowledge of the lingo-cultural context investigated is required.

The advantages of the model are:

- an ability to understand the deep-seated individual perspective and uncover the cultural content of the individual sensemaking;
- the rich and "thick" description of the findings, allowing improved transferability of the findings;
- the enhanced explicitness of the delivered findings, due to the application of figurative language, e.g. metaphors and idioms, which may be more understandable to people who are not familiar with business marketing theories.
- the possibility of using the model in business practice, due to the simplicity of using the metaphor tool.

Ideas from the developed research model were also, to some extent, applied in Article 3, which is the reason for presenting Article 2 before Article 3.

5.3. Article 3: Managerial sensemaking of interaction within business relationships: A cultural perspective

Overall summary

In Article 3, co-authored with Lasse Torkkeli, we investigated the role of culture in managerial sensemaking of interaction events. The motivation for engaging in this study was to fill a crucial gap in the literature on individual sensemaking about intercultural business relationships and interaction. We also sought to obtain a more in-depth and two-sided individual level knowledge on intercultural business relationship interaction. The theoretical background for this study is based on concepts of interaction in business markets, sensemaking, cultural schemas, and figurative language such as metaphors and idioms (see chapter 3). Stipulated by the theoretical background, the main questions of the study are related to the differences in the use of cultural schemas in managerial sensemaking of interaction events. Figurative language is used as a conceptual tool in grasping these schemas.

The empirical context is Finnish-Russian business relationships, with interviews obtained from both sides of the dyads (see section 4.4.2). The methods of analysis included structural analysis of the obtained narratives and metaphor analysis (see section 4.4.3).

Main results

The results show several differences in the sensemaking about events (see table 4). The cultural schemas that appeared important in Russian managers' sensemaking are related to profit and short-term orientation, price consciousness, and expectations of openness from the partner. These schemas are reasoned through the context of a historically bounded traditional culture. In particular, we turn to bargaining traditions and opportunistic behaviour, which were developed over several historical incidents and the traditional cultural concept of "dusha", which emphasises the role of emotions in interpersonal interaction. In turn, the Finnish managers apply in their sensemaking the cultural schemas of long-term strategic planning and strong customer-orientation, which are derived from a Western business culture context. Additionally, Finnish managers' sensemaking suggests being loyal to preserving the marketable image of their company, thus they are less open to interpersonal interaction than expected by Russian managers. Another difference outlined in the article is the reliance on formal vs. informal information about the partner by Finnish and Russian managers respectively.

Additionally, the issue of cultural adaptation is touched upon to some extent, with the Russians expecting adaptation and Finns resisting it. In this study, actual adaptation was investigated (as opposed to the perceived adaptation in Article 1), as the words “culture” and “adaptation” were avoided in empirical conversations and the results were derived from the analysis of the sensemaking narratives. Moreover, the results present a two-sided perspective. Thus, contrary to the perception of Finnish managers in Article 1 of moderately adapting to their Russian partners, Article 3 shows that this view does not correspond with the Russian managers’ perspective regarding the sufficient level of adaptation. The resistance of Finnish managers to adapting in a “sufficient” manner is reasoned by the historical background of Finnish-Russian relationships and negative Finnish perceptions of Russian culture, which corresponds with the conceptual ideas presented in Article 4.

Table 4. Main differences in cultural schemas uncovered in Article 3

Interaction events			Cultural schemas used in sensemaking	
			<i>Russian</i>	<i>Finnish</i>
Business relationships	Seller-buyer	<i>Beginning of business relationships</i>	Obtaining informal information	Obtaining formal information from Finnish consultancies
			Personal contact and interaction	Relying on their own bicultural manager – “insider”
		<i>Initial event of buyer-seller operations</i>	Verifying the information	Respect towards the customer (Customer-orientation)
			Consumer price consciousness	
	Seller-distributor	<i>Development of rel-ps towards seller-distributor rel-ps</i>	Profit-orientation	Corporate need to internationalize
			<i>Initial operations in distributor-seller relationships</i>	Consumer’s price consciousness (short-term orientation)
		Bargain style of negotiations		
	<i>Standard deliveries in business relationships</i>	Expectation of cultural adaptation	Resistance towards cultural adaptation	
	Key event in business relationships	Need for openness	Strategic long-term orientation	
		Need for quick actions	Customer orientation	
Profit-orientation				

The study also shows the usefulness of figurative language, e.g. metaphors and idioms in grasping the cultural component of sensemaking. The extracts from the narratives containing the metaphors and idioms that were found are presented in table 5, which also shows the cultural schemas uncovered with the help of the metaphor analysis. In general, Russian managers used more metaphors and idioms than Finnish managers in their sensemaking, which might indicate a general difference in communication styles between Finnish and Russian managers, with the former being more straightforward.

Table 5. Metaphors and idioms and related cultural schemas uncovered in Article 3

Cultural schemas	Narrative extracts with metaphors and idioms
Russian	
Need to act quickly	<i>"Come on, son, move quickly"</i>
Profit-orientation	<i>"...have more points of contact..."</i>
	<i>"If we see that we can gain profit we will 'throw the cap over the mill'"</i>
	<i>"...important to have all the blocks..."</i>
Informal information/ personal contacts	<i>"...at my companion's suggestion..."</i> (*literal translation from Russian – "...at my companion's giving...")
Consumer price consciousness	<i>"We were very much choked by this company [customer]"</i> (*about Russian desire to have a price benefit)
Lack of customer orientation	<i>"...do not even bother them [the Finns] with such balderdash"</i>
Finnish	
Strategic long-term orientation	<i>"Even a car salesman knows who he has sold cars but does not still sell tyres to them."</i>
Respect towards the customer	<i>"...we just have to bow down to them..."</i>

5.4. Article 4: Culture in business relationship interaction: An individual perspective

Overall summary

Article 4 generated a conceptual model, which could be useful in studies on culture in a business-to-business relationship context from an individual perspective. The particular focus is on individual sensemaking of intercultural interaction. The motivation for this study arose from the lack of literature on culture in business marketing, and the predominant use of Hofstede's model in international business studies. The article was conducted through a literature review and critical reflections on this review.

First, a review of the two main perspectives in cultural studies was conducted, namely functionalist and interpretivist, outlining their applicability for the study of business relationship interaction on an individual level. While the application of a functionalist perspective dominates in international business, an interpretivist perspective appears to be more fruitful for development of new knowledge and theories. Second, the main components of the interpretive perspective, i.e. cognitive and symbolic, were considered by regarding the concepts of cultural schema and verbal symbols (see sections 3.2 and 3.3). Possible application of cultural schemas in sensemaking of interaction events and adaptation to cultural schemas was then described by including the concepts of automatic and deliberate cognition (see section 3.2), as well as trust and dependence.

Main results

The paper particularly emphasizes that individuals may apply cultural schemas related to various cultural contexts (e.g. national, organizational, traditional) in their sensemaking. Thus, while one of the interacting individuals may apply, e.g., a cultural schema related to traditional culture, the other person could apply a schema related to organizational culture. Finally, the symbolic communication of sensemaking through verbal symbols as metaphors and idioms was briefly regarded.

Basing on the reviewed concepts a conceptual model (see figure 6) was developed of culturally imbued individual sensemaking of business interaction events.

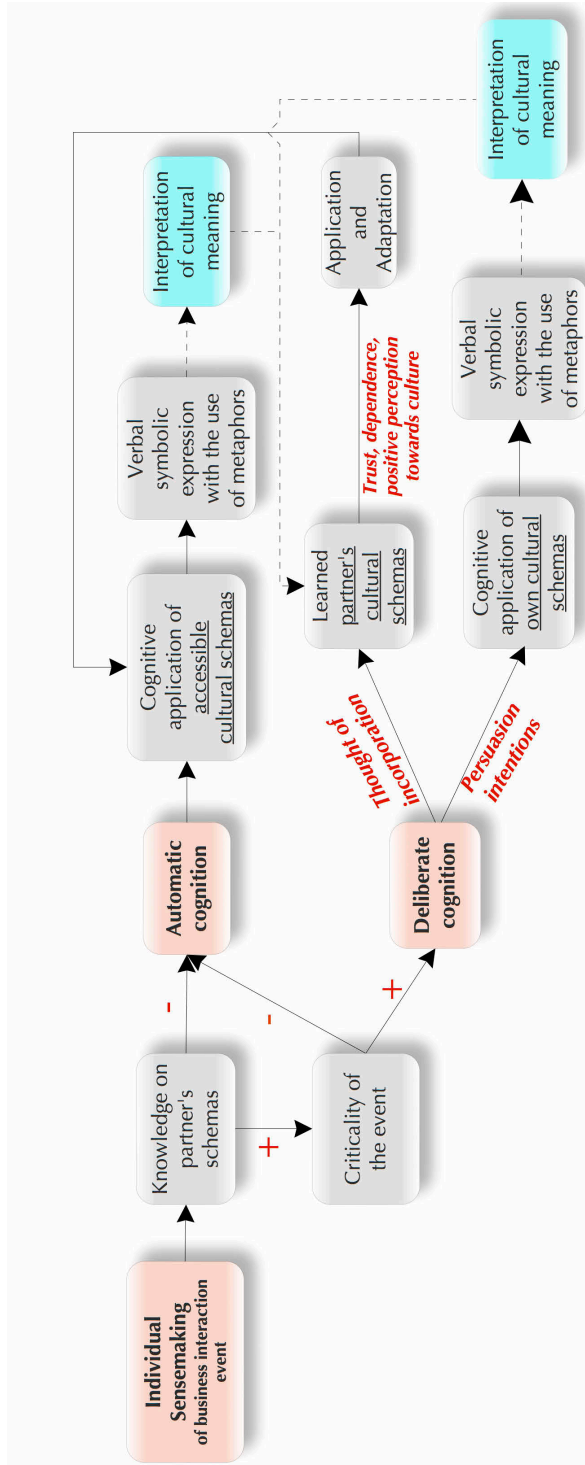


Figure 6. Conceptual framework developed in Article 4

The developed conceptual framework provides several propositions on how culturally imbued individual sensemaking occurs:

1. Low knowledge of the partner's schemas or low criticality of the event may trigger automatic cognition and the usage of more familiar and accessible cultural schemas by the individual.
2. In a case where the individual has considerable knowledge of the partner's cultural schemas and the criticality of the event is high, the individual might apply deliberate cognition when making sense of the interaction event. He/she may also decide to:
 - either try to persuade the partner to agree to his/her viewpoint by using his/her own cultural schemas,
 - or consider including the partner's cultural schemas in his/her own repertoire and adapting to them. The willingness towards adaptation however depends on positive perception of the partner's culture, trust towards the partner and the culture or high dependence on the partner. As mentioned in section 5.3 the possible reluctance of Finnish managers to adapt to Russian culture described in Article 3 may be rooted in the negative perceptions and lack of trust towards the Russian culture.
3. After incorporating and adapting to the partner's cultural schemas, it is possible that the individual will apply them automatically, due to the enhanced level of their "accessibility".
4. Verbal symbols, as metaphors and idioms, further assist the individual in communicating his/her cognitive sensemaking to the partner, who in turn may interpret and learn the encoded cultural schemas. However, due to the subjectivity of its interpretation, the verbal symbolic expression, and consequently the encoded schemas, can be understood and adapted to in a unique way. Nevertheless, the partner may automatically apply similar metaphoric expressions if the level of cultural adaptation is high.

Some of the concepts presented in this study were applied in Article 3. However, Article 4 is presented here as the final result, as it contains further development of the conceptualizations introduced in Article 3. The conceptual model developed in Article 4 needs to be empirically investigated in further research. Implications and contributions of the articles included in this study are presented in chapter 6.



CONCLUSIONS AND DISCUSSION

Culture has been recognized as an important, but unexplored component of international business relationships and interaction. This thesis has attempted to develop a coherent theoretical, methodological, and practical understanding of the role of culture in business relationships and interaction, focusing on the individual managerial perspective on the issue. The final chapter of the introductory part presents a discussion on the theoretical and practical contributions and implications of the research (sections 6.1 and 6.2). Furthermore, the limitations of the study and further research avenues are presented (section 6.3).

6.1 Theoretical contributions

This thesis advocates for a culture-centric approach in international business research. One of the motivations for this study is to develop the theoretical and conceptual underpinning of IMP theories in relation to culture. The study makes several theoretical contributions.

First, in contrast to the predominant research on culture in business (see Venaik & Brewer, 2010) this current academic work regards culture by avoiding any predefined national cultural models (e.g. Hofstede, 1980). The study applies an interpretive and social constructivist perspective on culture, which has rarely been done before (Lowe et al., 2005). In particular, it develops the application of the concepts cultural schema and verbal symbols (as metaphors and idioms) in business marketing research. The usage of these concepts allows various types of cultural knowledge to be regarded, e.g. business, traditional, professional, and the making of more thorough, individual-level cultural interpretations. It is also advocated that the challenges in intercultural interaction may arise from the application of different types of cultural schemas (e.g. business vs. traditional) by the managers participating in business relationships.

Second, it applies a different stance on the emic/etic and insider/outsider distinction. Previous business studies have mostly regarded this distinction in relation to the research methods and approaches (e.g. Morris et al., 1999)

towards studying culture. Here the emic/etic and insider/outsider distinction relates to the way we regard the cultural construct. Thus culture may be regarded as something either residing in the heads of the individuals, i.e. specific cultural schemas (emic/insider perspective) or as general norms and rules of behaviour of a cultural group, which exist before the participation of an individual in this particular cultural context (etic/outsider perspective). In this way, the thesis contributes to the discussion on etic/emic concepts in international business.

Third, previous studies on business relationships and interaction mainly consider an organization or network as the unit of analysis (Henneberg et al., 2010). Thus, even though the interviews for business studies are done with individuals, their “voices” are lost in the analysis process, through a generalization at the firm or network level. The current study considers the individual perspective on intercultural business interaction, by focusing on the “voices” of the individuals - particularly on how they construct their sensemaking of the issues in focus, through the application of cultural schemas and verbal symbolic expressions. Thus, the study contributes to the growing body of individual level research in the business marketing field. The research also contributes to business marketing literature by being one of the rare studies that investigate both sides of the business relationship dyad.

Furthermore, cultural studies on managerial sensemaking predominantly consider only organizational culture or national culture dimensions (e.g. S.G. Harris, 1994; Hatch & Schultz, 2002, Bird & Osland, 2006). In this study, individuals both inherit and learn new cultural schemas by being exposed to various cultural contexts (organizational, national, traditional, etc.) and incorporate these cultural schemas into their repertoire. The individuals further apply certain cultural schemas in their sensemaking about interaction events basing on the type of cognition (deliberate or automatic) in play. In particular, contrary to the predominant literature on sensemaking, which mostly sees it as a conscious process (e.g. Weick et al., 2005), here it is regarded as unconscious process. In this manner, the current work adds to the growing literature on managerial sensemaking in international business.

The study provides a conceptual and empirical understanding on how culture is applied in cognitive level sensemaking about interaction events and thus answers sub-questions 3 and 4. In particular, it presents a conceptual model of individual sensemaking about business interaction, incorporating concepts of cultural schema, automatic and deliberate cognition, and verbal symbols; thus providing several propositions concerning the role of culture in individual sensemaking of business interaction. Previous research on sensemaking in business relationships is scarce (e.g. Abrahamsen et al., 2012; Colville & Pye, 2010; Henneberg et al.,

2010) and even though culture has been highlighted as an important factor in sensemaking about business relationships (Möller, 2010), there is hardly any research considering this issue. Therefore, the developed conceptual model presents a novel approach to the study of sensemaking in intercultural business-to-business relationships and is one of the main contributions of the thesis. Furthermore, this work emphasizes the crucial role of narratives and figurative language (such as metaphors and idioms) in the process of sensemaking and its communication within a business relationship context. Therefore, cultural studies in business marketing and IMP research could also benefit from following the linguistic turn, which has already gained prominence in management and organization literature (Alvesson & Kärreman, 2000).

Finally, this research to some degree adds to the scarce literature on cultural adaptation in business relationship contexts (e.g. Pornpitakpan, 1999). Answering sub-question 1, the current thesis provides a conceptual categorization of the impact of cultural adaptation on trust development throughout the business relationship process. Thus, the thesis also fills a much-needed gap in literature on trust in intercultural business relationships context (Seppänen et al., 2007). This developed categorization could be useful in further studies of business relationships on the Russian industrial market and other emerging markets. The study also outlines some of the possible constraints for cultural adaptation in business relationships, e.g. negative perception and lack of trust towards a partner's cultural background, showing that cultural adaptation is a complex and gradual process. It thus implies that the relationship between trust and cultural adaptation is two-sided. Cultural adaptation requires trust especially towards the culture of the partner, while trust towards the partner requires cultural adaptation. The study further presents the cultural adaptation process in business relationships on an individual level, which is done through acquisition of the partner's schemas to the cultural repertoire of the individual. To my knowledge no literature in business marketing has highlighted the conditions for cultural adaptation in business relationships and how it occurs at an individual level. By uncovering these issues, the current work contributes to the extant literature. It also shows that considering the various individual perceptions and constructions of what is actually implied by cultural adaptation is important, and plays a role in individual sensemaking of business interaction. However, the issue of cultural adaptation in business relationships requires further research (see section 6.2).

6.2 Practical contributions for researchers and business practitioners

The study provides several practical contributions for researchers and business practitioners. Previous studies on culture in business were mainly conducted in

a quantitative manner (Leung et al., 2005) or with the application of predefined cultural model such as that of Hofstede (1980) to a qualitative study (e.g. Cheng & Seeger, 2012; Ardichvili et al., 2012). Furthermore, although there is a call for methodological developments in business marketing field (Lowe & Hwang, 2012), these types of contributions are rare. Thus, the main practical contribution for academic researchers lies in developing a methodological model for uncovering interaction in business-to-business relationships from an intercultural and individual perspective, which is also a response to sub-question 2. Linguistic constructs as narratives, metaphors and idioms play a crucial role in this model and help to discern the cultural schemas and meanings underlying the managerial sensemaking of interaction events. The understanding of the cultural connotations behind the individual sensemaking may further help in understanding the individual actions within the intercultural interaction and their outcome. This is due to the embeddedness of future and present actions in the understanding of the previous actions (see Ford & Håkasson, 2006). The developed model also raises a need to consider the role of language in qualitative research. In order to enhance the credibility of the research findings, scholars applying the methods included in this model should have an extensive pre-knowledge about the culture investigated and have a high level of skills in the language of the investigated subjects. Although this model and its application needs further development (see section 6.3), it can serve as a comprehensive methodological basis for researchers interested in in-depth, individual-level understanding of the intercultural aspects of business relationships and interaction.

The empirical context (Russian-Finnish business relationships) posed several challenges in terms of obtaining information (see sections 4.3 and 4.4.2). Therefore, the study provides some general recommendations for business researchers on how to obtain access to information from Russian top-managers, adding some updated and additional information to the guidelines developed by previous studies (e.g. Michailova & Liuhto, 2001). First, contact details of Russian managers are easier to obtain through Western business partners. Moreover, the initial contact with Russian managers should be arranged with a reference to e.g. their Western business partner, meaning that it is beneficial to mention that the business partner gave the contact details. During an interview with a Russian manager, some interpersonal communication should take place before proceeding to the actual research questions, concurrently considering the general ethical principles of communication. This may help to establish trust and rapport with the respondent.

The role of gender in business-to-business research is also discussed contributing to the research, which highlights the importance of the researcher's qualifications

in the investigation process (e.g. Polsa, 2007). However, contrary to Polsa (2007), who looks at researcher qualifications in relation to national culture differences, the present work regards them in relation to professional culture context. The main implication is therefore that due to the male domination of management in the heavy industrial field (in particular in Russia and Finland) the female-male setting of the interview can benefit the research by increasing the openness and emotional expressivity of the male respondents. This is due to the higher ability of the male respondents to achieve the perception of being in control of the situation and preserving masculinity in a female-male interview setting.

The main managerial implications include the following points. First, when training the personnel for intercultural interaction (if there is any cultural training), firms usually stress predefined national cultural models. The present thesis highlights that situation-specific cultural knowledge, e.g. various cultural schemas applied to different situations, can be of higher practical value than general knowledge of national cultural dimensions. Second, knowledge on culturally specific figures of speech, such as metaphors and idioms, may also present itself a useful practical tool for business practitioners to reach an understanding of the partner's culture and improve intercultural communication. Finally, cultural adaptation can be more effective when done on the basis of knowledge obtained through interaction and when there is no cognitive resistance to culturally adapt (e.g. negative perceptions towards the culture). In turn, resistance to cultural adaptation may cause subtle interaction problems. Furthermore, while practitioners often regard cultural adaptation as vital only in the first stages of business relationships, this study shows that it is crucial for managers to culturally adapt to particular situations during interaction in further phases of a business relationship.

Another motivation was to enhance the managerial understanding and provide up-to date findings on cultural aspects of Finnish-Russian business-to-business relationships and interaction. The results provide situation-specific practical understandings of business relationship development and interaction in the Russian business market. In general, they emphasize the importance of developing personal relationships with the Russian business partners, which corresponds with previous literature (e.g. Salmi, 1996; Michailova & Worm, 2003). Furthermore, the study still recognizes such traits as opportunism and short-term orientation, which were highlighted by researchers as consequences of transition (see Salmi, 1996), and are still recognized as prevalent. Thus, a conclusion can be drawn that although Russian business especially in big cities, such as Moscow and Saint-Petersburg (where the empirical studies took place), claim to have adopted western business culture and thinking, the cultural traditions developed over centuries are hard to replace. Consequently, the thesis

highlights the importance of understanding a historically bound traditional culture for managers planning to operate in the Russian market. Moreover, in contrast to previous literature, which sometimes treats the Soviet Union era as the cornerstone for modern Russian mentality (e.g. Ralston, Holt, Terpstra & Kai-Cheng, 2008) most of the cultural differences uncovered here are rooted in history and traditions that date back to a time long before the Soviet Union. These differences form the unique “Eastern” approach of Russian business. An understanding of this approach can help to develop favourable business relationships with Russian firms. In turn, Russian business society should not attempt to blindly imitate the Western business model and omit the bases of its cultural identity, but acknowledge its own traditional cultural aspects.

Due to certain reasons mentioned in section 1.2, the particular focus of the study is on the cultural aspects of Russian managers’ actions and thinking. However, it also provides some knowledge concerning the cultural aspects of business interaction in the Finnish industrial market, which has rarely been done in previous literature (e.g. Granlund & Lukka, 1998). Thus, the current work can help companies that are seeking to establish business relationships with Finnish companies by providing an understanding of Finnish managers’ thinking. To conclude, business practitioners can benefit from the practical knowledge presented in this research by applying it accordingly. Although the research was conducted in a particular industrial context, the results of the study are not industry-bounded, due to being focused mainly on the cultural background of the respondents as members of society in a particular country.

6.3 Limitations and further research avenues

Despite the aforementioned contributions, the limitations and further research avenues should also be acknowledged. First, although highlighting the necessity to regard various types of cultural knowledge, the concepts of cultural schemas and business culture applied are still embedded in a particular country’s context. Thus, one avenue for further research would be to investigate cultural differences in business relationships considering, for example, professional cultures regardless of the country factor.

Second, the issue of cultural adaptation is not sufficiently demonstrated, due to the one-sided nature of the investigation in Article 1, and other focus areas in Article 3. Moreover, the interview guide for Article 1 included a scale regarding the level of adaptation, which did not allow flexibility of interpretations, thus being, to some extent, of a positivistic nature. Further research is needed in order to provide an empirical illustration of the cultural adaptation process, in

particular regarding the adaptation to cultural schemas between individuals participating in dyadic business relationships, based on the conceptual model developed. In relation to this issue, it would be of particular interest to investigate bicultural individuals and how they switch between the cultural schemas in interaction across cultures, thus allowing improvement of intercultural business relationships. Further comparison of bicultural managers' processes of schema switching with those of monocultural but culturally adapted managers would allow useful theoretical and managerial implications to be drawn on cultural adaptation in business relationships. Moreover, the possibility of mutual culture construction between the dyadic relationship partners and appearance of new, mutual cultural schemas could be an intriguing avenue for further research, and would allow more implications to be drawn as regards the role of culture in business relationships. For this purpose, conducting a longitudinal study may be preferable, although not imperative. Finally, the use of deliberate vs. automatic cognition in sensemaking across business relationship development could be of interest for further investigation and would allow further understanding of the managerial thinking in various intercultural situations.

Third, the lack of knowledge on the "industrial" language of the respondents resulted in restrictions for uncovering more metaphors applied by the respondents and thus for uncovering the professional culture. In future, it would be of interest to conduct research that applied the developed methodological model by first obtaining an extensive pre-knowledge of the industrial and professional culture and language of the respondents. This may provide results not only on the traits of the country's business culture, but also on the professional cultures. Considering the metaphor analysis technique, an investigation and comparison of metaphors applied in sensemaking of business relationships and interaction across cultures could be useful both for theoretical and practical purposes. Thus, providing business practitioners with a list of metaphors applied in a certain culture could improve their business interaction with the partner by the means of an in-depth cultural understanding. In a theoretical sense, such list of metaphors could be useful for developing business theories and concepts. Furthermore, the methods applied represent only one way to approach intercultural issues in business marketing research. Other methods of textual data analysis, e.g. discourse analysis, rhetorical analysis, semiotic analysis, might also bring fruitful results and require further consideration and investigation.

Finally, I do not particularly claim the results of this study to be generalizable to larger samples, as the interpretations presented are context- and situation specific. However, the presented rigorous description of the findings might help in transferring them to other contexts (see Lincoln & Guba, 1986). In particular, the empirical findings concerning Russian-Finnish business relationships can be

useful in other developing-developed country contexts. In turn, the developed methodological and conceptual models can be applied to the study of business relationships and interaction occurring in various cultural contexts (i.e. national, professional, industrial). Readers should re-interpret the findings according to the context in which they plan to apply them. I hope that this research work will also encourage scholars to draw more attention to cultural issues in business research and generate more interpretive studies on this topic.

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APPENDIX 1 Summary of the interviews made for the study

Interview for	Firm No	Respondent's position	Gender	Origin	Firm origin	Industry	Firm size	Relationship type (Fin-Rus)	Interview language
Pilot study	1	Project manager/ Managing director of the Russian subsidiary	male	Finnish	Finnish	Metal construction	13	Seller-buyer relationship	English
	2	Managing director	male	Finnish	Finnish	Electrical engineering	10	Subsidiary-headquarter relationship	English
	3	Managing director / Owner	male	Russian	Russian	Electrical engineering	n/a		Russian
	4	Sales manager / Managing director of the Russian subsidiary	male	Finnish	Finnish	Electrical engineering	n/a	Seller-distributor relationship	English
	5	Managing director	male	Russian	Russian	Electrical engineering	n/a		Russian
Article 1	6 (A)	CEO	male	Finnish	Finnish	Metal construction	71	Seller-buyer relationship	Finnish
		Sales manager	female	Russian (bicultural)	Russian (bicultural)				Russian
	7 (B)	CEO	male	Finnish	Finnish	Metal construction	80	Seller-buyer relationship	Finnish
		Sales manager	female	Russian (bicultural)	Russian (bicultural)				Russian
	8 (C)	CEO	male	Finnish	Finnish	Mechanical engineering	170	Seller-buyer relationship	Finnish
	9 (D)	Sales director	male	Finnish	Finnish	Metal construction	37	Seller-buyer relationship	Finnish
		CEO	male	Finnish	Finnish	Mechanical engineering	45	Seller-buyer relationship	Finnish
		Financial manager	female	Finnish	Finnish				Finnish

Interview for	Firm No	Respondent's position	Gender	Origin	Firm origin	Industry	Firm size	Relationship type (Fin-Rus)	Interview language
Article 3 * (* No. 12 also used for Article 2)	11 (A)	Founder / Managing director	male	Finnish	Finnish	Mechanical engineering	12	Seller-buyer/ distributor relationship	Finnish
	12 (B)	Technical director	male	Russian	Russian (with Swedish roots)	Mechanical engineering	700		Russian
	13 (C)	Owner / Managing director	male	Finnish	Finnish	Mechanical engineering	20	Seller-buyer/ distributor relationship	Finnish
	14 (D)	Owner&Founder / CEO	male	Russian	Russian	Mechanical engineering	20		Russian
	15	CEO	male	Finnish	Finnish	Mechanical engineering	58	Seller-buyer relationship	Finnish
		Sales manager	female	Russian (bicultural)	Russian				Russian
	16	Owner&Founder / CEO	male	Russian	Russian	Mechanical engineering	50		Russian

How important is this information and why?

1 2 3 4 5
“extremely important” “very important” “important” “slightly important” “not at all”

Do you think that you still have to learn about your partners’ behavior and/or way of doing business? “Yes” _____ or “No” _____

5. What do you think Russian partners expect from you at the first and following interactions?

6. To what extent did you adopt to your Russian partners__behavior and/or way of doing business based on your learned information during further interactions **with them**?

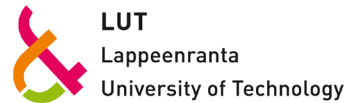
1 2 3
“substantially” “moderately” “not at all”

From your point of view, to what extent this adaptation was important for the support of your partners’ trust development during further interactions?

1 2 3 4 5
“extremely important” “very important” “important” “slightly important” “not at all”

Could you please give some examples of adaptation to a partner’s way of doing business?

APPENDIX 3 Cover letter for Article No 3 (English version)



Dear Sir/Madam,

We are currently undertaking joint research at the School of Business and Economics, Åbo Akademi University and The School of Business in Lappeenranta University of Technology. Our study aims to find out how different understanding between Finnish and Russian managers on issues such as business networks and relationships affect cross-border business interaction.

For this purpose, we are seeking input from the business community. We have selected your company to represent the Finnish counterpart. We would be extremely grateful if you could **dedicate time to participate in our research**.

All replies will be treated in **strict confidence** and the analysis will be carried out in such a way as to ensure complete **anonymity for all the participants**.

The purpose of this research is to investigate the role and nature of interpersonal interaction within Finnish-Russian business relationships context. The study aims to accommodate responses from both Russian and Finnish parties which allow a holistic understanding of the interaction and business relationships.

The final research report will include a thorough analysis of the obtained interviews and secondary data and **will provide** an understanding of the following aspects:

- ✓ The nature of business interaction and relationships between Russian and Finnish firms in engineering industry;
- ✓ The role of individuals in business interaction and relationships.
- ✓ The influence of cultural differences on business interaction and relationships;
- ✓ The process of learning and adapting to cultural differences;

Summary of the research findings will be sent to companies who have participated in the research. Your cooperation in this research would be much appreciated

Kind regards,
Maria Ivanova
Junior researcher
School of Business and Economics, Åbo Akademi University
Henrikinkatu 7, 20500, Turku
e-mail: mivanova@abo.fi

APPENDIX 4 Interview guide for article No 3 (English version)

INTERVIEW GUIDE
A. Could you please tell me a little about yourself?
<ul style="list-style-type: none"> • Educational background, prior work experience before getting into the company?
<ul style="list-style-type: none"> • How did you get started in this profession and in particular, in this company?
<ul style="list-style-type: none"> • What is your current position in this company? How long have you held this position?
<ul style="list-style-type: none"> • What are your major responsibilities?
<ul style="list-style-type: none"> • What do you particularly enjoy about your work?
<ul style="list-style-type: none"> • What are some of the challenges you face?
<ul style="list-style-type: none"> • What is essential for you in business?
B. Could you please describe your company and its business?
<ul style="list-style-type: none"> • Which business processes are considered as key in your company?
<ul style="list-style-type: none"> • From your point of view what are the main principles of doing business in Russia/Finland? What are the main principles of doing business in your company?
<ul style="list-style-type: none"> • What is of ultimate significance for your company, from your point of view? What are the key issues for success?
<ul style="list-style-type: none"> • How do you communicate within the company? How could you describe the atmosphere within the company (e.g. a day from the worklife within the company)?
<ul style="list-style-type: none"> • Could you please tell me a little about formal and informal meetings within the company. How often do they happen? Where? What issues are raised there?
C. Understanding of business concepts/terms
<ul style="list-style-type: none"> • How would you in your own words describe your vision of business relationships in a Russian context (if you were dealing on the Russian market/with Russian partners)? What analogies would you use, how would describe/imagine it?

<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of business interaction in a Russian context?
<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of (business) networking in a Russian context?
<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of management/entrepreneurship in a Russian context?
<ul style="list-style-type: none"> • How would you in your own words describe your vision of business relationships in a Finnish context (if you were dealing on the Finnish market/with Finnish partners)? What analogies would you use, how would describe/imagine it?
<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of business interaction in a Finnish context?
<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of (business) networking in a Finnish context?
<ul style="list-style-type: none"> • Using the same way of explaining as before, how would you describe your vision of management/entrepreneurship in a Finnish context?
<ul style="list-style-type: none"> • What do you think Finnish managers expect from business relationships in Russia? Could you give some analogies or a picture of that? / Could you describe that in simple words, using analogies and some pictorial descriptions?
<ul style="list-style-type: none"> • From your point of view, are these expectations usually met?
<p>D. Business relationships with the partner (general info)</p>
<ul style="list-style-type: none"> • What information did you have before contacting the partner? (e.g. information on technical characteristics, information on way of doing business, business practices, etc. – tell more about it)
<ul style="list-style-type: none"> • What channels of information did you use to obtain information on the Russian counterpart? Did you have any intermediary persons to help you receive knowledge on the partner and business practices in Russia?
<ul style="list-style-type: none"> • What initial ideas on the partner did you have before contacting him? How did you think he should behave and act? What was the general perception of the partner before contact?
<ul style="list-style-type: none"> • What were the main reasons for your company to engage in business relationships with this partner?
<ul style="list-style-type: none"> • For how long have you known each other? When and how did the relationships start?
<ul style="list-style-type: none"> • Now that you are in business relationships, could you tell something on your partner? (What kind of company? Key contact person?, etc.) What is your role in business relationships with your partner?

<ul style="list-style-type: none"> • Could you please tell me a detailed story on how business relationships with your partner developed, including the description of specific interaction moments/events along the development process.
<p>E. Key events within business relationships (detailed) (Events that you remember the most description)</p>
<ul style="list-style-type: none"> • Could you try and recall a few of what you consider the most critical events in relationships with your Russian/Finnish partner?
<ul style="list-style-type: none"> • Where and when did the event occur?
<ul style="list-style-type: none"> • From your point of view, what were the reasons for this event to take place?
<ul style="list-style-type: none"> • Describe the people that participated in this event. (How did people behave/act during this event? How could you explain yours and partner's actions in this event?)
<ul style="list-style-type: none"> • What happened during this event? Could you please describe it in as much detail as possible. (e.g. issues raised, problems that occurred, your perceptions, feelings, etc.)
<ul style="list-style-type: none"> • How did you handle this event? In particular, how was the interaction held during this event? (Describe the interaction as vivid as possible)
<ul style="list-style-type: none"> • Where there any moments that caused misunderstandings? Please describe the misunderstandings that took place. From your point of view, why did these misunderstandings arise?
<ul style="list-style-type: none"> • What was the outcome of the key event?
<ul style="list-style-type: none"> • What general changes occurred after the key event?
<ul style="list-style-type: none"> • What did you do to improve the interaction with the partner? How did you get accustomed to the partner's way of doing business? What particular changes were made in the way of dealing with the partner after the event?
<ul style="list-style-type: none"> • Is there something else you would like to mention regarding your business relationship with the partner?

Maria Ivanova-Gongne

Culture in Business Interaction: An Individual Perspective

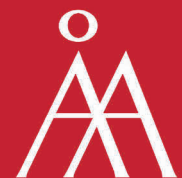
Empirical studies in Finnish-Russian business relationships

Despite the “openness” of the world and the possibility to travel and learn new cultures, cultural differences still play a major role in the way people act and think. This is no exception in business relationships and interaction, where the main actors are people with a certain cultural background that plays a role in their sensemaking and actions.

The main objective of this thesis is to reach a holistic and in-depth understanding of the intercultural interaction within dyadic business relationships through the perspective of individual managers. The individual perspective on culture in business interaction is regarded by focusing on the “voices” of the individuals - particularly on how they construct their sensemaking and understanding of business interaction and how it is culturally imbued. The thesis develops the application of the concepts of sensemaking, cultural schema and verbal symbols (as metaphors and idioms) in business marketing and additionally provides knowledge on cultural adaptation and its relation to trust development, thus contributing to the literature.

Empirically the study looks at Finnish-Russian business relationships. Despite being trading partners for decades cultural misunderstandings still appear in the business relationships and thus need to be considered in order to improve business interaction. By considering both Finnish and Russian managers perspectives on the issue this study provides an up-to-date picture of the cultural aspects of business relationships and interaction between Finnish and Russian firms.

The four articles included in the manuscript regard the conceptual, methodological and empirical questions concerning the individual perspective on culture in business interaction, thus providing a comprehensive overview and several models useful both for practitioners and researchers. The results stress the importance of considering the individual and cultural perspective in business marketing.



**Åbo Akademi
University**

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