Springboard, Parachute, and Sprint

How Emerging Market Multinational Enterprise Can Manage Cultural Distance and Recruit Top Talent in Advanced Markets

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Abstract

The purpose of this thesis is to analyze how emerging market multinational enterprises (EMNEs) can effectively bridge the cultural gap between their home market operations and internationalized operations in advanced markets like Sweden, particularly with regards to adapting recruitment strategies to secure top talent in the new business context. The authors aim to expand the existing 'springboard framework' for internationalization by multinational enterprises originating in emerging market countries which are increasingly reshaping the global competitive landscape. The study interviewed seven managers with extensive experience working in both advanced and emerging markets, and five top talent from two of the highest ranked Swedish business schools. The study found that for EMNEs cultural distance is a secondary consideration when expanding to advanced markets and their main focus is showcasing their value proposition to clients, customers, and top talent alike. From the experience of the executives interviewed for this thesis, top talent prioritizes organizational and managerial values that a company imbibes and the career progression that it provides over remunerations. This was confirmed by the top talent we interviewed who repeatedly spoke about how important career opportunities and organizational values were for them. The findings from our thesis contribute to expanding the field of cross-cultural management theory by supplying a qualitative study of EMNE adaptation for internationalization. They also contribute to the recruitment literature by demonstrating how EMNEs have to adapt their HRM systems to the local environments in order to gain the attention of and acquire the local top talent.

Keywords: Cross-Cultural Management, Internationalization, Emerging Markets, Emerging Market Multinational Enterprise, Recruitment, Top Talent, AMO

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List of Abbreviations

EM: Emerging Market

AM: Advanced Market

MNE: Multinational Enterprise

EMNE: Emerging Market Multinational Enterprise

AMNE: Advanced Market Multinational Enterprise

BRIC/-S: Acronym coined for the association between Brazil, Russia, India, China (and South Africa), five
of the fastest emerging markets in the world.

N-11: Acronym for the eleven countries that are poised to become the biggest economies in the world in
the 21st century, after the BRIC countries. The next eleven are South Korea, Mexico, Bangladesh,
Egypt, Indonesia, Iran, Nigeria, Pakistan, the Philippines, Turkey and Vietnam.

HRM: Human Resource Management

SHRM: Strategic Human Resource Management

AMO: Abilities, Motivation and Opportunities Framework

M&A: Mergers and Acquisitions

1. Introduction

The persistent growth of economic and corporate globalization continues to integrate the world into a single market for goods and services. In such a scenario, it is increasingly difficult for a successful firm to stay within the confines of its home market and not stagnate profits. While many new corporations today are essentially "born global", a large number of corporations are internationalizing to outgrow local markets through strategies that aim to successfully penetrate new markets (Fang et al., 2017). Fang et al. (2017) introduced the parachuting internationalization metaphor which utilizes a dynamic view on culture to integrate the Uppsala and Born Global models of internationalization, reconciling their contradictory aspects and producing an insightful perspective on how modern organizations can drop into new complex environments where some degree of preparation must be supplemented with adaptive activities.

Emerging Market Multinational Enterprises (EMNEs) represent multinational corporations from emerging markets such as BRIC/-S and the N-11. A decade or two ago the world markets were dominated by advanced market multinational enterprises (AMNEs) from countries such as the USA, UK, Germany and Sweden. In the last decade, however, EMNEs have made a mark for themselves in the world market. In Forbes magazine's "Global 2000" list of biggest public companies in the world, five of the ten biggest companies are from China (Forbes, 2018). Given the importance and fast spread of EMNEs, it is essential to look into how they manage to internationalize so rapidly.

As Luo and Tung (2007)point out, EMNEs have also changed the international business research landscape. While AMNEs historically (and to a large extent even now) took decades of research and cautious steps before deciding to internationalize in other markets, EMNEs, have a history of internationalizing very quickly. Haier, a white good manufacturer from China, for example, internationalized to the USA in less than ten years after expanding to neighboring markets of Indonesia and Malaysia.

Luo and Tung (2018) describe the Springboard Perspective used by internationalizing EMNEs in particular. EMNEs quickly expand to new markets through springboard activities such as lightning fast internationalization or acquiring firms which hold strategic assets. The motivations for springboarding include the demand for new markets and consumer bases, access to technologies,

and the capability to acquire and harness new human resources with technical, managerial, or specific market knowledge that are crucial for EMNEs to compete globally. Luo and Tung (2018) emphasize the importance of strategic intent for 'springboard internationalization' by EMNEs, mainly to "...systematically and recursively use international expansion to better equip themselves to compete against global rivals, reduce vulnerability to home institutions, and fortify their home base to further catapult, domestically and internationally" (Luo & Tung, 2018, pg. 131).

The UNCTAD report for 2018 indicated cynicism regarding a recovery from the 17% FDI drop in developed and transition economies and nearly no growth in developing economies. The report underlines the increasing importance of a reliable global investment environment founded on open, transparent, and fair trade policy (United Nations Conference on Trade & Development, 2018). As emerging markets are improving in these regards, and EMNEs are increasingly being driven to internationalization as well as foreign mergers and acquisitions (Varma et al., 2017); it is incredibly interesting to consider how EMNEs can ensure successful internationalization to and recruitment in advanced markets so as to improve competitive advantage and market position globally. In the light of this and the emergence of applicable internationalization theories, the purpose of this thesis is to shed new light on how EMNEs can successfully adapt to cultural factors and acquire valuable top talent to achieve strategic objectives.

1.1.   Problematization

There are many forces that cause EMNEs to venture from their home market into the global playing field. Of significant importance is expanding to advanced markets where strategic capabilities can be acquired or developed (Luo & Tung, 2007). EMNEs acquire developed market firms for tacit knowledge (such as market knowledge, technical know-how, and managerial expertise) embedded in human resources as well as intellectual property (patented technology, design, etc.). In order to acquire and effectively utilize tacit knowledge embedded in acquired human resources in developed economies, it is crucial that new employees (as well as expatriate employees from the home country) are managed effectively, ensuring an attractive workplace for existing and new employees. There is very little research on the subject of cross-cultural management to mitigate the cultural distance in EMNEs internationalizing to advanced markets (Luo & Tung, 2018). There is also very little research on how such 'springboarded' EMNEs work to attract the best talent in order to capitalize on one of the key advantages offered by expanding operations to technologically advanced innovation-intensive regions such as Stockholm (Luo & Tung, 2018). Luo & Tung (2018; 2007) developed the theory of Springboarding to challenge

current models of international business and organizational internationalization, offering a unique perspective that helps better understand the driving forces and patterns of EMNE internationalization as more of them rise to become serious global contenders.

General calls for qualitative research have been made with regards to EMNE internationalization to "...explain those aspects of knowledge which cannot be captured quantitatively" (Buckley et al., 2016, pg. 683). There have also been calls for creating new internationalization theories to gain new insights (for example Ramamurti & Singh, 2009) and fresh research producing innovative internationalization theories such as parachuting internationalization (Fang et al., 2017) which integrates two contradictory models (Uppsala and Born Global) and creates a new approach that merits further research.

There are unique characteristics found in EMNEs shaped by vastly different environments that produce idiosyncratic approaches and capabilities that are often valuable in developing or complementing existing MNE theories and aiding practitioners (Luo & Tung, 2007). EMNEs often have unique characteristics that result in unique capabilities and competencies. Increasingly research has been conducted into valuable managerial knowledge that can be acquired by studying the management methods of EMNEs from countries such as China which have been experiencing exceedingly rapid development. This has given rise to the ambidexterity perspective to internationalized EMNEs which helps better understand the differences in thinking which result in different ways of viewing problem-solving and decision-making, producing unique advantages as a result (Luo & Rui, 2009). In a similar vein is the ambicultural approach to management introduced by Chen & Miller (2010) which demonstrates how the thriving Chinese business culture can be a "potential fount of managerial wisdom that can help renew Western economies," (Chen & Miller, 2010, pg. 17). The findings highlight the value in using new perspectives to better capture the broad range of business and management dynamics that are influenced by culture. However, there remains much work to be done in studying how EMNEs maneuver in and adapt to new environments (Chen & Miller, 2010; Luo & Rui, 2009).

Fundamental issues with cross-cultural research assumptions have led to calls for new approaches and perspectives to building quality research and theory. Alternatives to using cultural dimensions for micro-level interviews (Tung & Verbeke, 2010), the lack of competing perspectives to challenge the paradigmatic positivist tradition (Romani et al., 2018), rich and descriptive interpretative research which challenges negative and rigid assumptions of culture (Stahl & Tung, 2015), and the

use of experimental methods to access and study culture's impact on business in new ways (Leung et al., 2005) are some important suggestions. We believe that applying these suggestions will be valuable in studying EMNE internationalization and recruitment, helping capture the nuance involved in the cultural interplay.

Much of the research on SHRM, HRM systems, and recruitment has been conducted in the West and it is therefore appropriate to seek to rebalance the literature (Pudelko & Harzing, 2007). Although the scope of this thesis cannot problematize and dispute the general theories in this field, studying the context and adaptation required of SHRM systems in internationalizing MNEs contributes to exploring the context that is more relevant to future globalized business than current studies centered in more localized environments. Like their cross-cultural researcher counter-parts, SHRM researchers are increasingly aware of the complexity and inseparability of context when studying the management of human resources, and therefore have called for qualitative and interpretive research to gain insights and address the quantitative research dominance (Jackson, Schuler & Jiang, 2014; Scully et al., 2013).

1.2. Purpose and Research Questions

The purpose of this thesis is to research how EMNEs internationalize into advanced markets like Sweden and adapt for cultural factors to acquire top talent. Sweden is considered an innovation hub making it an ideal environment both for scouting new talent and for potential acquisitions targets for EMNEs. With this in mind, we will focus on EMNEs and find out how they manage the cultural distance between their home market and the Swedish host market, and how they manage to acquire new top talent in the Swedish market. The following research questions are formulated with the intention of fulfilling this purpose:

> **RQ1:** How can emerging market multinational enterprises (EMNEs) manage cultural distance between their home and host markets when internationalizing to developed markets?

This question is important since an increasing number of EMNEs have been successfully internationalizing to advanced markets and the steps they take to minimize the cultural distance or mitigate the tensions arising because of cultural distance highlight the steps they take (or have taken) to be successful in their host markets.

RQ2: How can these internationalizing EMNEs attract new talent in the host country? This question is important because the large number of EMNEs that are expanding into advanced markets need to recruit talent in their host countries and the strategies they use to do this could be extremely different from their strategies used in their home countries. The differences and the practices used in the two markets would also show the ease with which EMNEs can adapt to their new cultures.

1.3.   Delimitations

In designing this thesis and addressing the research questions, admittedly wide nets have been cast into the large bodies of research constituting the fields of cross-cultural management, internationalization, motivational psychology, and strategic human resource management (recruitment theory in particular). Unfortunately, the scope of a master's thesis does not allow delving too deep into any of these vast oceans of theory. The ambition to reach and recombine knowledge in different areas of the social sciences through experimental methods is true to the aspirations of admirable researchers (answering calls by for example Leung et al., 2005), and an intended contribution of this includes a humble attempt to view these areas of research in a slightly different light in relation to each other.

2. Theory

The following section gives an overview of the existing literature that we have used to establish our conceptual framework. The theory section attempts to evaluate the current literature in the fields of cross-cultural management, EMNE internationalization, and strategic human resource management and recruitment. The section ends with presenting the conceptual framework used to understand and analyze the empirical findings.

2.1.   Previous Literature

Author(s) and Year	Perspective(s) and Contribution(s)	Theme
• Stahl & Tung (2015) • Romani et al. (2018) • Verbeke & Tung (2010) • Fang (2012, 2005)	Dynamic perspectives for studying the impacts of cultural factors on management. Yin-Yang perspective on holistic cultural analysis.	Perspectives on Cross-Cultural Management
• Luo & Tung (2007, 2017) • Rodriguez-Arango & Gonzalez-Perez (2016) • Luo & Rui (2009) • Chen & Miller (2010)	EMNE background information	Emerging Market Multinational Enterprise
• Luo & Tung (2007, 2017) • Fang et al. (2017)	Springboard Perspective Parachuting Internationalization with GLOCAL Approach	Internationalization
• Baron, Burton, & Hannon (1996) • Collins & Kehoe (2016) • Jackson, Schuler, & Jiang (2014)	Resource-Based View Behavioral Perspective HRM systems, including employee selection, attachment, and motivation	Recruitment
• Collins & Kehoe (2016) • Ryan & Deci (2000) • McClelland (1984) • Mumford (2000)	AMO Framework Conceptual basis for ability, motivation, and opportunity as analytical terminology	Abilities, Motivation, and Opportunities

Table 1: Key resources in establishing the theoretical framework

2.1.1. Cross-Cultural Management

The last two decades have seen increased internationalization from enterprises from emerging economies. These enterprises have not only managed to overcome their home base disadvantages and competition, but also expanded their operations to the global stage becoming some of the most prominent players in international market (Alibaba from China, Tata Consultancy Services from India, Cemex from Mexico, Gazprom from Russia, and Embraer from Brazil). The EMNE

growth trend is expected to continue for years to come and several researchers are focused on how EMNEs set themselves apart from traditional MNEs during their growth and internationalization phases. A major consideration is the cultural distance between the home market and the host market.

Hofstede (1980) revolutionized international business theory with his seminal work *Culture's consequences: International differences in work-related values*. This essentially exploded the field of cross-cultural management in light of globalization, with Hofstede's early works producing widely accepted dimensions of national cultures that describes how a culture impacts the values of its members. These dimensions are power distance (how willing people are to accept unequal power distribution and cede power up the hierarchy), individualism vs. collectivism (the extent to which the society is organized into groups), uncertainty avoidance (or the level of tolerance for ambiguity or the unexpected), masculinity vs. femininity (the orientation of society toward stereotypical masculine ideals such as achievement and heroism or stereotypical feminine ideals such as cooperation and modesty), long-term orientation vs. short-term orientation (how the society values past events as determinants of present and future action with a long-term orientation implying more traditionalism), and indulgence vs. restraint (the degree to which the society allows self-gratification and fulfilling personal desires) (Hofstede, 1991). There have been many popular recasts and attempts to improve cross-national dimensions such as dimensions proposed by Trompenaars (1993) or GLOBE (House et al., 2004).

More recently, a pragmatic and accessible book for business practitioners appeared in the popular literature written by Erin Meyer (2014) of the INSEAD institute titled *The Culture Map: Decoding how people think, lead, and get things done across cultures.* Meyer's framework introduces spectrums around key international business areas like communication, feedback, persuasion and negotiation, hierarchy and power, decision-making authority, trust, disagreement, and time-orientation where she places different national cultures in relation to each other to demonstrate how they compare to each other more pedagogically than merely measuring and assigning numbers. Over time, the work of Hofstede and his contemporaries have been problematized for lacking the nuance to generate explanatory power with regard to cross-cultural interaction (for example, McSweeney (2015) who breaks down the common foundations and common resulting flaws produced by these models). There are positive effects for research offered by improving scales that increasingly allow us to study cultural differences across and within countries through psychic distance constructs (Dow & Karunaratna, 2006) which has resulted in many new approaches and perspectives for

theory-building in order to increase the quality of research and resulting theories (Tung & Verbeke, 2010). However, it is important that researchers are aware of the fundamental flaws inherent in some of the most influential and ground-breaking research in the field.

Tung and Verbeke (2010) highlight the deep division in cross-cultural research regarding what the elements that constitute culture are, supplying examples pointing out the deficiencies in much cross-cultural management research such as constructing dimensions based on too few countries as sample size or the ambiguity in cultural dimension implications based on system (i.e. Hofstede's definition of uncertainty avoidance differing from that of the GLOBE dimensions). This highlights a big issue in how researchers should measure culture and study its implications on management in practice. Researchers have proposed perspectives that take into account the full complexity of culture as a construct with multiple layers and levels with myriad complex connectivity and strongly advocate experimental methods (Leung et al., 2005) and have criticized the over-emphasis on cultural values as not being conducive to capturing the complexity with which these multiple layers and levels of culture and values affect behavior (Gelfand, Nishii & Raver, 2006).

Suffice to say, it is crucial to understand the limitations of previous research given the complexity of cultural and social dynamics. Recognizing the strengths and weaknesses of previous research is essential in increasing the quality of future research. Tung and Verbeke (2010) challenge ten common assumptions on cultural distance and measures that are present in applied international business research, broken down into three types: general limitations, remediable weaknesses in empirical research design, and weaknesses that require re-conceptualization. The general limitations are of particular interest as they highlight the assumed symmetry in scores for distance measures between countries (i.e. by assuming cultural distance affects the groups subject to the distance equally), the assumption of homogeneity within a culture, and the stability of cultural dimensions over time (Tung & Verbeke, 2010). The thesis that cultures are stable and not highly adaptive is almost entirely obliterated as the effects of globalization become universally apparent. As a result, many scholars are taking different approaches to increase the quality and novelty of cross-cultural management research in order to understand the effects far more deeply. Romani et al (2018) point out that despite garnering less attention than the dominant positivist research tradition, cross-cultural management research would be incomplete without acknowledging the contributions of interpretivist, postmodern, and critical research.

Fang (2005) contributed a valuable metaphor that illustrates the shift in view on culture and values toward a more accurate representation. Through discarding the static Hofstedian view of culture as an onion with rigidly defined layers and boundaries, Fang (2005) proposes the ocean metaphor to describe culture as both deep and complex but also boundaryless as it relates to other cultures and importantly fluid as it is subject to change over time especially as dormant traits deep in the ocean rise reactively to external events. Faure and Fang (2008) illustrate this dynamism in culture by studying the changing Chinese values, highlighting the core ability of Chinese culture to manage paradoxes in light of the astounding amount of cultural change that has taken place in the past few decades. Dynamic approaches are likely to yield more nuanced and valuable knowledge in cross-cultural studies as the field of research has matured and the main value of large-scale cultural distance indicators has been integrated into common knowledge, often referred to as cultural intelligence (Livermore, Van Dyne & Ang, 2012) which is increasingly valued by top MNEs.

2.1.2. Emerging Market Multinational Enterprise

There is a steadily growing research body around the emergence of hugely successful multinational enterprise originating in emerging markets, so called EMNEs. For the purposes of this study, we find it appropriate to adopt the definition of EMNEs as "…international companies that originated from emerging markets and are engaged in outward FDI, where they exercise effective control and undertake value-adding activities in one or more foreign countries." (Luo & Tung, 2007, pg. 482). This definition excludes certain categories that could be defined as EMNEs (through for example joint ventures) and limits the definition to MNEs from emerging market countries that actively control and operate their foreign assets, effectively internationalizing their business activities. Emerging markets are generally characterized by rapid development and growth with less mature capital markets and per capita income, with the BRIC (Brazil, Russia, India, and China) countries being by far the most common contemporary examples (Rodriguez-Arango & Gonzalez-Perez, 2016). Many countries have joined the emerging market community over the past decades as globalization and advancing technology increases trade and global integration, reducing barriers and distance (not only geographical, but also psychological and as a result cultural "distance").

Research into EMNEs has resulted in interesting findings that show how they compete on the global playing field, innovate, and evolve. (Luo, Sun & Wang, 2011) discuss the emergence of copycats in emerging economy enterprise as new trajectories are shaped by the export of manufacturing in the pursuit of scaling by large Western MNEs. They present a framework that

captures the capabilities that are generated in this new enterprise and the conditions under which such enterprise can achieve tremendous growth. Luo and Rui, (2009) wished to highlight the 'unique strategic behaviors' of EMNEs, presenting an 'ambidexterity perspective' on their international expansion processes. This perspective is conceptualized using the multidimensional terms 'co-evolution', 'co-competence', 'co-option', and 'co-orientation' to describe how EMNEs should focus on ambidextrous leverage to compensate for late-mover disadvantage and provide necessary strategic flexibility. Classically, innovative products and services have originated in developed economies and subsequently been disseminated in emerging economies. This is changing, however, as more cases of innovation originating in emerging markets and transferring to developing markets occur. Govindarajan and Ramamurti (2011) refer to this as 'reverse innovation' and point out that cases are still rare, making it highly interesting to examine which factors can impact the type of innovation more likely to occur in different markets and how the innovators can utilize unique competencies that spur growth into already developed markets.

2.1.3. EMNE Internationalization

There are two dominant approaches to explain how firms internationalize to international markets – the Uppsala model and the Born Global model. The Uppsala model describes an incremental approach to internationalization whereby the firms begin with internationalization to markets with the shortest cultural and psychic distance (Fang et al., 2017; Johanson & Wiedersheim-Paul, 1975). Born Global, on the other hand, posits that there are certain firms that have a global vision from inception and aim to enter and succeed in all markets irrespective of the differences (Fang et al., 2017; Knight & Cavusgil, 1996).

Other approaches have been presented to confront deficiencies in the Uppsala and the Born Global models, specifically with EMNEs and the emerging market context. The springboard model presented by Luo & Tung (2007 provides more tools for dealing with complexity than prior international business theories, describing how EMNEs use international expansion as a springboard to compensate for their "competitive disadvantages" (Luo & Tung, 2007, pg. 485). Disadvantages can include latecomer disadvantages, countering global competitors in their home market, and exploiting EMNE home market advantages. "...the long-term viability and success of EMNEs lie in their ability to simultaneously leverage core competences at home and explore new opportunities abroad in an integrated fashion" (Luo & Tung, 2007, pg. 485). Additionally, drivers of mergers and acquisitions by EMNEs have been a highly interesting topic with regards to EMNE

internalization. Drivers include the firm's financial resources, capabilities, international experience, and parent-company network (Varma et al., 2017).

Fang et al. (2017) presented the parachuting internationalizing model integrating the Uppsala and Born Global models. Combining the models involves a "GLOCAL approach" to understand how parachuting internationalization can be applied in practice. The key elements of the GLOCAL approach are global vision, location, opportunity, capital, accelerated cultural learning and quick action, and finally logistics (Fang et al., 2017). The companies prepare as well as they can to enter a new terrain, with the understanding that it would require constant adaptation, learning, and creativity in order to successfully internationalize.

There is an increasing amount of cross-cultural research that aims to utilize characteristics and methods that are successful in one culture and see how these can be applied in vastly different cultures, sometimes with great success. Chen and Miller (2010) argue that the exploding Chinese business environment could hold a wealth of managerial wisdom that can ameliorate many of the problems Western economies are currently facing. Additional research is also looking at potential tensions or success stories from the world of cross-cultural organizational mergers and acquisitions (for example Fang, 2001; Fang, Fridh & Schultzberg, 2004). As EMNEs take their places on the global stage as some of the most powerful corporations, it is particularly intriguing to study how different strategies sourced from different cultures are applied and to what effect. To do this, one must attempt to see it from the perspective of the organization's culture of origin (or dominant corporate culture), for example seeing ""Chinese" as a way of thinking, with its emphasis on balance and self-other integration" (Chen & Miller, 2010, pg. 17).

Furthermore, when EMNEs expand to international markets, their home base competitive advantages begin to diminish. Despite this, an increasing number of EMNEs flourish after entering developed markets (Bhaumik, Driffield & Zhou, 2016; Yaprak, Yosun & Cetindamar, 2018). while MNEs from developed countries often have a tough time entering an emerging market, probably due to the cultural distance between the two countries; a hurdle numerous EMNEs do not seem to face as ardently. They seem to be able to effectively utilize their firm-specific and country-specific advantages to their benefit during their expansion to deal with cultural ambiguity and other key success factors (Bhaumik et al., 2016; Yaprak et al., 2018).

2.1.4. Recruitment - Attracting and Managing Valuable Human Resources

Recruitment has seen massive interest in management studies as acquiring the right human resources with the right skills, for the right position, is self-evidently congruent with the general aims of an effective organization. Research on recruitment has found a home in modern human resource management (or HRM) theory, but even more recently has garnered a lot of attention as part of the research on strategic human resource management (or SHRM) systems (Baron, Burton & Hannon, 1996; Collins & Kehoe, 2017; Huselid, 1995). SHRM systems are of particular interest in cutting-edge large-scale organizations working with processes demanding innovation in industries where knowledge workers are the standard. The seminal works that initiated the development of strategic HRM include Baron et al. (1996) who specified HRM systems for employee relations broken down into three key dimensions: basis for attachment and motivation, means of control and coordination, and basis for selection of human resources (or criteria). They discovered clusters of different practices existed forming the basis for consistently identifiable systems of HRM within high-tech firms that tend toward internal consistency and path-dependence based on the evolution of these dimensions within organizations (Baron et al., 1996). The year before, Huselid (1995) conducted a mixed qualitative and quantitative study to establish the link between what he outlined as systems of high performance work practices and firm performance; credited with the fundamental discovery that drew massive attention to the field.

Employing the resource-based view, strategic HRM system scholars argue that these systems improve the effectiveness of organizations via human resource relations and therefore are an efficient use of resources (Collins & Kehoe, 2017; Delery & Roumpi, 2017). As the resource-based view and positivist research often quantitative in design (drawing from perceptions and patterns of behavior) became the dominant paradigm, critical scholars have contributed to the discourse by pointing out the complexity of the black box of HRM (Boxall, 2012) and the issues with the research on which the causal link between SHRM and firm effectiveness is established (Delery & Roumpi, 2017; Kaufman, 2010, 2012). The argument purports that the link is tenuous at best and has poor predictive capacity, especially given factors like institutional and market forces dwarfing the ability for SHRM systems alone to secure key organizational performance outcomes such as survival or effectiveness. While it is important to separate the quality research from the less so, the general trend of the field and the evolution of modern business has demonstrated the importance and potential gains in identifying, attracting, and effectively managing the most valuable talent available to maintain innovative capabilities and secure competitive advantages (Ceylan, 2013;

Collins & Kehoe, 2017). SHRM theory is complex as there are many variables which interrelate and several contextual factors, but some theorists have created rough overviews (see Appendix A for one such overview by Jackson, Schuler & Jiang, 2014).

There is a growing theme of observing the impacts of the digital era on selection and recruitment within the field of HRM. Furtmueller, Wilderom and Tate (2011) reviewed the relevant literature and point out several challenges alongside the benefits of the new recruitment paradigm. While recruiters and talented human resources are increasingly connected, there is a threat of quantity trumping quality when selecting candidates through resumé databases where many candidates must be reviewed and quickly analyzed for fit to the relevant position and company. While critical theorists may suggest that it doesn't make much difference as HRM cannot be strongly linked to key business outcomes, most corporations today are keen to integrate the latest knowledge in areas related to SHRM, including recruitment (with care taken to be an attractive employer to top talent), corporate culture, leadership, and so on. As most recruitment at top corporations are handled digitally and stagewise in a process that eliminates candidates gradually and advances those that demonstrate talent in their game-stage reminiscent process, gamifying the process has resulted in 'game-thinking' throughout the process of selection, recruitment, training, and finally management of talent (Armstrong, Landers & Collmus, 2016).

Suffice to say, the impacts of technology on all areas of human activity are impossible to ignore; definitely also the case for modern methods of recruiting. As information and communication technologies advance, so do methods for generating (or gathering) and analyzing data to effectively manage recruitment on a large scale (job-sites such as LinkedIn demonstrate this). A major question is if this is moving global recruitment practices toward a form of automated (in essence more dehumanized) and standardized way of doing things. SHRM research does seem to highlight the necessity for employers to be attractive and motivating to employees (Collins & Kehoe, 2017) which may force contemporary organizations to adapt and drop the more personal approach to employee acquisition strategy.

Most research on the transfer of HRM practices and the challenges involved are made of AMNEs going into emerging markets (for example Holtbrügge, Friedmann, & Puck (2010) who study foreign firms in India) or AMNEs going into other advanced markets (for example Tayeb (1998) who studied an American MNE in Scotland). While the interest in the transfer of strategic capabilities and ensuing competitive advantages by EMNEs has become a topic of great interest,

there has been little research into the result of EMNEs transferring their HRM practices to advanced markets and even less on how they strategize for recruitment of talent which is central to the strategic motivation behind internationalizing to advanced markets (Luo & Tung, 2018, 2007). The process of EMNEs springboarding to advanced markets to compete or pursue opportunities involves cross-cultural adaptation to achieve successful outcomes. This is even true of AMNEs entering advanced markets (Tayeb, 1998) and cultural differences can result in massive catastrophes even between very close cultures, exemplified by the Telia-Telenor merger failure despite the perceived closeness of the Swedish and Norwegian cultures (Fang et al., 2004). Further evidence has shown the importance of local adaptation as necessary to acquire qualified talent and combat attrition (Holtbrügge et al., 2010), indicating that recruitment and HRM practices must be localized to be effective while overarching standardized policy is also still possible for large MNEs operating across the globe in various cultures (Tayeb, 1998).

It is also clear that there is much knowledge to be gained by studying how EMNEs perform recruitment as it is a feature of the managerial wisdom that can help renew Western economies (Chen & Miller, 2010). A study of HRM practices in China-Western joint ventures conducted by Lu and Björkman (1997) found a blend of global integration and local responsiveness. As different practices work differently based on the cultural context, managing the balance between global standardization and effective localization is a rising necessity, as these have different HRM practices that react differently with regards to standardization and localization into specific cultural contexts. Hsu and Leat (2000) demonstrate on the one hand the spread of SHRM systems as a desirable organizational priority for the top strategic management teams (from the perspective of employees in the manufacturing industry) but also the cultural sensitivity involved in certain selection and recruitment practices on the other. This is interesting as the complexity of cross-cultural management and the rise of EMNEs utilizing idiosyncratic recipes for competitive advantage can showcase how to best maneuver on the global playing field.

The dominant idea in SHRM research is that HRM systems select talent based on abilities such as talent and culture fit and then manage them effectively to create the desired patterns of behavior that in turn result in the desired firm outcomes (Collins & Kehoe, 2017). As Collins and Kehoe (2017) describe, this behavioral perspective on organizations has resulted in the valuable AMO framework which establishes abilities, motivations, and opportunities as the variables that most determine employee behavior and ensuing contributions to firm performance. In brief, the idea is that a corporation should design an appropriate SHRM system based on the overarching corporate

strategy, build a force of talented professionals with the right abilities, and motivate them with opportunities for development (alongside remuneration and other desirable elements such as organizational culture) toward the corporation's strategic objectives in the short term and corporate vision in the long term.

2.1.5. Ability, Motivation, and Opportunity

No conversation about recruitment, aspirations, and career development can be had without the terms ability, motivation, and opportunity coming up a number of times and being of core relevance. According to Ryan and Deci (2000), there are fundamental psychological needs that result in motivation and mental well-being; namely, competence, autonomy, and relatedness. As wealth increases, people are afforded the opportunity to seek more intrinsically rewarding and challenging work; although both extrinsic and intrinsic rewards are still required to motivate top talent employees engaging in challenging and innovative work (Mumford, 2000). Ability is closely related to opportunity, especially within the context of career advancement in large, multinational enterprise whose recruitment systems ruthlessly select for high ability and competence. McClelland (1985) famously problematized general behavior theory on motivation in a study on how motives, skills, and values determine the decisions people make. General behavior theory had posited that motives, probability of success (directly related to skill or ability), and incentive value were the independent antecedents that in combination with situational opportunity determined the likelihood to act in response and the strength of that response. The study revealed that motives (connected to personal values) and ability (connected to probability of success) accounted for 75% of both response strength and likelihood in ensuing actions with 25% being attributed to circumstantial opportunities (McClelland, 1985).

The AMO framework has been influential in SHRM research, for example in examining alternative HRM systems and their impacts on behavior by observing how the abilities, motivations, and opportunities of knowledge workers were managed with different systems of practices and policies (Collins & Kehoe, 2017). Further studies have attempted to establish the link between performance-enhancing HRM systems and organizational performance through studying the effects of enhancing the AMOs of employees and measuring performance (Obeidat, Mitchell and Bray, 2016). Hughes, (2007, pg. 1) describes the value of the framework due to its "theorizing two of the most critical factors, ability and opportunity, as moderating influences on the link between motivation and behavior. The AMO framework also clarifies the function and meaning of

motivation in theoretical models." Despite consistent developments in the fields of motivational psychology and SHRM highlighting potential problems or deficiencies to capture the full complexity of organizational psychology, the framework has been widely accepted for its usefulness in supplying theoretical stability to these terms that are so useful in elucidating the process around the selection, recruitment, and management of valuable human resources (Marin-Garcia & Tomas, 2016).

An example of an increasingly common opportunistic phenomenon related to MNEs is expatriation, defined as the movement of individuals away from their home countries to foreign countries, either temporarily or permanently. While a person can expatriate for a number of reasons, it is often used to describe movement of professional or skilled labor away from their home country, either of their own accord or because of their employer who wishes to utilize their skills for strategic purposes in a different location (Littrell, Salas, Hess, Paley, & Riedel, 2006; Minter, 2008; Shay & Tracey, 1997). According to Johnston (1991), "Global workforce 2000" became a term to characterize the new emerging kind of workforce brought about by the decreasing obstacle of national borders and ensuing ease and willingness of people to expatriate for work. As a result, expatriation is increasingly referred to as simply international assignment which is viewed as an opportunity for both career and personal development (Stahl, Miller and Tung, 2002).

2.2.   Conceptual Model Developed for this Research

We will attempt to use a holistic and dynamic perspective on culture, challenging the dominant positivist perspective as discussed and encouraged by, among others, Romani et al. (2018), and Stahl & Tung (2015). A dynamic approach to understanding culture has provided valuable and refreshing research (for example Fang et al., 2017) which builds knowledge that cannot be gathered through traditional, static research methods such as Hofstede's. Fang (2005) provides an illustration of the key difference in thinking through the ocean metaphor for culture to replace the onion. The Yin-Yang perspective on culture (Fang, 2012) also provides a valuable lens for this study as it approaches culture as dynamic with emergent values that may be contradictory but still paradoxically coexist in unique ways. The perspective also posits that value orientations are accessible regardless of the cultural backdrop and interact dynamically dependent on the situation, context, and time. This approach should capture the cultural dynamics in complex cross-cultural situations. In conducting this study we also utilize the springboard perspective (Luo & Tung, 2018, 2007) on EMNEs springboarding to acquire strategic resources, with this thesis focusing on the acquisition of valuable human resources holding managerial expertise, market-specific knowledge,

and technical expertise that has strategic value to an EMNE wishing to become a serious global contender.
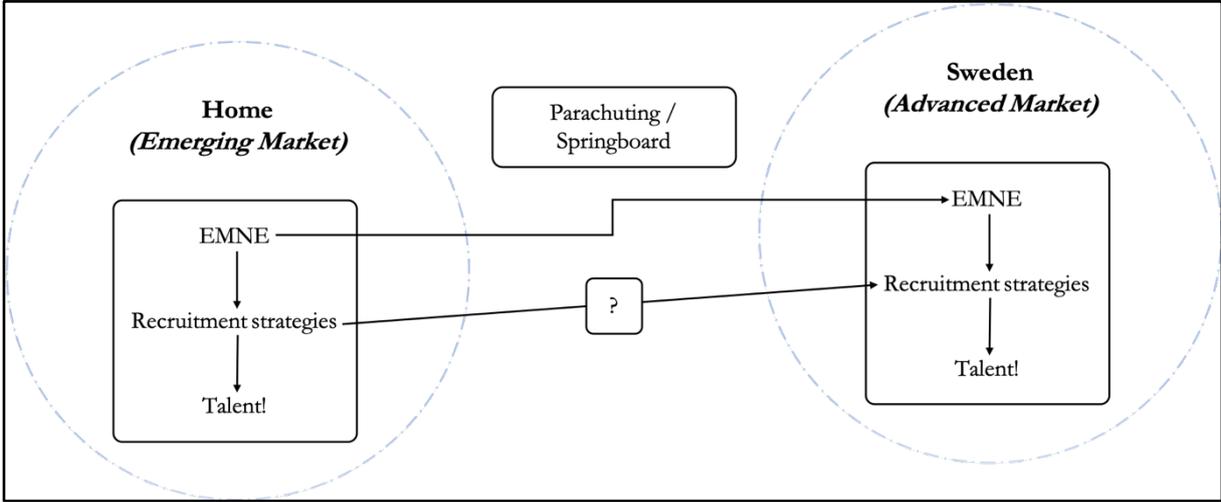
Figure 1: Conceptual model developed for this thesis

This model illustrates EMNE internationalization and cultural adaptation as they springboard and parachute into new markets, with the varying distance between the circles representing how cultural distance is variable (particularly as globalization increases exposure between and within cultures) and the circle permeability is intended to support the culture as ocean metaphor. Cross-cultural management is essential in environments where strategic goals have to be fulfilled which can be impacted by cultural distance generating myriad misunderstanding, misinterpretation, and creating unexpected challenges. Parachuting in recruitment practices directly from the home market is thus not likely to attract the top talent that is so crucial to the success in attaining strategic goals. The interview guides used in this study are designed to fill in the gap in how EMNEs can successfully do this.

3. Methodology

The thesis looks at how EMNEs close the cultural gap between their home and host markets while internationalizing to advanced markets like Sweden. Additionally, we also looks at how EMNEs attract and retain top talent in advanced markets. The following section details the methodology employed for data collection as well as the sample selection and data processing. The section ends with ethical considerations regarding the collection and use of the data.

3.1.   Philosophy of Science

A qualitative research approach is well suited for answering the research question which requires descriptive answers regarding complex social phenomena. Using an interpretative orientation when generating and analyzing data, "the interpretative paradigm is informed by a concern to understand the world as it is, to understand the fundamental nature of the social world at the level of subjective experience" (Burrell & Morgan, 1979, pg. 28). This aligns with nominative ontological approaches, meaning that reality is identifiable through individual experience as well as objective measurement (Slevitch, 2011). The interpretative paradigm involves a view of knowledge as being transferable intersubjectively. This tradition is "concerned with grasping individual and unique truths with an emphasis on understanding" (Farquhar, 2012, pg. 19). Deeper meaning in research is uncovered via interaction between subject and researcher and important data must be obtained through involvement and understanding of those involved (Burrell & Morgan, 1979; Farquhar, 2012). This implies a rather anti-positivist epistemology allowing valuable knowledge and insights to be regarded as sufficient data: "the social world is essentially relativistic and can only be understood from the point of view of the individuals who are directly involved in the activities which are to be studied" (Burrell & Morgan, 1979, pg. 5).

3.2.   Research Design

In addressing the research objective and question, rich and thick descriptions providing context and detail is essential in generating meaningful findings due to the subjective nature of social interaction phenomena within management studies (Cousin, 2005). Hence this study will utilize the ideographic method of investigation as it aims to understand a highly subjective phenomenon which changes shape depending on contingencies and context, for example culture. The only way to understand the social world and the phenomena that characterize it is by 'getting inside' the situation, obtaining knowledge first hand, and learning about the true nature of the subject by

letting the important findings surface (Burrell & Morgan, 1979; Ritchie, Lewis, Nicholls, & Ormston, 2013).

Given the limitations regarding time and funding involved with the study and the scope of the research question; purposive sampling (i.e. selection of cases and empirical material) with convenience criterion (i.e. selection influenced by access conditions) was used to establish interviews with primary sources judged to have relevant information (Flick, 2009). Of utmost importance was that selected interview subjects had valuable knowledge to contribute and that the interview process was likely to access that knowledge.

3.3.   Interview Process

To begin with, we defined EMNEs as companies that were started and established in emerging markets such as BRIC/-S, and had internationalized to Sweden, either through subsidiaries or acquisitions. These criteria were in line with our research questions and could give substantial insight for the thesis.

Keeping the scope of the research questions and this study in mind, we selected two kinds of research subjects. The first group consisted of insiders from large companies who have extensive experience either directly or indirectly with EMNE expansion and internationalization into Sweden, and additional experience in recruiting and leading a large multinational team. The second group of research subjects was comprised of top talent in Sweden who are the target of EMNE recruitment tactics in Sweden. Specifically, the top talent was chosen from universities that are top choices for recruitment for both EMNEs and AMNEs. Table 2 details the subjects that were interviewed for this study.

The two groups of research subjects were carefully selected as they could provide the best insights into our research questions. The managers and executives selected for this study are either currently employed by EMNEs or have extensive experience working in both EMs like BRIC/-S, Middle East and Latin America and AMs like Sweden, Germany and the USA. All of them have experience with recruitment both in AMs and EMs and could therefore talk about the differences in recruitment strategies. Some of them were and are also involved directly, or indirectly, with expansion of their companies into new AMs.

The top talent interviewed for this thesis are all students studying for their Master's degrees in two of the top business schools in Sweden and are therefore, ideal targets for EMNE recruitment

tactics. Some of the top talent have previous experience from either working or living in EMs and all of them are either open to being recruited or have recently been hired and were hence, actively looking for jobs until recently.

Interview	Subject Background	Location and Setting	Interview Time
Interview 1 (M1* = Manager 1)	Chinese executive with experience working in EMNE and both EM and AM.	Face to face meeting at a cafe in Stockholm.	55 minutes (the first 5 minutes of the audio file were deleted on interviewee's request)
Interview 2 (M2)	Brazilian manager with experience working in EM and AM.	Face to face meeting at an office in Stockholm.	34 minutes
Interview 3 (M3)	Swedish executive with extensive working experience in EM and AM.	Face to face meeting at an office in Stockholm.	59 minutes
Interview 4 (M4)	Indian executive with extensive working experience in both EM and AM.	Face to face meeting at an office in Stockholm.	1 hour, 2 minutes
Interview 5 (TT1* = Top Talent 1)	Swedish top talent from Stockholm University with working experience in EM and AM.	Face to face meeting at a cafe in Stockholm.	24 minutes
Interview 6 (TT2)	German top talent from Stockholm University.	Face to face meeting at a cafe in Stockholm.	20 minutes
Interview 7 (TT3)	Swedish top talent from Stockholm University.	Face to face meeting at a university in Stockholm.	25 minutes
Interview 8 (TT4)	Swedish top talent from Stockholm University.	Face to face meeting at a university in Stockholm.	15 minutes
Interview 9 (M5)	Chinese HR Manager with experience working in EMNE and both EM and AM.	Face to face meeting at an office in Stockholm.	Around 1 hour (Interview subject requested not to be recorded.)
Interview 10 (TT5)	Swedish top talent from Stockholm School of Economics.	Face to face meeting at a restaurant in Stockholm.	25 minutes
Interview 11 (M6)	South African manager with experience working in both EM and AM.	Face to face meeting at an office in Stockholm.	32 minutes
Interview 12 (M7)	Indian executive with extensive experience working in EMNE and both EM and AM.	Face to face meeting at an office in Stockholm.	50 minutes

Table 2: Sample Selection (* = coding in text)

3.4.   Collection of Empirical Data

To best achieve the research aim, thick descriptions and accounts of practice are most suitable as quantitatively encodable questionnaires cannot satisfy the need for detail required (Cousin, 2005; Langley, 1999). A face-to-face, semi-structured interview approach ensured that pertinent, relevant information was extracted through a thematic interview process, where the goal was to establish trust and initiate collaboration while maintaining structure for data comparability (Bryman, 2008; Flick, 2009). Semi-structured interviews are the most common qualitative research method since they involve "prepared questioning guided by identified themes in a consistent and systematic

manner interposed with probes designed to elicit more elaborate responses" (Qu & Dumay, 2011, pg. 246). A list of themes and questions prepared prior to the interview is used. However, the interviewer remains open to additional questions as the interview proceeds (Saunders, Lewis and Thornhill, 2007). The purpose of this approach is to stay open and exploratory, an approach aligned to the qualitative manner of the study. To best execute a semi-structured interview, the recommendation is to make an interview guide with clear themes and core questions that can be followed up "allowing for flexibility and contextual adaptation." (Bryman, 2008; Farquhar, 2012, pg. 73). When developing the interview guide Farquhar's (2012) recommendations were considered; for example an 'easy to understand' language was used, ethical and academic principles were fundamental, and detailed records were kept throughout the entire research process.

For this study, we collected twelve interviews – seven from managers and executives in multinational companies and five from top talent from universities. The interviews with managers were between half an hour and one hour long and took place at a place and time of their convenience. The interview setting and questions gave them the freedom of talking about their previous experience and expand on interesting, multicultural anecdotes from their teams. The interviews with top talent were around twenty minutes long and took place at a variety of locations depending on the convenience of the subject.

All interviews were conducted in English and all interviews, except one, were recorded and transcribed, ensuring the interviewees of total anonymity with regards to their names and employers. One manager declined to be recorded during the interview, but extensive and detailed notes were taken during the interview which provided an in-depth overview of the interview for later analysis. The transcription of the interviews was done using an auto-transcribing software. The software captured most words and sentences correctly and valuably provided time-stamps so that the recordings could be frequently referred back to where uncertainties arose. Interview 1 was transcribed manually shortly after transpiring as the immediate destruction of the recording was requested. The same executive requested that the first five minutes of the recording be deleted because it had some statements that could compromise their anonymity, which we complied with immediately.

We used iterative process setting for our interviews by which we discussed each interview after it was concluded so as to make the necessary changes in terms of questions or interview strategy needed for the next interview. We used the iterative process framework from Srivastava and

Hopwood (2009). The framework uses three questions to review the data and engage in the data collection and analysis process: *what is the data telling me*; *what is it that I want to know*; and *what is the dialectical relationship between what the data is telling me and what I want to know*. Using these three questions (both during the interview and after the interview), we were able to alter each of our interviews so as to gather as much information as possible in the little time we had.

3.5.   Data Processing

Thematic coding and analysis (Bryman, 2008) was selected as the most appropriate method for this study. In accordance with Flick (2009) who describes thematic data collection in correspondence to thematic analysis as guaranteeing comparability through defining topics and directing questions that open for detailed perspectives on them. In combination, these methods for coding and analysis are highly effective particularly given the specifications of this study. The data collection process was designed in accordance to this and the stages of data processing were as follows:

1	Transcription of all interviews, along with reviewing the notes taken during and post interviews; and comparing to the audio recordings.
2	Categorization of the most important findings based on the main themes, with a rough divide between the research questions and each research question broken into subthemes. This is done independently.
3	Aggregation of the different related findings by each researcher and integration into complete ideas featuring the main important findings.
4	The most important and recurring findings from all conducted interviews were then summarized, condensed, and useful quotes were selected based on relevance to the goals of the thesis. Idiosyncratic but interesting findings were collected in a separate category to be analyzed for potential value on other criteria.
5	The final step of analysis was to analyze the key data with the theoretical model we constructed as well as relevant theory to ground the new findings in the existing literature.

Table 3: Stages of data processing

3.6.   Ethical Considerations

Adhering to ethical principles is a crucial aspect when engaging in qualitative research as gathering rich data is highly contingent on trust that subject can speak openly without future negative consequences. Informing respondents about the design and purpose of the study, voluntary participation, discretion over degree of participation and the data they contribute, integrity in data handling (including not using the data for other studies), and most importantly: anonymity and confidentiality were all central throughout the methodological process in line with the ethical principles outlined by Bryman (2008, pg. 131-132). Avoiding harm to participants, ensuring their anonymity, and representing the subjects accurately in the data analysis process are also highly important ethical considerations (Farquhar, 2012; Flick, 2009). Throughout the paper, the integrity

and anonymity of participants has been assured and given the nature of the study, it was not necessary to inquire about potentially sensitive or firm-specific information that could compromise this. Personal judgements and biases were avoided, and the transcribed data was accurately processed and referred to both in creating the empirical presentation and further in analyzing the data.

4. Empirical Presentation

In this section we present our findings from the interviews. The section is divided into two main subsections: the first subsection details our findings with regards to the internationalization of EMNEs into advanced markets like Sweden. In this subsection we present how springboarding activities and parachuting are common phenomena associated with EMNE internationalization and that cultural distance, while a major consideration, is not a stumbling block for EMNEs as they sprint to catch up to and increasingly surpass AMNE competition. In the second subsection we list the findings regarding the recruitment strategies used by EMNEs. Our findings show a general correlation between what EMNEs think top talent expect from their employers and what top talent actually expect of an employer to be deemed attractive.

4.1.   Springboard, Parachute, and Sprint

Our interviews indicated that successful EMNEs are neither born global, nor do they internationalize incrementally. Instead they parachute into new markets as part of springboard strategies (involving acquisitions and expansion of direct activities) irrespective of the physical and the cultural distance between the home market and the host market. Furthermore, EMNEs believe that as long as you have a clear value proposition and a superior product (M1, M5, M7), cultural distance becomes a secondary consideration, although still very important (M7). They believe they need to prove their value to be successful in advanced markets that already have a large number of successful and established competitors.

All the managers and executives talked about the rapid pace at which multinational companies from certain markets, specifically China and India, are expanding and internationalizing. Their growth is unprecedented and historically, even AMNEs did not internationalize as fast as EMNEs do today. The extent of globalization and ease of information certainly helps them, but according to all the managers we interviewed, the speed at which EMNEs internationalize and the success they have had is something that is particular to these regions and cultures.

M7 pointed out that in case of certain EMNEs it is no longer a question of internationalization, but that of expansion. Some EMNEs have internationalized so successfully and have entered so many different markets that for them entry into a new market (be it an AM or EM) is simply a case of business expansion. M7's company first internationalized to the USA and according to him it certainly helped that a lot of their clients were Americans. This became both a reason and a resource

for internationalization. However now, he said, there are multiple reasons why their company (or any large MNE) would choose to expand to new regions. For example, the new business team in the company could determine a new market to expand into, or the company decides to acquire a strategic resource in a new market (and thereby gain entry). It could also be that one of their existing clients is expanding to a new market and makes a compelling case for the company to do the same.

To summarize, all managers and executive agreed that EMNEs no longer follow a strict protocol for internationalization but rather parachute into the new markets as a part of springboard activities to both catch up and surpass AMNEs; quickly and effectively establishing themselves in new markets.

4.1.1. Understanding the Culture You Enter

EMNE internationalizing is an increasingly common phenomenon and EMNEs are becoming increasingly skilled at entering new markets as they mature and their competence for internationalization in general and knowledge of specific markets grows and develops. The internationalization strategy of larger EMNEs exclusively seems better described by parachuting internationalization theory rather than the Uppsala or Born Global models. All the executives spoke about how much better EMNEs have become at bridging the cultural divide and hence, being successful in advanced markets like Sweden. The increase in success was credited to increasing competence, as EMNEs (much like AMNEs) seem likely to parachute in with experienced and highly competent executives that establish operations in the new market. This allows the dissemination of the corporate vision and culture as a foundation upon which regional branches can build localized practices and adaptations (M1, M7).

Apart from the cultural distance and its associated perception bias, two interviewees (M3 and M4) mentioned there are several others entry barriers to EMNEs in advanced market. Language and cultural barriers make it difficult for EMNEs to expand to several European markets but with the growth of communication technologies, they are easily countered and remedied. However, it does mean that EMNEs have to do a lot of homework before they finally internationalize. Some notable features mentioned about Sweden in particular (which on several points was considered broadly similar to a general European way of management) was the flat nature of organizations and their constituent hierarchies, the associated consensus culture which goes hand in hand, and the individual consideration for development and leadership required by members of the Swedish culture. One practice that many EMNEs seem to adopt is to establish 'fika' and bridge the divide

between for example results-oriented cultures like China and more people-oriented approaches associated with European AMNEs in particular.

Cultural distance was cited as a concern by almost all the interviewees. However, the effect of the same was different according to different individuals. One interviewee (M4) pointed out that the cultural distance and its associated perception bias is what gives EMNEs a hard time while internationalizing to AMs. He gave the example of TCS' or Infosys' expansion into USA where their competitor IBM originated, or Geely's acquisition of Volvo in Sweden. In both these cases, there was a significant perception bias against the new entrants (albeit for different reasons). TCS was not considered to be as innovative as IBM and opposition to Geely in Volvo's home Sweden had a more nationalistic fervor to it.

Nonetheless, they were able to counter the perception bias by showcasing their value proposition and their internationalization was highly successful. Similarly, M1 said that while cultural distance certainly exists, it's not a major concern as long as you have a better-quality product which would offset almost everything negative while expanding to advanced markets.

4.1.2. Show Your Value

As stated in the section above, perception bias was a hindrance that was often brought up when the executives were asked about the challenges that EMNEs faced when internationalizing to AMs. In case of TCS's and Geely's example that M4 brought up, he expanded by saying that it is not just limited to large companies. "I mean a natural instinct for anyone from coming out of college here in Sweden would be that IBM is probably more innovative doing a whole lot of things without probably would not be the same impression for another company," (M4). He ended by saying that this is slowly changing as EMNEs repeatedly showcase their higher capabilities, both in terms of innovativeness and client and employee satisfaction surveys. He again took TCS's example which has been ranked number one in customer satisfaction surveys in Europe for six years in a row. He said its branding like this that counters the perception bias in both, the customers or clients, and future talent who are looking for employment opportunities.

M1 repeatedly pointed out how perception bias and cultural distance are secondary considerations if you can showcase and prove your value proposition. "Because if your product is good in quality and price, why you care so much about cultural difference?" (M1). In case of B2B businesses, he said, it is important to show that you have a better product that is not only innovative but can

withstand the market. In case of B2C, you need to bring forth your branding capabilities where advertising opportunities can improve brand recognition. EMNEs are known to be particularly good at leveraging their home market strengths when parachuting into new markets; principally their cost-effectiveness. This is particularly strong in large, mature, and slow-moving industries like infrastructure technology because of high degree of standardization which allows EMNEs to scale; drawing maximal advantage compared to the high costs incurred by AMNEs developing and launching products that then don't require as much specific market knowledge for EMNEs to sell (M1).

4.2.   Attracting Top Talent

The common thread that emerged from interviewing the executives and managers about attracting top talent to EMNEs was that while money and remunerations can attract top talent to a company, they are more likely to be retained with opportunities for growth and a clear career progression pathway. This was corroborated by the top talent interviews too, all of whom said that their major focus while looking for an employer were the growth opportunities they offered and the values they professed, not the salaries given.

There are some unique strategies that EMNEs from particularly populous countries can increasingly employ. The strategy of one EMNE is to recruit from diaspora population of the home country within the advanced market it internationalizes to (M5). As this enterprise was in the service industry, there was evident profitability in following the diaspora populations as they expatriate or migrate all over the globe while still valuing the services offered. Internationalization seemed to also target large markets and expansion to local business was evidently not an unimportant part of the strategy. What is interesting is the distribution of employees in that expanding internationalizing EMNE environment. The manager (M5) explained that one third of the employees were expatriates from the home market, one third were internationalized students or second-generation members of the home culture, and one third were local recruits crucially hired for their advanced local knowledge necessary to operations. With targeting their diaspora population for both customers and top talent recruits, there also seemed to be a unique effect in that the EMNE was a particularly attractive target for those with appreciation for that emerging market culture and potential opportunities for networking and international assignments to that region.

4.2.1. Remunerations

"Money can attract but not make you stay…" (M3)

The obvious tool that should jump to most minds when considering how EMNEs attract top talent is remuneration. One executive (M4) described how large EMNEs internationalized to Sweden have tried this in their early phase but faced employee retention issues as time proves why local MNEs use different tactics. While remuneration is important according to top talent (TT1), it is not the most important factor. He also pointed out an interesting phenomenon he had noted where remuneration is far more important in emerging market countries than in advanced markets. This is not shocking, as wealth does afford the opportunity to seek employment that also fulfills personal goals more directly.

The major take-away with regard to remuneration was succinctly phrased "money can bring you in, but it can't make you stay," (M3). The importance of adapting in some ways to the local culture with its idiosyncratic styles of working and management was clear cut, as those persuaded by money alone often did not thrive in the new environment leading to higher turnover. M4's statements were validated by all the other managers and executives who talked about how high salaries are no longer an attraction for top talent in AMs. M1 said that being a recent entrant to Sweden and a younger company than most of its global competitors, his company can offer a much easier career progression than the old giants where most of the top roles are already defined and occupied. In his company, the growth of an individual is directly linked to the growth of the company.

Additionally, M3 stated that this something that EMNEs need to learn about when they enter a new market, especially a European market. Taking the example of Sweden, she talked about the various labor laws and additional perks that need to be given to employees, that just having a high salary is no longer enough. All the top talent (except one) validated this by stating that money or salary was not even in their top three priorities when looking at an employer. The top talent who stood out mentioned that salary was probably his second most important concern, after the type of role or position that the employer offered.

4.2.2. Opportunities

As EMNEs have proven their value and competitive capabilities over time, top talent are increasingly interested in the unique opportunities they can offer. Both the managers and the top

talent brought up the importance of opportunities for growth offered by MNEs as probably the most important factor that sets one employer apart from another.

Opportunities for development and international experience (TT1, TT3, TT5) were highlighted as well as values, autonomy, and the perception of the MNE as a thought-leader with an innovative work culture. With the gap quickly closing between the rapidly emerging markets like China and India, and advanced markets, more EMNEs are reaching the cutting edge of innovation (M1, M3, M4). Particularly in engineering and mass-scale production of quality technological goods, Chinese companies are moving into market leadership in many product categories (M1). Massive investments into higher education and rising wealth has created many innovation hubs producing and utilizing valuable human resources for research and development leading to innovation. This makes international assignments in such regions very attractive to top talent from Western countries, where such nexuses of innovation used to almost exclusively exist. As emerging markets increasingly develop, it should follow that a multiplicity of variants of academic and technological investments will take place contingent on specific regional industry developments and the resulting rise of new competitive multinational enterprise.

One such feature described of large EMNEs by one executive (M1) was growth. Their major AMNE competitors are often mature (in many cases having existed for over 100 years) and relatively stagnant, while EMNEs can easily boast incredible growth. This provides plenty of opportunity for career-advancement as the company scales and enters more new markets. In a similar vein, one top talent (TT1) commented that perhaps she perceived EMNEs as not valuing sustainability as much as their Western counterparts, but she also noted that this could be an opportunity as there is more potential for impactful change and as EMNEs are not as mature they could be in a state of evolution that might be conducive for having corporate values influenced bottom-up over time. One executive (M4) described Indian MNEs in particular as incredibly bottom-up; perhaps making EMNEs from this region particularly interesting for top talent who value this.

Another executive (M5) described the unique opportunities offered by the EMNE that are very attractive to top talent while stressing that matching the right person to the right job role was more important than looking at who has the highest abilities on paper. This is because the opportunities include quite broad job roles as expansive operations requires highly adaptive work processes. This is ideal for candidates that want work activities covering a broad range of business activities who

also understand and value the corporate culture and particular work style. Other opportunities include incredible networking opportunities and training to advance personal and professional development (increased ability). He also pointed out the importance of localizing employment packages for recruits through for example the collective agreement (kollektivavtal) and local holidays, which was consistent with other managers (M3, M4, M6) and roughly what was indicated as appropriate by all top talent interviewed.

4.2.3. Values

A key feature of European firms, as highlighted by one top executive (M4), was that the management style highlighted a sense of belongingness. This contrasts with the American management style which is perceived as heavily results-oriented, similar to that of many emerging markets such as China. MNEs and EMNEs that have an incredibly strong results-oriented culture would do wise in understanding the increased importance of soft skills in certain advanced markets (Sweden in particular) to be successful in competing for both market shares and top talent (M1). This was amusingly related in the difference in relating to top talent in Sweden as opposed to China, with there being more professionals adept at merely talking (perhaps a feature of the consensus-seeking nature of Swedish culture) relative to the far more hands-on and results-oriented approach generally more valued in the Chinese culture (M1). However, based on the interviews with top talent there is a prevalent demand that EMNEs incorporate at least some degree of the European human-oriented management style rather than the results-orientation that Chinese (and American!) firms are known for.

Interestingly, corporate values seemed far more relevant to EMNE operations than cultural values due to the global orientation that seems prioritized above home-market orientation within the cultural context of the original environment (M4, M6, M7). With regards to recruitment, the values prioritized by top talent were not related to particular cultural contexts, either. Innovation and thought-leadership as well as personal and professional development for employees were highly sought-after values by all top talent interviewed, with others including sustainability (TT1, TT2, TT4), and diversity (TT1, TT3, TT4). When the top talent were prodded, there was however some hesitation in foregoing the certainty of the comfort of the management style they would be familiar with without ensuring that the corporation has compensatory values, management style, and remuneration that can serve as counter-weight to any discomfort in reorientation or adaptation to new ways of thinking and working. One manager (M5) describes how important she finds openness about the management style and practices in the recruitment process, " … it is not for everyone

and the more they tell the truth about how they work, the better fit the final selection will be which so far has been a very successful approach."(M5).

4.2.4. Relationships and Networks

So far, the findings seem to indicate that EMNEs should localize practices and work hard on communicating their value, which they seem to have increasing success in doing as they establish and become regarded as strong competitors. In turn, top talent responded to this and begin to perceive them as attractive employers more toward the level of their AMNE competitors as they catch up. EMNEs may be gaining advantages where AMNEs sometimes stagnate, leaving them better positioned to offer opportunities such as expatriate assignments to countries that are increasingly interesting to top talent for work experience. These factors increase the value proposition of EMNEs as employers and their overall reputation in the marketplace, which enables far better success in developing and expanding relationships and networks in the local market in the process of acquiring top talent (M7).

Personal relationships were an important recurring theme across the interviews. Managers (M1, M2, M4) stressed that, especially in acquiring slightly more senior recruits with valuable market-specific knowledge and competence, building relationships and networks is crucial. Recruiting to gain access to networks was noted as a key for any internationalizing MNE in many ways, a key importance being further recruitment as personal relationships are a far more persuasive channel in marketing the employer as attractive (M1, M3, M4, M6). This is even reflected in top talent coming out of the universities in Sweden, where money was a less valued factor than an attractive work environment and culture along with individualized consideration in the recruitment process (TT5, TT6, TT7, TT8, TT10). A recurring topic in interviews with most managers and top talent alike, university partnerships and attending career events were essential to gain awareness among top graduates. EMNEs, like MNEs, are increasingly sponsoring events, engaging in university partnerships, and expanding awareness through a variety of social-engagement projects (M1, M3, M4, M7). Companies can be very creative in engaging in partnerships and projects that reflect their core values and the vision that guides the company, which are important signals to prospective new recruits.

It can be difficult as well to find top talent with the right background and fit to thrive in the expanding EMNE, according to one manager involved with the recruitment process (M5). She also explained that it can be difficult to attract mid and senior level employees in comparison to grad-

level employees. To address both recruitment scenarios effectively, they work extensively with recruitment and headhunting firms with different offerings that are assessed for best chance at finding top candidates for the particular job role. Such networking and partnership with local organizations that have valuable specialized recruitment knowledge can help in selecting top candidates who are also a good fit, as well as extend the reach of job advertisements to desired talent. The difficulty in acquiring mid or senior executives contradicts the experience of an executive familiar with another EMNE (M7), who explained that more senior professionals in related industries are often more familiar with EMNEs; and often as a result of competing with them can be swayed with their competitive capabilities and effective organizational style. Nonetheless, it seems incredibly important for EMNEs wishing to attract top talent to establish a reputation and expand networks through different avenues such as creative partnerships, sponsorship, and reaching out to desirable demographics through special projects.

5. Analysis & Discussion

The following section details the analysis of our results and discusses the implications of these findings and analysis, both theoretically and managerially. The section begins with presenting the analysis along with the SPRINT approach that we developed specially for this study and ends with the discussion section.

5.1.   Analysis

Based on our findings from the interviews, we present the SPRINT approach taken by EMNEs for internationalization into advanced markets and recruiting top talent. EMNEs are increasingly sprinting to catch up to established MNEs in their home markets. The SPRINT approach can be described as:

S	Springboarding with a Solid Value Proposition
P	Parachute with a Plan but Prepare to Adapt
R	Relationships are Key
I	Invest in Values and Culture
N	Neutralizing Cultural Tensions
T	Talent Seeks Challenge and Opportunity

Table 4: SPRINT approach overview

♦ **Springboarding with a Solid Value Proposition**

According to Luo and Tung (2018, 2007), springboarding is done for strategic reasons and mainly through internationalization or mergers and acquisitions (M&A). Through M&A, an EMNE can utilize high liquidity to purchase human resources and different kinds of knowledge (for example market-specific, technical, etc.) but when internationalizing operations this thesis found that expatriates were often deployed from headquarters (HQ) to build up operations which includes the difficult task of recruiting top talent while establishing the leadership and management style, communicating and executing that leadership and the HRM system that will be applied, and also establishing all other business activities for which the corporation internationalized. This is a difficult task but as EMNEs mature they both develop and acquire knowledge for precisely these kinds of activities, as showcased by some EMNEs having already successfully internationalized on a global scale and maintained competitive operations for several decades. Several interview subjects

highlighted the importance of proving the value proposition in the new market to win both customers and brand value as an employer, which is a key strategic reason for springboarding in order to create a global reputation to catch up and surpass established actors.

One large and demonstrably effective advantage results in being an incredibly capable actor in emerging markets like India and China where the sheer scales of the markets dwarf most Western economies. AMNEs have strived and still strive to enter and dominate these markets, yet more and more EMNEs emerge victorious and increasingly challenge established AMNEs globally. We found that EMNEs seem to have unique and expansive qualities in that they offer growth and progression opportunities where more mature MNEs seem to be waning. With these huge advantages, there was still some noted bias against corporations from emerging markets as potentially too culturally dissimilar in comparison with Nordic or Western firms. Though seeming to operate with a global outlook and quite similarly in effective management styles, EMNEs still appear to have to communicate their vision and practices more extensively when planning to seek strategic resources such as top talent in entering advanced markets. When attempting to recruit more senior executives this bias was less pronounced as those more familiar with working in related industries or directly for competitors had a better understanding of EMNEs and EMNE operations.

This is consistent with the view that culture is complex and affects organizations and people differently depending on the situation, context, and time (Fang, 2012). In line with Luo and Rui (2009) who suggest that EMNEs invest more heavily in relational capabilities to offset late-mover disadvantage, EMNEs that seem to navigate this complexity most effectively are those that utilized ambidextrous leverage and adapted known organizational strength with local flavors. Leveraging strategic capabilities earned in the, often relentless, competitive environments in large EMs like India and China seems to be highly effective, perhaps lending credence to the advice of Chen and Miller (2010) to seek and utilize managerial wisdom emerging from these kinds of environments.

♦ Parachute with a Plan but Prepare to Adapt

Consistent with the findings of Rodriguez-Arango and Gonzalez-Perez (2016), EMNEs seem to internationalize in similar ways as AMNEs according to the results of this thesis. EMNEs with strong value propositions and clear competitive advantages (often cost-related and in scalable industries with a large degree of standardization) seem to seek out the most strategic and profitable markets to expand to rather than defer to a preference for culturally similar markets with

geographical proximity as described in the Uppsala Internationalization model. The most competitive MNEs from emerging markets also seem to have powerful fundamentals as a result of their growth in markets with lower institutional stability and economic certainty and intense competition, which also points to inconsistency with the Born Global model. Rather, the willingness to internationalize with strong competitive advantages to achieve strategic goals and gain footholds in new markets through leveraging these and adapting internationalized operations to the realities of the local culture and economic opportunities. This is far more consistent with the parachuting internationalization approach (Fang et al., 2017) which integrates the Uppsala and Born Global models of internationalization to more adequately describe the process of internationalization in an era of unprecedented information technology advances and global integration. Much like AMNEs, EMNEs seem to parachute in experienced professionals to establish operations in line with corporate objectives and specifications. These expatriates are often highly qualified professionals that understand how to manage cross-cultural adaptation while still maintaining the strategic agenda set by HQ. A consistent finding was the importance in adapting to the local environment through learning and acquiring local talent with specific market and cultural knowledge along the way to enhance this adaptation and ensuing success of operations. This is also consistent, EMNEs should seek to parachute in with a solid plan to leverage their competitive advantage but also be ready to adapt to the local climate in order to expand with local talent and compete even more successfully.

♦ **Relationships are Key**

The importance of relationships and networks could not be stressed enough in the process of entering and thriving in an advanced market like Sweden. EMNEs that want to seize market shares and attract top talent, need to get in the minds of clients, customers, and potential recruits alike. Local knowledge is required to do this effectively in some sense, as top talent mentioned the importance with partnerships with top universities and sponsoring and attending events would be one of the most effective tools. As localized top talent is acquired, this process should improve iteratively and produce the added value that the acquisition of valuable human resources including their professional networks and local knowledge. Thus, including this in a plan for internationalizing to an advanced market could really speed up the process of establishment as a strong competitor. Acquiring talent in the home market or host market originating from the home country with experience of the advanced market could be one way of doing this. Students with exchange experience often have insights into student life and culture which can provide strategic knowledge into which partnerships and sponsorships are wise investments.

As illustrated in Appendix A, there are many contextual factors (both with regards to internal and external environments) and stakeholders that must be appeased (Jackson et al., 2014). An accessible approach to considering the impacts of culture across all the different components of HRM systems when attempting to deploy them in a new environment seems to be through studying the impacts on the AMOs of employees (Collins & Kehoe, 2017). Through studying the differences in the AMOs of home market and new market top talent, much headways can be made in judging the most effective adaptation for local conditions.

♦ **Invest in Values**

The significance of corporate values and importance of showcasing these values in the new market was a central theme in most of the interviews. One central point that was brought up repeatedly in the interviews was that the corporate values are more important than cultural values. Companies, more specifically EMNEs, need to show these values when entering new markets but more importantly, these values need to be reflected in the EMNEs' operations. Failing to do this would result in both the clients and the future talent losing faith in the company. As was pointed by some subjects, while the central values can be set by the HQ, when internationalizing EMNEs need to invest in incorporating some local values in their operations too. Companies that value creativity, innovation, sustainability, and diversity in their practice look to be attractive in a general sense. Beyond that, there seems to be a general divide in people-orientation and results-orientation that varies based on market and culture. It seems advisable that EMNEs, and MNEs in general, look to their strengths first when strategizing potential local adaptations, as strengths, weaknesses, and style of management can have wildly different results based on minor perceived changes in cultural environment. In this way, EMNEs can draw maximal advantages from their idiosyncrasies and perhaps even compete in novel ways (Stahl & Tung, 2015).

The importance of a company's values was stressed by all the top talent subjects, with most of them prioritizing it over remunerations. This highlights the significance of not just the corporate values but also the management values espoused by the MNE. The combination of these two sets of values increases the faith top talent places in an EMNE and thereby making it an attractive choice as a future employer.

♦ **Neutralizing Cultural Tensions**

Experienced practitioners of cross-cultural management clearly did not have a static Hofstedian view of cultural values as rigid, static, and bidirectionally even. Rather, it was viewed more fluidly,

incongruent and variable over time as well as experienced differently based on direction (Verbeke & Tung). Additionally, it appeared universally accepted as evident in the interviews that economic and technological development are impacting emerging markets much like advanced markets, leading to large scale convergence on many points as well as underlining how very few cultures seem highly stable over time with regards to values and resulting ways of life and thinking (Fang, 2005, 2012).

Despite stressing the complexity and impossibility of isolating and studying the exact impacts of individual cultural values and factors, the empirical material showed that localization and cultural adaptation seemed universally understood as crucial for successful internationalization of any MNE wishing to recruit in the new market. The key aspects with regards to Sweden appeared to be the strong consensus culture and the flat nature of organizations and their constituent hierarchy of decision-making power. This was highlighted as having both benefits as decisions generally account for much more input from more individuals and thus have support prior to execution, as opposed to decisions being made quickly in cultural contexts such as the US and China where the process of building support and execution can suffer as a result in comparison.

A cultural practice that EMNEs quickly seem to adopt is the Swedish concept of 'fika' where employees can gather and chat at certain points in the day, often putting aside work and hierarchical considerations to communicate and relax a bit informally. Such practices send a clear signal and allow further cultural adaptation where it is both potent but not majorly impactful to overall operations. Particularly in the case of one manager's (M5) experience of an EMNE that seemed to adopt a stauncher ambidexterity perspective (Luo & Rui, 2009) in retaining richer elements of the home country culture while still adapting to local flavors and focusing on recruiting top talent that valued aspects of both cultures. Navigating incommensurate values (perhaps in some cases negotiating paradoxes in value orientations) in line with Fang (2012) and finding a balance did seem to be a key part of establishing operations in a new market environment in a way that was conducive to success and expansion through top talent acquisition. Soft skills such as cultural intelligence may indeed be the gold standard of future organizations (Livermore et al., 2012).

♦ **Talent Seeks Challenge and Opportunity**

As emerging markets rise from the periphery and gain attention with their multinationals spearheading the movement, they become increasingly interesting to up and coming talent. This

study showed that top talent are highly motivated by the opportunity for international assignments in countries within which they would like to live. There is also an interest in the various cultures, including the way of thinking embedded in the currents of the overarching national culture. Top talent were fairly unanimous in expressing the desire for challenging work. The desire to work at corporations where the culture is geared for innovation and the corporate vision revolves around thought-leadership in an important and cutting-edge field technologically. This is consistent with Mumford (2000) on the importance of intrinsic motivation in driving top talent into the ranks during operational expansion. Additionally, top talent are increasingly looking to the East as the global economic paradigm is shifting. EMNEs from countries such as China and India can definitely capitalize on their unique positions as masters of these domains.

Multinational enterprise were clearly a highly attractive organizational category due to their reach, and certain EMNEs can even challenge established MNEs based on agility in moving human resources between regions (M7); increasingly a valued opportunity by top talent seeking international networking activities. EMNEs seem highly aware of cultural differences and adept at adapting successfully. There was heavy investment in cross-cultural training for expatriates and it seemed like an appreciated and natural part of the international assignment process in order to maximize success (Littrell et al., 2006). As top talent all but demand training to further professional skill development, there are myriad opportunities that can be created in MNEs who are adept at providing valuable training of many kinds, particularly the cross-cultural soft skills that are increasingly coming into demand.

5.2.   Discussion

In this thesis, we examined the adaptation required for EMNEs internationalizing to an advanced market. It was found that EMNEs should adapt in some ways, but still play to their strengths and communicate openly to attract top talent that beyond having desirable knowledge and abilities are also a good fit given the corporate culture, environment, and management style. This aligns with the ambidextrous and ambicultural theories for organizational adaptation and leveraging strengths to compete while accumulating strategic resources (Chen & Miller, 2010; Luo & Rui, 2009). Furthermore, among experienced cross-cultural management practitioners we found a fluid view of culture which reflects the complexity referenced by Stahl and Tung (2015) in how values of cultures and organizations interact to produce both positive effects that should be amplified and negative effects that should be mitigated. We found that the SHRM framework produced by Jackson et al. (2014) provides a rich conceptual map that is useful to consult when considering

strategic adaptations that can be prepared for when parachuting these strategies into new territory (Fang et al., 2017). As was apparent from the SPRINT approach created based on the findings, we also found that springboarding theory appropriately illustrates the different strategic position EMNEs generally find themselves in with regards to required behaviors for catching up and competing in the global market (Luo & Tung, 2018, 2007). Parachuting internationalization seems to be the most accessible theory for EMNEs seeking springboarding activities that involve internationalizing to advanced markets where (among others) acquisitions can be made in the form of technological, managerial, and market-specific knowledge in the form of human resources (Fang et al., 2017).

EMNEs can also utilize their mastery of some of the largest and fastest developing markets in the world to strategically utilize human resources where it is most efficient. The drawback here is that firms that for example keep research and development in their home market and only internationalize sales operations, it can be difficult to draw employer value associated with innovative activities and core organizational processes necessary to attract and acquire top talent (Mumford, 2000). Unfortunately covering the theory of employer branding specifically was not within the scope of this study, but it would indeed be interesting to take a cross-cultural perspective to adaptation of employer value propositions across different zones of culture along with the strategic aspects involved.

Beyond communicating the value proposition and organizational culture, EMNEs should compete by offering both the attractive employment package that is expected in the local environment, but also succeed in differentiating themselves as actors. As one top talent put it when asked if EMNEs should go as far as possible in adapting to the local operational culture, "If they do that, what's the point?" (TT5). Indeed, many EMNEs have unique mixes of competitive factors and resulting know-how and should not be afraid to leverage these and draw value of their particular networks as valuable selling points for top talent who are interested in international and boundaryless careers. For top executives of the future, the cross-cultural soft skills and business knowledge of the gargantuan economies that are emerging to become the largest in the world.

In conducting this study, an interesting finding that we wished could have fallen more centrally within the scope of this study would have been to look further at the multidirectional variability and incongruity in experiential cultural distance (Tung & Verbeke, 2010). One executive mentioned (M7) the difference in ease of cultural adaptation for people moving from India to Sweden in

comparison to people moving from Sweden to India. This phenomenon is interesting as it can become strategically relevant in the context of strategic movement of valuable human resources. It would be interesting to study how MNEs (both EMNES and AMNEs) manage these differences in action to minimize unsuccessful expatriation and international assignment (Littrell et al., 2006).

We did find evidence of quite different strategies in motivating top talent to apply and be engaged employees (Mumford, 2000). The example of remunerations being much more important in emerging economies as opposed to advanced economies could entirely be dependent on economic and not cultural factors. It is already clear that cultural values does to some extent impact how we value and thus what motivates action, but it could be highly interesting to study this phenomenon further as more MNEs increasingly consist of cross-cultural workforces who are working under a united system (albeit with localized variations in each respective market). It is also worth noting that much of the phenomenon that give rise to springboarding theory that differentiates the motives between EMNEs and their AMNE counterparts have to do with catching up as a result from historically lower development and resulting technology. Technological capability indeed seems to be a far stronger determinant than culture of origin and at this point it isn't a revolutionary thought that time is the only factor delaying EMNEs sprinting to the forefront (Luo & Tung, 2007; Rodriguez-Arango & Gonzalez-Perez, 2016). It would indeed be interesting to do comparative studies of MNE activity in different regions as well as generally look more to the management practices of giants arising from emerging markets to enhance the quality of global MNEs as a whole (Chen & Miller, 2010).

6. Conclusion

In the final section, we summarize our findings and present our contributions, both theoretical and managerial. To be fair and in spirit of ethical research, we end the section and this thesis by writing about the limitations of our research and present ideas for future research which could correct those limitations.

6.1.   Findings and Contributions

In this thesis we set out to determine how MNEs from emerging markets successfully internationalize and expand into advanced markets, and how they recruit talent in these markets. We established two research questions for the purposes of this thesis:

> **RQ1:** How can emerging market multinational enterprises (EMNEs) manage cultural distance between their home and host countries when internationalizing to developed markets?
>
> **RQ2:** How can these internationalizing EMNEs attract new talent in the host country?

With data gathered from twelve interviews, we presented the SPRINT approach EMNEs sprint into the advanced markets to catch up with the established MNEs and recruit top talent away from them.

Based on our findings, we were able to answer both our research questions. We found that cultural distance is not a limiting factor for EMNEs when they decide to internationalize into new markets. Instead, the opportunities and the possibilities that the new market offers are more important to the EMNE. While executives and managers agree that cultural distance exists, it is not a major consideration and having a strong and clear value proposition offsets the difficulties that this could present. A clear value proposition also works to recruit top talent in these advanced markets, where remunerations are not as highly prioritized by top talent as career progression and challenges that an EMNE can offer as opposed to a more mature AMNE.

Theoretically, this essay has contributed to the field of cross-cultural management theory by supplying a qualitative, rich-description study of EMNE adaptation for internationalization with a specific focus on human resources acquisition in the new market. This thesis has also contributed to the recruitment literature by demonstrating how EMNEs have to adapt their HRM systems to

the local environments in order to gain the attention of and acquire the local top talent. This is particularly important as much of the SHRM literature is Western-centric which does not adequately represent the new globally integrated playing field dominated by increasingly globally oriented organizations (Pudelko & Harzing, 2007). Different cultures think differently about work and life, which is reflected in which human resource practices are appropriately applied (for example some practices that would be considered part of high power SHRM systems are not relevant in many European countries as the state provides many of these such as economic reprieval programs and tax-funded healthcare).

Managerial contributions of this thesis are also very relevant. Our findings show the importance of aligning the company's values with its local markets while also highlighting the value proposition and career progression to attract top talent. Our findings also show that in an increasingly globalized world, cultural and physical distance between home and host markets is no long as big a challenge as before. While EMNEs certainly need to do their homework before moving to AMs, the focus of pre- and post-internationalizing activities is different. The findings from our thesis would help smaller companies from EMs that do not have the resources of MNEs but wish to internationalize to AMs.

6.2.   Limitations and Further Research

A key limitation for qualitative research in general is with regards to external validity (LeCompte & Goetz, 1982). That is to say: to what extent is the research generalizable? However, the main purpose of qualitative research is not necessarily to generate statistical generalization but rather along the lines of what Yin (2015) refers to as 'analytical generalization'. As the aim of this study is to gain a deeper understanding of cross-cultural management as well as strategic human resource management theory and practice, the general conclusions drawn are mainly valuable in relation to enriching previously developed theory and understanding the thinking of practitioners with experience in the areas of interest.

One limitation of this thesis was that we were not able to study an EMNE that is in process of internationalizing or has recently internationalized to Sweden. Due to time and resource limitation we were just able to focus on EMNEs that have had a strong presence in Sweden for a number of years (although this does in effect control for successful advanced market internationalization). Additionally, our data was from very large companies that have an abundance of resources at their

disposal. We believe the results from our study could be further corroborated with an in-depth case study at a small EMNE that is in process of internationalizing into an AM.

Additionally, we believe there is much more value to be extracted from studying EMNEs in line with calls for positive research looking for the unique strengths and powerful management philosophies arisen from emerging market cultures across the world (Chen & Miller, 2010; Stahl & Tung, 2015). There also remain many insights in creating new internationalization theories as some scholars suggest (for example Ramamurti & Singh, 2009) and some scholars have done (for example Fang et al., 2017)as the world changes and organizations adapt. as the world changes and organizations adapt. Future researchers should look for innovative new ways to recombine models, approaches, and perspectives for new situational, contextual, and temporal change (in line with Fang, 2012; Tung & Verbeke, 2010).

The trajectory of large MNEs appears to converge toward utilizing the new global work paradigm as part of the core overarching corporate strategy, seeking valuable talent wherever it may emerge and deploying operations in hot spots or simply utilizing multinational networks to allocate that valuable talent where it best suits strategic objectives. We urge future researchers to study SHRM systems in the context of globally acting multinational firms with human resources from all the world's cultures. With the Western-centric nature of research (Pudelko & Harzing, 2007) up until this point (albeit with many exceptions) there are many fruitful research endeavors that can benefit from examining and analyzing the complex roles of the new globally interconnected context.

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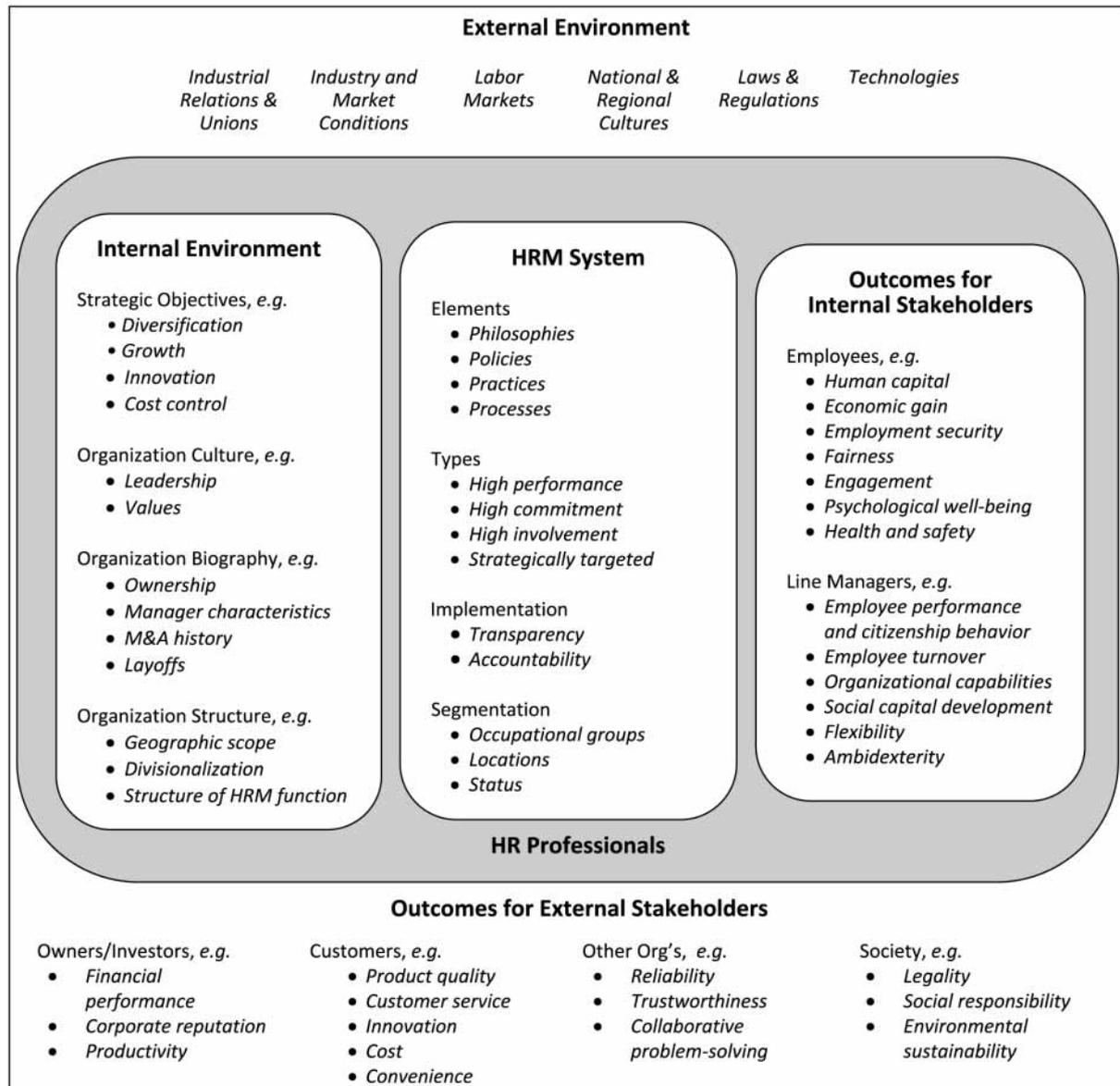
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Appendices

Appendix A: Proposed Model for SHRM (Jackson, Schuler & Jiang, 2014)

External Environment

| Industrial Relations & Unions | Industry and Market Conditions | Labor Markets | National & Regional Cultures | Laws & Regulations | Technologies |

Internal Environment

Strategic Objectives, *e.g.*
- Diversification
- Growth
- Innovation
- Cost control

Organization Culture, *e.g.*
- Leadership
- Values

Organization Biography, *e.g.*
- Ownership
- Manager characteristics
- M&A history
- Layoffs

Organization Structure, *e.g.*
- Geographic scope
- Divisionalization
- Structure of HRM function

HRM System

Elements
- Philosophies
- Policies
- Practices
- Processes

Types
- High performance
- High commitment
- High involvement
- Strategically targeted

Implementation
- Transparency
- Accountability

Segmentation
- Occupational groups
- Locations
- Status

Outcomes for Internal Stakeholders

Employees, *e.g.*
- Human capital
- Economic gain
- Employment security
- Fairness
- Engagement
- Psychological well-being
- Health and safety

Line Managers, *e.g.*
- Employee performance and citizenship behavior
- Employee turnover
- Organizational capabilities
- Social capital development
- Flexibility
- Ambidexterity

HR Professionals

Outcomes for External Stakeholders

Owners/Investors, *e.g.*
- Financial performance
- Corporate reputation
- Productivity

Customers, *e.g.*
- Product quality
- Customer service
- Innovation
- Cost
- Convenience

Other Org's, *e.g.*
- Reliability
- Trustworthiness
- Collaborative problem-solving

Society, *e.g.*
- Legality
- Social responsibility
- Environmental sustainability

Appendix B: Interview Guide - Managers/Executives

Basic Questions:

- Who are you?
- What experience do you have in emerging markets?
- How long have you worked in multinational corporations?
- Do you have experience working in or working with emerging market multinationals specifically?

RQ1: How can emerging market multinational enterprises (EMNEs) manage cultural distance between their home and host countries when internationalizing to developed markets?

- Do you have any direct experience/insights into MNE internationalization?
    - How about for EMNEs? What are the major differences?
- In internationalizing to new markets, how much does cultural distance impact the process? (Particularly for EMNEs internationalizing to Sweden?)
    - How does this affect strategic considerations?
    - Practical implications?
- Can you think of any examples of normal challenges in bridging the cultural divide?
- Are there any identified cultural strengths from emerging markets that have been of strategic value in your experience?
- Can you think of any examples of emerging market multinationals leveraging strengths acquired in their home country in an advanced market (e.g. Sweden)?
    - Are there any cultural strengths from the host country that have been realized and utilized strategically?
- What are the biggest cultural differences between Sweden (or other advanced markets) and emerging market countries? (specifically: management style, day-to-day operations, business culture; feel free to focus on one emerging market country or use different examples as you wish)?
    - With regards to business/corporate implications?
    - With regards to overall strengths and weaknesses that can be leveraged?

RQ2: How do these internationalizing EMNEs attract new talent in the host country?

- Do you know a lot about emerging market corporations as competitors?
- What kind of talent is most attractive to internationalized EMNEs? Similar to AMNE competitors? What differs in preference regarding talent acquisition?
- Are EMNEs perceived as attractive employers in Sweden? In general?
    - In emerging markets? Is it easy for Western MNEs to acquire talent versus local MNEs?
- How is acquiring talent in Sweden different from in emerging markets?
- Have there been any challenges in attracting the desired talent?
- What strategies are used to attract the right kind of talent? By EMNEs?
    - What strategies _do you_ think are the best in attracting the right kind of talent?
- Is there a large perceived cultural gap that requires special managerial/marketing considerations when EMNEs internationalize to advanced markets (Sweden)?

Appendix C: Interview Guide - Top Talent

- Do you have experience of emerging markets?
  - o Familiarity with emerging market multinationals?
- Are you currently looking for employment?
  - o Recently seeked employment?
  - o Researched job opportunities/attractive corporations?
- What types of companies are most interesting to you and why?
  - o Big multinational corporations?
- Does the origin of the MNE matter?
  - o With regards to brand, perceived opportunities, value of work experience, salary differences, etc?
- What can EMNEs do to set themselves apart and beat AMNEs in attractiveness?
  - o What cultural elements do you think are most important to bridge?

Appendix D: Transcribed Interviews

The transcriptions are in a separate document and subject to submission upon request.

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