Interpreting the Multinational Enterprise from Within: Employees’ Lay Theories of Organizational Nationality

Working Paper

Ödül Bozkurt
University of Sussex Business School
Department of Management
o.bozkurt@sussex.ac.uk

ABSTRACT

This article investigates how employees in Multinational Enterprises (MNEs) interpret the nationality of their organization. Although the self-identity negotiation of MNE employees across national categories has received increasing attention in scholarship, little attention has been paid to the agency of employees in interpreting the national identity of their employer. Drawing on interview data from the historic context of ‘peak globalization’ discourse in the early 2000s, and adopting an interpretive, exploratory approach, three key observations are offered: First, even during this time of broad assertions of MNEs’ independence from home countries, nationality remained a key reference in employees’ lay theories about the identity of their organization in highly variable ways not reducible to organizational characteristics. Secondly, two divergent interpretations of the MNE were salient: one of expanding the national and another one of surpassing the national. Finally, employee lay theories did not align neatly with any of the popular academic frameworks but were eclectic and hybrid. The article contributes to the strand of MNE research from micro-political, actor-centric and relational approaches and provides insights for MNE practitioners about the way internal stakeholders dynamically think about the identity of their organization.
Introduction

National differences are definitional to the existence of the multinational enterprise (henceforth the MNE) as an organizational form and also central to the organization and experience of work inside it. Despite extensive research from both economistic and institutionalist approaches on the differences negotiated by MNEs, an emphasis on culture and the preponderence of culturalist accounts remain persistent in extant scholarship (Kirkman et al., 2006; Beugelsdijk et al. 2017). Implicit but buried in most discussions of national differences straddled by the MNE is a debate about the nationality of the organization, that is, the organizational nationality of the firm, but this is rarely if ever framed as such in formal terms. Rather, nationality has typically been treated as belonging to and defining the cultures and hence beliefs, values and behaviours of the people inside MNEs, that is, groups of employees. This confinement of the definition of ‘national’ to culture, and the reduction of culture to a very particular, objectivist vision first charted by Hofstede (1980), has prompted much incisive criticism for ignoring the agency and subjectivities of employees (Eg. Mc Sweeney 2002, 2016; Ailon-Souday and Kunda, 2003; Ailon and Kunda, 2009). These challengers of the dominant discourse have especially highlighted the interpretive agency of actors within the organization and the dynamic, relational ways in which they understand, reenact and challenge national categories, boundaries and reification (ibid.).

Thinking about the interpretive negotiations around nationality inside MNEs through an identity perspective offers much promise for generating insights beyond the dominant positivistic, self-referential and highly problematic culturalist approaches. Attention to issues of identity has provided much analytical leverage to organizational analysis and especially to our understanding of the relationship of organizational actors to the organization in recent decades (Alvesson et al., 2008; Watson, 2009; Kenny et al. 2011; Brown, 2022). At the same time, nationality has attracted renewed interest in recent scholarship as a key dimension in the enactment and negotiation of identities at the organizational and individual levels alike (Czarniawska-Joerges, 2004; Hatch and Shultz, 2004). Research making connections between themes of identity and nationality under globalization and particularly in the context of the MNE has nonetheless not been as well extensive as one might expect given the theoretical significance of this context for understanding the negotiation of nationality identities, on the one hand, and the helpfulness of an identity perspective for understanding the inner workings of the MNE, on the other. Nevertheless, a series of important exceptions (Vaara et al., 2003; Jacki and Lorbiecki, 200; Koveshnikov, 2011; Vaara et al. 2021.; Koveshnikov et al., 2020) have underscored the merits of such an effort on both grounds.

This article builds on this currently relatively niche stream of work to inquire about a hitherto underresearched aspect of the negotiation of national identity inside MNEs and asks: How do MNE employees interpret, understand and represent the nationality of their employing organization? We have a rich array of academic theories for ascertaining nationality, but what are the ‘lay theories’ concocted by organizational insiders in arguing the MNE is of a specific nationality, or not? Is nationality an obsolete marker for the trans-border organization when seen from within?

This effort intends to complement previous discussions of identity negotiation inside the MNE with the insight that it is not merely the individual identities of organizational members that is thrown into flux and ambiguity in this context, but also that of the organization. It sees employees as agentic actors who have their own interpretations of both the employing
organization and the relationship of the organization to the organizational members. Noting the relational, contingent and variable interpretations forming MNE employees’ ‘lay theories’ of organizational nationality is offered as a novel contribution.

From National Cultures to Interpreting National Identities
The MNE as an organizational form is literally defined by its requirement to ‘manage across borders’ (Bartlett and Ghoshal, 2002), negotiating the dual pressures of global integration and local responsiveness (Rosenzweig, 2006). It is by definition embedded in multiple country locations, that is, multiple economic, political, institutional and cultural contexts. Much effort has gone into the categorization of the relationship of the MNE organization to the numerous national units within its global network. Whether strategic (Perlmutter, 1969; Harzing, 2000), institutionalist (Edwards and Kuruvilla, 2005; Farndale et al., 2008) or culturalist (Hofstede 1980, 1983, 1991), these categorization efforts revolve around different but nevertheless purportedly objective criteria. Particularly open to contestation on the grounds of such objectivism is the culturalist approach, both due to its dominance in the way nationality is handled in management scholarship and the problematic construction of its central tenet, ‘culture’, as divorced from processes of actor perceptions and interpretations. Rather national cultures are seen as linked to individual behaviour through assumed ‘value systems’ (e.g. Woldu et al., 2006) with a lack of recognition of MNE employees’ subjectivity and interpretive agency. Subsequent iterations of the Hofstede paradigm, while claiming distinctiveness, suffer from most of the core shortcomings of the original framework in this respect (McSweeney, 2015).

Such reductive culturalist accounts either crudely or eventually reduce the organizational members of MNEs to (rather mindless) conduits of externally existing national cultures (McSweeney, 2002; Rubery and Grimshaw, 2002). More interactional and interpretive scholarship has challenged this orthodoxy by drawing on the sociological tradition that recognizes national identity as a processual and fluid concept (Hall, 1992) that is socially constructed in socio-historical context (Gellner, 1983; Anderson, 2006). Studies adopting this sensibility have for example explored the identity construction and negotiation processes inside multi-national project groups (Barinaga, 2007) and how ‘national identities play a key role in international settings’ (Vaara et al., 2003: 425). Such research moves away from treating national identities as cultural systems manifested through ‘stubbornly distinctive behavioral patterns’ (and) as ’the passive embodiment of a pre-determined cultural template’ (Ailon-Souday and Kunda, 2003: 1074), as the focus shifts from categorical cultural differences to ’the construction of national cultural conceptions and identities’ (Vaara et al., 2003: 425). In this more interactionist view of national identities inside MNEs, there is recognition of the interpretive space left for organizational members in defining, enacting, resisting and negotiating national identities, ie the construction and consolidation of national selves in an organizational context where nationality cannot be taken as self-evident, matter-of-fact, and stable (Koveshnikov, 2011; Koveshnikov et al., 2020). An ever growing body of work raises questions about both the theoretical and empirical integrity of tropes around cultural differences in the MNE (Boussebaa, 2020).

‘Boundary work’ (Gieryn, 1983) carried out by the internal actors of MNEs has been a key focus in scholarship in this vein. For example Ailon and Kunda (2003) have looked at how the high-skilled employees of an Israeli-American MNE invoked and established boundaries around national identities through a range of discursive and practical strategies, while Yagi and Kleinberg (2011), in a study of a Japanese-American binational firm, shown the boundary spanning role taken up by the Japanese employees and underscored the
interrelationships between boundaries defined 'by culture, nation, by organization structures, or some combination thereof' (649) in the context of the MNE. Blazejewski (2012) has redressed the cross-cultural psychology basis of much of the literature on bi-cultural organizational members of MNEs and demanded greater attention to the 'situation-al rather than dispositional dimensions' of identity in general, and biculturalism in MNEs in particular. Both Baikovich and Wasserman (2020) and Ashta (2021) have looked at practices of ‘othering’ as well as of resistance to such othering as instances of conflict-ual boundary work inside MNEs.

Whilst these studies are hugely corrective over the much more prevalent culturally essentialist accounts, an emphasis on boundaries alone can nevertheless be critiqued for leading to an 'empirical portrayal of relatively coherent ‘units’ of national identity' (Jack and Lorbiecki, 2007: 82) themselves. For example, Ailon-Souday and Kunda’s (2009) own categorization of employees in the study of the Israeli-American MNE remains congruous with national groups, and Koleshnikov’s (2011) otherwise insightful study of a Finnish MNE in Russia likewise underproblematizes the homogeneity of the host/home country nationals as groups.

Furthermore, the boundary work investigated in this recent literature is almost exclusively around the definition of self-identities, that is, how the actors inside MNEs perceive and portray their identities as individuals and members of groups, including when this is done to exclude or dominate over others. Identity is a multilevel construct (Jack and Lorbiecki, 2007) and an understanding of the ‘views and behaviours of internal actors’ (Ailon-Souday and Kunda, 2009: 699) pertains not only to how they relate to one another but how they interpret the organization. The nationality of the MNE is a key anchor in organizational members' characterization of their context and hence their self and group identities, but also a core element of the organization’s identity.

‘Organizational identity’ comprises those characteristics of an organization that its members believe are ‘central, distinctive and enduring’ (Pratt and Foreman, 2000: 20) and when different conceptualizations exist about what precisely these characteristics are, organizations have multiple organizational identities (ibid.). The MNE's relation to multiple country locations render it a 'hybrid-identity organization’ (Albert and Whetten, 1985: 270), although this is beyond a simple duality as most discussions of the concept assume. Different approaches exist in how to capture the nature of the hybridity. Objectivist accounts reference measurables, eg. the distance between given national identities, whether on cultural (Hofstede, 1980) or institutional grounds (Kostova, 1996), while for subjectivist accounts organizational identity has been linked to the ‘organiza-tional image’, which ‘includes notions involving the ways organization members believe others see the organization’ (Gioia et al.,2000: 63). According to the latter, identity and image are interdependent, and ‘questions of self reflection informing identity are ulti-mately bound up in questions of other reflection’ (ibid: 69). Hence, any attempt to portray national identities as constituted through interactions that also involve subjective views of actors needs to also take into consideration how these actors perceive and portray the MNE employer as a key ‘social referent’ (Ashforth and Mael, 1989: 22) in the ‘situational definition’ (ibid: 26) of organizational life. Yet to date organizational image has mostly been discussed in relation to employer branding (Dhir and Shukla, 2019) and studies of national identities not included a discussion of the way employees perceive and theorize MNE identity.
This article contributes to an actor-centric approach to understanding the MNE by looking at how the national identity of the MNE is interpreted from within by employees. This is done drawing on data from a historical context of ‘peak globalization’, that is, the time period in the early 2000s when globalization discourse had reached its highest levels of popularity and the MNE was widely asserted / narrated as challenging the nation-state and leaving nation-states behind (Rugman, 1993; Friedman, 2000). The empirical discus-sion is based in a sectoral context, that of mobile telecommunications, which was among the most globalization-affirming, with extremely rapid expansion of its key MNEs over the course of the 90s and early 2000s. This context is appropriate for investigating the relevance or obsolescence of notions of nationality in MNE employees’ depictions of their organization, as it relates to a setting were post-national ways of understanding the MNE would have been most possible and resonant.

The following sections first provide information about the research context and methodology, then present the findings on the popular ‘lay theories’ by MNE employees on the organizational nationality of their employers. The article concludes by discussing the broader significance of the findings and noting the insights from these observations from the time of ‘peak globalization’ can offer for a better comprehension of subjectivities in the contemporary and future MNE.

Research Context and Methods
From the mid-90s up until the financial crash of 2007, as assertions, celebrations and critiques of globalization grew in both populara and academic writing about the economy and society (Dicken, 1998; Bauman, 1998; Giddens, 1999; Beck, 2000; Wolf, 2004), bringing MNEs to the centre of broader debates than the far more contained ones in the fields of international business and trade. The ‘network society’ (Castells and Carodoso, 1996) that both engendered and was predicated on globalization was linked closely to the global knowledge economy defined by its reliance on information communication technologies (henceforth ICT) (Thrift, 2005). Mobile telecommunications was among the flagship segments characterizing the meteoric rise of ICT and recorded record-breaking growth both geographically and financially in this period, becoming one of the go-to illustrative cases of globalization and the transformed significance and power of MNEs.

The three MNEs included in this study, with headquarters in Finland, Sweden and the United States (and hence referred to with the pseudonyms Finncomm, Sveacomm, and Americomm), were, at the time of the phenomenal global expansion of the sector from the early 1990s to the early 2000s, among the sector's leading players. While their fortunes drastically changed in subsequent years, they were definitive in the global consolidation of the sector, each establishing subsidiaries in over 100 countries at their peak. Carrying out mainly high-skilled work in most of their global network, the firms were employers of a highly qualified, professional workforce globally.

Fieldwork was carried out between 2001 and 2004 in two home countries, Finland (with interviews at Fincomm headquarters and Americomm and Sveacomm subsidiaries) and Sweden (with interviews at Sveacomm headquarters and Americomm and Fincomm subsidiaries). It was not possible to gain access for interviews at Americomm headquarters in the United States. Fieldwork was also carried out in Turkey, one of the fastest growing 10 new markets and a regional hub for all three MNEs at the time of research. Interviews were carried out with a total of 72 MNE employees, 26 in Finland (13 in Finncomm, 8 in Sveacomm and 5 in Americomm), 26 in Sweden (15 in Sveacomm, 5 at Finncomm and 6 in Americomm), and 20 in Turkey (4 in Finncomm,10 in Sveacomm and 6 in Americomm).
Interviewees included home, host and third country nationals. The countries of origin of the foreign employees included Belgium, China, Germany, Finland, France, Hungary, India, Iran, Turkey, Sweden and Venezuela. 50 were male and 22 female. Over two thirds of the group were under or 35 years of age and only three interviewees were over the age of 55. Interviewees were located through a combination of official inquiries (for example with the engineering unions in Sweden and Finland) and snowball sampling, and selected to reflect a demographic and functional range.

The in-depth interviews followed a career history format, charting the educational and employment trajectories that led to current positions. Further details were solicited about both the objective organization of work in the MNE workplace and the subjective views about such organization of work, including views about the differences between MNE employers and domestic ones and differences between different MNEs, where relevant. Except those with native speakers of Turkish, all interviews were carried out in English, by the interviewer who is fluent in both languages. Interviews were recorded except in two cases and lasted between one to three hours (multiple meetings were held with nearly a third of the participants). Recorded interviews and interview notes were subsequently coded using NVivo7 software package, allowing for the categorization and inter-referencing of themes around nodes. All interviewees were assigned pseudonyms to ensure anonymity.

Although the three MNEs were selected for their distinct sector dominance at the time of research, the surface closeness and similarity between the two home countries of Finland and Sweden, especially in contrast with the institutional (and cultural) distance of both from the United States by widely accepted criteria, allowed for the inclusion of both ‘relatively similar’ vs. ‘clearly different’ nationalities in terms of home country / interview location pairings. The timing of the fieldwork also allowed for capturing a trajectory of very rapid growth and commercial success, followed by an abrupt reversal of market fortunes and therefore a time of stagnation in the sector.

The primary focus of the original study, that on the role of different forms of mobility in the working lives of employees and for social capital generation inside the MNE has been explored elsewhere (Bozkurt and Mohr, 2011). This paper revisits the interview material from this particular context, a sectoral and historical context when the skepticism about the relevance of national identities would have been most intense and the assertions about the ascendance of MNEs at their strongest. This provides a particularly informative ‘testing ground’ context to see how MNE insiders made sense of organizational nationality at a point of flux.

**Findings: The Repertoire of Member Interpretations of Organizational Nationality**

Two salient member interpretations about the identity of employing MNEs emerge from the review of employee narratives from the empirical study. In the first, more popular and articulate narrative of expanding the national, employees depicted their MNE as remaining national in essence, and accruing greater economic, social, and cultural influence beyond the geographical boundaries of the home country in and through the corporate network. In the other, less established but nevertheless nascent, contradictory narrative, of surpassing the national, the MNE was portrayed as highly differentiated from and/or not particularly marked by the nationality of the home country, and as going beyond national borders by leaving the national—and any one specific nation—largely behind.
These narratives not only co-existed, but they also failed to map neatly and parsimoniously on to differences in the organizational structures or staffing strategies of the MNEs in the study, being offered by members of the same organizations simultaneously. Neither did they fully, coherently or uniformly correspond to the organizational status and power of the narrators inside the MNE, in partial contradiction to research that highlights the significance of the power resources of actors in the way they interpret nationality (Eg. Caprar, 2011; Ybema and Byun, 2011). The coexistence of contradictory narratives among members of the same organization, and in fact often within the accounts of the same individuals, underscores not only that nationality is a contested domain open to disagreement and negotiation inside MNEs, but also that the perception and interpretation of employers by organizational members may be more multifarious than a set of formal/structural factors may fully account for. Such flexibility in the interpretations of the organizational nationality of MNEs has implications for our understanding of the negotiation of national self-identities by individuals inside the organization, as well as of the very constitution of the MNE itself.

Different interpretations of the national identity of the MNE emerged spontaneously from the interviews. In narrating their career histories, job choices, objective and subjective experiences of work, as well as plans for the future, interviewees made frequent references to ‘nationality’, without prompting. They did so in all three research sites, in both head and branch offices, and across different functional departments and organizational divisions. In other words, the notion of the national was a ubiquitous reference point in the ‘member descriptions’ of this work context (Emerson 2001, 36). Some references to the national were explicit, using actual national adjectives and nouns with emphasis, while others were more implicit, articulating distinctions that were, upon elaboration, eventually revealed to relate to notions of nationality. Interviewees repeatedly used a series of terms including ‘global’, ‘international’, ‘foreign’, ‘Western’, and ‘multinational’ while discussing what they reported to be critical aspects of their employment experience, and both these and the far more frequent verbal references to the Finnishness, Swedishness, or Americanness of employers underscored the centrality of nationality as an interpretive starting point in defining employees’ perceptions of employing organizations.

The ubiquity of the national as a reference point did not correspond to agreement about its significance, however. The references to the national were as likely to be made to support arguments that it was insufficient or even irrelevant to defining and explaining the MNE as an organization and employer. In the final part of the interviews participants were asked directly whether they thought their employer was an American/ Finnish/ Swedish or a ‘global’ company. As in the impromptu accounts, the answers varied and included opposing interpretations, sometimes within the same interview. The two main narratives/interpretations that emerged from the member accounts, drawing on considerably similar forms of ‘evidence’ with variable conclusions, are detailed next.

**The MNE as Expanding the National**

The widespread and largely unprompted use of national adjectives and references to the Americanness/Finnishness/Swedishness of employers in interviews directly and immediately portrayed the organizations as retaining a national core and quality, based on the home country. In this view, the MNE was portrayed as some kind of outpost or extension of the home country’s national sphere, and as expanding it across borders. The references to the nationality of the organization routinely collated the relationship between the nation-state, the nationals, and the national culture of the home country, and used them interchangeably. In
one example, Niina, employed by the Finland office of Sveacomm, answered the question about whether she thought her employer was a global or a Swedish company in the following way:

I actually think it’s a Swedish firm… In the end, (it is) still managed by Swedes. When you have to make an important decision, it’s done in Sweden. Also, during those expat times and so, there were Swedes everywhere, on contracts. Well, there were other people going and coming but at least from my perspective, it’s a Swedish company… Then of course (there is) an approach. Like, there are these all-staff meetings and you are told things and then if you want to have extra holidays, you are given them-- in some companies you are not. The bosses (are) also very easy and flexible, it isn’t strict. It is yourself who should decide what to do and make your decisions and you are more guided to do that than told what you should do.

This account includes the three strands of the expansion interpretation offered by the interviewees. Like Niina, many interviewees referred to three interrelated, but nevertheless distinct things when they portrayed the MNE as expanding the national: that it a-) enhanced the significance of the home country/nation-state; b-) widened the space of movement and authority of home nationals, and c-) promoted the diffusion of the home country’s national culture. In other words, the boundaries of the home country’s national sphere were seen as being expanded by the MNE through place, people, and practices, paralleling, though not referencing, academic scholarship that has debated the nationality of MNEs with references to these three ‘objective’ tenets.

In the first of these forms of reasoning, employees depicted the MNE as expanding the home country’s national sphere because the organization was largely seen as clearly, strongly, and decisively tied to a national place: that in which the headquarters were lo-caled. In this view, the MNE expands the boundaries of the national, because what hap-pens in Sweden, Finland or the United States becomes defining for what happens in over 100 other national units. Accordingly, the physical location of the headquarters matters, and physical locations are still most easily identifiable by their national coordinates. The headquarters is the capital of the territory covered by the MNE, across national borders, and itself remains closely tied to the national location where it resides. Hence, strategic decision-making powers are largely concentrated in nationally embedded locations and these decisions have influence in and repercussions for other locations in the corporate network. Interviewees' depictions of the nationality of their employer through references to the significance of what ‘they do in the States’; the way ‘they have to deal with things in Sweden’ or ‘what they are used to doing in Finland’ underscored this form of reasoning. Soren, the Swedish VP of Sveacomm’s Istanbul office, summarized the importance of the headquarters in Sweden in the following way:

(Especially at the beginning) we were very much dependent on the Swedish organization because that’s where we have the factories, we get all the deliveries and also the new tech-nology. They expect certain parts of the organizational structure here, which we didn’t have, but the HQ (let us know).
The HQ is there, so yes, Sveacomm in important ways is of course Swedish.

In this depiction above, the MNE remained clearly anchored in a specific nationality, due to power being concentrated and located in a national location. As subsidiaries pick up the necessary structures and skills, the significance of the home country might be expected to subside. However, despite a widely shared account that highly efficient subsidiaries quickly built up competencies, major innovations (such as, at the time of re-search, third generation mobile technologies) and strategic decisions (such as the global headcount reduction due to market downturn) still came from the headquarters and sustained the privileged role of the home country.

The second strand of the expansion interpretation involved the perception that the MNE expands the home country’s national sphere through people, that is, by the roles taken on by home country nationals. When asked to open up what they meant by their employer having a specific nationality, this was the single most frequent and consistent support interviewees offered. Qualitatively, home country nationals were portrayed as having more significant organizational roles and greater authority, overlapping with the distribution of power between different national locations inside the MNE and the corresponding privilege of the headquarters. Quantitatively, even in the case of small home countries like Finland and Sweden, home country nationals were said to be disproportionately represented in the global organization, despite purportedly different staffing strategies. This was particularly the case for high-value added activities (and hence jobs) involving high levels of authority and discretion, not only in terms of managerial roles but for example, in research and development. Murat, the Human Resources Manager of the Istanbul branch office of Finncomm was one of many interviewees who linked their perception of the organizational nationality of the MNE to the role played by home country nationals:

Close to 100% of the CEOs, close to 90% of the next level and 80% of the regional heads are Finnish. In terms of employees, Finland still has the top place: about 17,000 employees. USA about 6000, England 2-3000, China, 2-3000, Germany 2000, Hungary 1500, Italy 500, France 300-400.

Another Finncomm employee at the same office, Cenk, who had previously also worked for Sveacomm, made the same argument, but drawing on the observation to generalize far more widely about the ‘nature’ of the MNE as an organization:

(During those first days) There were so many foreigners. That is what a so-called ‘global’ company is, I will say that strong and clear, and can prove it. A ‘global firm’ is something made up so that the nationals of the home country make a lot of money. That’s totally the point. In Sveacomm, the Swedes make the money. In Finncomm the Finns make the money; this is without a doubt clear. Global doesn’t mean making a lot of money where they are, at home. It means making money from projects elsewhere in the world. That’s what I understand from a global firm.
These two accounts hence varied in terms of how they linked the organizational nationality of the employing MNE to the MNE as an organizational form, i.e., how much they generalized, but nevertheless rested ultimately on the perceived role of home country nationals in the organization. Markku, a home country national working in Finland also agreed, meanwhile argued that such was the norm for the MNE, but somehow more noticed and commented on in some cases than others:

Some non-Finns complain a lot about the company being so damn Finnish. But nobody complains an American company being very American. I think it’s very much due to a company coming from a small culture—a very small culture on global scale. So it’s so annoying to people to people coming from, for example, America, or China or whatever. It seems to be hard for them to understand that in a company you can have a lot of people from a small nation. Whereas nobody wonders why there are so many Americans in some global company or so many British or so many French.

For Murat the weight and power of home-country nationals was a statistical fact, for Cenk a more essential feature of the MNE, and for Markku likewise a matter of fact that does not deserve particular noting let alone an objection. They all agreed, however, the latter two more categorically, that the MNE expands the sphere of the national because it enhances mostly the fortunes of its home country nationals.

The third line of argument within the expansion interpretation was that MNEs provide platforms for the global diffusion of home countries’ national ways of doing things, that is, practices. This was overwhelmingly expressed through a reference to ‘culture’, where interviewees either portrayed the MNE portrayed as directly shaped by the home country’s national culture or its organizational culture as having been built on and/or infused with it. Asked what employees found Finnish about Finncomm, Emilia, head of the corporate Diversity Department in the head office, replied:

The culture. The Finncomm culture is very similar to Finnish culture and I think particularly for non-Finns it’s difficult to see the differences. But very often they look at Finncomm culture and look at it as Finnish culture.

The perceived imprint of national practices inside the global organization was vari-ably presented as a source of advantage or disadvantage, a strength or a weakness. In one example, Jerome, a Belgian citizen who moved to Finland because he ‘fell in love’ with the ‘national culture’ and pursued a job with Finncomm because he felt it ‘encapsulated that culture’, argued that far from rendering it parochial, the company’s Finnishness proved a critical competitive edge. He attributed Finncomm’s success to the ‘Finnish’ characteristics it had incorporated, namely, ‘being fact-based, sober, straight-forward and fact-oriented’, which he felt was ‘a very very very good and universal concept for doing business’. But similar claims about practices were not always accompanied with celebratory tones. In a contrasting example, the resilience and strength of the home country’s national practices and habits was a source of skepticism, even frustration for Seija, a Finnish national, working for Sveacomm in Finland:
That was something I was wondering for quite some time, do I really want to work for a Swedish company? There is still some differences—culture. (…) Swedish culture is always so much diskutering (discussion) and that’s something that I dislike quite a lot. Somehow good to get different opinions but there still should be someone who takes that responsibility and who is the leader and says, ‘Hey we do it like this, even though you have the point there but, I think these points are stronger…’ (Someone who) makes the decision even though there is always the risk that the decision is wrong, and also carries the responsibility.

Once again, similar perceptions (in this case about the prevalence of practices from the home country characterizing the MNE's nationality) were claimed with variable normative assessments. For example, the ‘Swedishness’ that made working for Sveacomm occasionally problematic for Seija figured prominently but very favorably in Istanbul colleague Esra’s account, distinguishing her current employer not only from previous domestic employers but also from Americomm, also a former employer:

In American companies it’s all individual-play; not team-play in general. It’s always everyone’s individual performance that’s looked at, and if someone’s successful they are loaded up on, played on and you go for success through that person. But not here, we really engage in teamwork here, it’s the team’s performance that’s under the spotlight—there is no such thing as individual performance or success here.

Such different pairings of empirical claim and normative judgment were not could not be explained by organization-wide, generalized discontent or universal praise for the home country’s national culture in any one of the corporations, as differences of opinion existed among employees in all three.

**The MNE as Surpassing the National**

Although the interpretation linking the MNE organization to the nationality of the home country was delivered more widely, with greater certainty, and a more accomplished vocabulary, not all references to ‘nationality’ in the interviews underscored its resilience and significance. On many occasions, nationality was referenced to be challenged (if not negated) as the exclusive or even primary anchor of the MNE's organizational identity. In this less self-assured and less articulate, but nevertheless nascent and salient second interpretation of the organizational nationality of the MNE, observations around the places, people and practices inside the firm were invoked to argue that the MNE is literally surpassing the home country’s national sphere. In this interpretation, the MNE is located and embedded in places well beyond the home country and comprises of multiple locations that constitute a transnational social space independent of it; its populating is comprised of citizens of an ever increasing number of nations and the hierarchies, allegiances and networks between members do not map onto any rigid or stable dominance of home country nationals; and practices are more an amalgam of global imperatives and local exigencies, not defined exclusively or even primarily by the home country’s national cultural repertoire.

In this competing interpretation, place also figured prominently, this time the multiplicity of places within the organizational reach being emphasized over the national location of the
headquarters. Interviewees’ extensive discussion of various forms of cross border mobility particularly highlighted the MNEs’ transnational social space as consti-tuted by a wide number of interconnected nodes, rather than dominated by one particu-larly privileged one. For example Mattias, who had an offer from a domestic firm when he interviewed with Fincomm, had little difficulty being swayed during his job interview when he was told he would be part of a team that would ‘arrange the survey for the whole company and have sites in Espoo, Oulu, Bochum, Camberly, Southwood, Dallas, Tokyo, Beijing, Singapore and all that’. Hannu in Finland found his job with Americomm ‘really different and exciting’ because he reported to managers in Sweden, Singapore and the USA. In this narrative, the MNE surpassed the confinement, and with it the predictability, of the national.

People also figured prominently in accounts arguing the progressive decoupling of the MNE from a ‘national’ workforce. The ‘diverse’ demographics of the MNE workforce received much mention. Although interviewees did not assert complete denationalization resembling Perlmutter's (1969) geocentric ideal-type the dilution of national homogeneity in the workforce was repeatedly presented as a reason to believe the MNE was breaking beyond the home country’s national sphere. Stefan, an employee of Sveacomm for over three decades, observed that, quite differently from the time he started working for the company, by now it was ‘not really (a) Swedish company because we are always working with people coming from abroad…And everyone here at Sveacomm has met so many people abroad and from abroad’. The majority, of not all, of the interviewees in all of the research sites referred to an opportunity to work with ‘people from all over’ as a main draw of working for a MNE. Salla, whose job involved the coordination of global meetings for Fincomm’s top executives, was one of numerous interviewees who argued that a desire for such was key in the self-selection of MNE employees in the first place:

Well I would say, it’s the thing that if you are a foreigner and you’re adapting to a Finnish company, you already have to be a different…If you’re American or Japanese or Korean, that you don’t apply for a domestic company… So there has to be something different about you. There has to be a reason why you apply to a position with Fincomm.

Finally, practices, typically under a rubric of ‘culture’, were also referenced in this counter-interpretation. In this case, interviewees emphasized the significance of the par-ticular organizational culture of their employer over any specific national culture and did not see the organizational cultures as direct extensions and derivatives of the national cultures of home countries. Frequently used phrases included ‘sharing a common lan-guage’ with colleagues elsewhere in the globe with whom interviewees came into virtual and/or face-to-face contact. This carried both a literal meaning (of communicating in English and using the organization-specific jargon) and a more figurative one pertaining to shared practices, ‘understandings’ and ‘attitudes’. Jaana, a Fincomm account director in the Helsinki region, described her experiences during her frequent trips to subsidiaries in Asia with her typical feeling of “OK, here’s our place, our building!” , adding, ‘Yes, it’s strange but wherever you go to meet Fincomm people, you have a common language’. The Turkish General Manager of Americomm’s Istanbul office proposed that particular practices, bundled up with standardized artefacts (ie a ‘material culture’), offered visible and tangible cues for similarity and synchronization within the MNE:
All Americomm offices around the world have the same posters hanging on their walls, with the same company mission statements. They state the same company principles. It doesn’t matter if you are in America or Turkey or the Far East or Sub-Saharan Africa, Americomm employees are all expected to work towards the same standards and deliver the results in the same way. Every morning I get an e-mail from the company’s global CEO in America that tells me what the big news are, what the new initiatives are, and I know that at the same time that all over the world other Americomm offices hear the same thing. In this sense, what we do is global.

To recapitulate, organizational members expressed their interpretations of the relationship between their employer to nationality, and particularly the nationality of the home country, drawing on largely very similar ‘objective’ reference points, that of people, places and practices. The interpretation that the MNE expands the national sphere was more explicitly argued, but despite the lack of an equally accomplished vocabulary the opposing interpretation of the MNE as an employer and indeed an entity surpassing national confines was also salient in all research sites as well. Taken together, what is revealed by the interviews in this study promise to further finetune our understanding of the cognitive terrain over which individual actors negotiate national identities within the MNE workplace.

Discussion and Conclusion – The Persistence of the ‘National’ as a Referent

Two disclaimers are wanting prior to exploring the larger implications of the two member interpretations of the MNE’s organizational nationality discussed. First, although these were the most salient, ie most widely offered, accounts, they are both composite narratives in the sense that dispersed claims about places, people and practices have been grouped here under the two more overarching lines of argumentation. In other words, the interpretations as offered in the actual member narratives were variably complete, detailed or causally sequential. Secondly, these two main interpretive framings were not exhaustive- ie other interpretations do and did exist, for example the one holding that in any given location the MNE subsidiary is ultimately a national business, locally. The core effort here is not to make the case here of the accuracy or even popularity of either narrative at the time of peak globalization two decades ago, but to underscore the point that even during an era of huge growth, MNEs’ nationality was open to different interpretations from within, and MNE employees formulated a range of lay theories of the organization’s nationality. These theories in some ways related to well established theories and frameworks by which academic scholarship attempts to discern the nationality of MNEs but drew on a more eclectic framework that drew on elements that appear in quite distinct theories. The discussion above is meant to be taken as an example of MNE citizen science around issues of nationality and identity. However, a number of summative observations can nevertheless be made about how MNE insiders made sense of their buoyant, confident, rapidly globalizing sector and firms at the time of research:

First, even at this time of triumphant globalization discourse, nationality was still the most resonant member category in perceiving and representing the organizational identity of the MNE, whether in the affirmative or the negative and whether or not in the explicit vocabulary of nationality per se. Nationality was referenced – and its significance asserted or refuted-through its variably portrayed links to places, people and practices by interviewees in different locations, of different nominal nationalities, and of different national backgrounds.
Lest this appears to be stating the obvious, the fact that nationality remained such an obvious referential anchor in organizational life even at the time glob-alization and MNE growth were widely seen to be irreversible deserves recognition.

Secondly, the findings presented highlight how contradictory interpretations about the organizational nationality of the MNE co-exist and these do not consistently corre-spond to objective organizational differences or individual actors' power positions within the MNE. This does not preclude the importance of any such structuring factors and such ‘structural and contextual influences’ (Caprar, 2011: 611) on organizational actors’ un-derstanding remain critical. However this co-existence of contradictory narratives drawing on different key / starting points in deciding organizational nationality high-lights the relative independence of interpretations from organizational materiality and as such, thevariability of organizational actors’ sensemaking as well as the portfolio of in-terpretations that are available at any given time in an MNE. On the one hand, the objec-tive ‘evidence’ offered as justifying one and the same interpretation could vary widely. For example, some interviewees (Swedish and other, in Sweden and elsewhere) argued that Sveacomm was in its essence (still) Swedish, because, accordingly, the firm had a long history in Sweden, had a ‘legacy’ of appointing Swedish managers to country offices and/ or had (as illustrated above), ‘a Swedish approach’ to management and work, while some interviewees (possibly even the same interviewees) referenced the radically different organizational history and trajectory of Finncomm to build a similar case. Here, the very lack of a historical legacy similar to Sveacomm’s and the recent and rapid rise to success of Finncomm was portrayed as reason to believe the firm was expanding Finland and a Finnish way of doing business on the global map more visibly than ever before. On the other hand, both, very different, corporate trajectories could also be referenced in support of the claim that the MNEs were surpassing the national sphere of their home countries. Sveacomm, because the recent global expansion had significantly altered its character as an organization and severed its ties to Sweden to a large degree, Finncomm, because it was so different from its domestic counterparts in its lack of confinement to national places, people and practices. In short, the interpretive space left at members' disposal in making sense of ‘facts’ emerged as substantial in this study.

Thirdly, and in line with the previous observation, the interpretations did not map on to notional members of ‘national groups’, and certainly not a home/host country national dischotomty. For example, both the American expatriate manager in the Americomm Finland office and the Turkish interviewees in the Americomm Istanbul office talked about the identity of the organization with reference to the United States, but while the former claimed the MNE was relatively disembedded from the home country (ie that the MNE had surpassed it), the latter included interviewees falling on side of either one of the two interpretations. The accounts were not reducible crudely to career trajectories either, overseas experience not having a uniform bearing on the stated member perceptions. While such personal career experiences may indeed inform interpretations and presentations, they certainly do not universally dictate them.

Finally, it is important to record the normative indeterminacy that accompanies the perceptions of organizational nationality. That is, in addition to the variation in the claims about ‘the facts’ around the organizational identity of employers, there was lack of a fixed value judgment about what was favorable or problematic. There was no necessary relationship between affirmative /celebratory vs. skeptical/critical empirical claims and normative judgments. Claims that an MNE retains most organizational power in the head office, or relies disproportionately on home country nationals in its global management, or
draws on nationally and culturally specific practices were presented as welcome and/or problematic in the interviews. This aligned well with the scholarly debate of the time where globalization was debated both in terms of its empirical reality and in terms of its desirability (Dicken, 1998; Rubery and Grimshaw, 2002), but as recent decades have muted the celebratory accounts of globalization the separation of the factual vs. normative elements of MNE insider understandings may be even more relevant today.

Taken together, the observations engendered by this study may prove helpful in advancing our understanding of the negotiation of national identities by employees within the transnational social space of MNEs in two key ways. First, they offer a link between (and underscore a need for both) objectivist and subjectivist accounts of organ-izational nationality, by pointing out how member perceptions draw on certain, pur-portedly ‘objective’ evidence, but do so inevitably within the interpretive space left for individual actors. Second, in illustrating the complexity, flexibility and variability of the ‘situational definition’ of the organizational context and identity of the MNE, these ob-servations complement the insights about, as well as the continuing need for, a more nuanced approach to, the negotiation of national identities by individuals in these workplaces. Organizational members of MNEs have views not only about themselves and others as individuals and/or groups in the organization, these distinctions in the first place are inter-twined with perceptions about organizational level phenomenon, including organizational nationality. Such an insight is part and parcel of noting the agency of actors inside MNEs (Clark and Geppert, 2011; Chul et al., 2012).

In the years since the study the omnipresence of a globalization discourse in both popular and academic writing has waned, and indeed the three MNEs included in the study at their peak of financial success have all retreated as the mobile telecommunications sector radically changed form with the merger of new technologies around the smart phone. Nevertheless, the debate around how MNE activity relates to the power and influence of nation states remains far from resolved (Cadestin et al., 2018; Witt, 2019 ) as we observe a shifting geographical spread, the emergence of new business models and the utilization of a wider range of digital technologies by MNEs (Foley et al., 2021). The future trajectories of MNEs have become all the more unpredictable in the context of the post-pandemic recovery (Ciravegna and Michailova, 2022) but the promotion of global-ization as a solution to ills remains, despite resurgent nationalisms, remains alive (Con-tractor, 2022). Recent research has noted that beyond the ‘objective’ measures of MNE growth, endogenous factors including the perceptions of internal actors have to be in-creasingly recognized to better understand these growth trajectories (Tan et al., 2020).

Finally, the discussion presented in this article also offers at least one methodological and one practical implication. Methodologically, a demonstration of the variable ways in which MNE actors theorize the national identity of their employer alerts us yet again to the limitations of the dominant methods of research in the fields of International Business and Management. Increasingly, research is characterized by heavy reliance on third party data sets or, in rare instances of primary data collection through interviews these are with a very limited number of key informants, typically elite executives, whose claims are often taken to be indicators or at least proxies for organizational realities (Geppert and Bozkurt, 2021). A more comprehensive and accurate analysis of MNEs and especially of working inside them must continue to find ways of conducting research that reveals the complex subjectivities that matter (Mense-Petermann, 2021). Practically, as well as theoretically, observing the fluidity of member interpretations further problematizes both the straightforward prescriptions for promoting a ‘global mindset’ among MNE executives and employees as a solution to the
management challenges of the MNE (Gupta and Govindarajan, 2002; Begley and Boyd, 2003;) and the very conceptualization of this mindset as cognitively stable, and objectively discernable (eg. Murtha et al., 1998; Collings and Scullion, 2006; Levy et. al., 2007). Rather than taking the MNE as a ‘given’ organizational reality that then shapes, constrains and enables member perceptions and practices, further curiosity about and inquiry into MNE employees’ subjectivities remain warranted.

References


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