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Empowering Growth

Significance of Leadership in Born Global New Ventures

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1. Introduction

This study concentrates on Born Global New Ventures that seek growth directly from the inception and concentrate in expanding business to international market place. This is a typical characteristic for Born Global companies and often the past studies refer that if the companies do not enter the global markets in a rapid pace they will not be able to survive in their domestic market (Oviatt & McDougall, 1995, Saarenketo, 2004). These Born Global New Ventures are often referred as BG's in the text.

In comparison to previous studies the author aims to provide a unique approach to an existing literature. Instead of concentrating the survival of the BGs the author is concentrating in companies that strive for a rapid international expansion and growth, neglecting the perspective whether the BG has had success in implementing its internationalization strategy. Meaning, that even though a BG has failed to meet its own expectations for the international growth, there are still various factors that need to be taken into consideration.

This creates an opportunity to study leadership in a unique situation and how it's implemented in the growth seeking company. According to Chhotray et al. (2017) there are numerous studies of leadership in BG's but they are mainly made from a perspective of a BG leader/founder, and concentrate in his or her characteristics. The study aims to provide broader understanding of importance of leadership in international expansion for future studies within scholars and executives of BG companies.

The first chapter introduces the background of the study and concentrates on previous studies from BG literature. The similarities and dissimilarities within the studies are recognizable which leads to introducing the research questions, research gap and to define certain key words used in the study. Second chapter forms the theoretical basis and framework for the study and concentrates into leadership, vision and growth. Third and final chapter before the empirical part

introduces the methodology used in the study as well as proves that the study is made within academical standards. Empirical part of the study is based on questionnaire attached in the end of the study. The questions were formed by the author and all the conversations have been recorded. The final parts of the study conclude the study together and open up certain topics for future research and discussion.

The uniqueness and significance of the study comes from the topic selection and the empirical data gathered from the Finnish New Venture hub's ecosystem.

1.1 Background

The modern day global market place has become strongly globalized. Almost every firm, regardless of its size, is somehow engaged with global markets and in some extent part of the globalization. A large share of companies can be classified as small and medium sized corporations (SMEs) which highlights the importance of understanding the nuances and processes that these companies need to undertake and overcome in their course to international markets, especially when seeking growth through rapid international expansion.

For the past couple of decades' researchers have identified companies that seem to internationalize with different interests than most of the international businesses. Chhotray et al., (2017) state that the development in technology and global infrastructure have enabled and eased companies to become international new ventures right after establishment. These companies known as Born Globals have emerged and grabbed the attention of international business scholars. Oviatt & McDougall (1994) identified these companies as Born Global that seek international opportunities from the inception and tend to limit or totally neglect establishing themselves in their domestic market prior internationalization.

General leadership studies have a long history and tradition. Although, in the context of Born Global New Ventures leadership studies are still considered as fairly new field of research. (Zaech & Baldegger, 2016). Saarenketo's (2004) study generalizes existing research in the field of Born Global New Ventures' that

is mainly based on characteristics of Founder-CEO instead of the importance of leadership in rapidly growing and internationalizing SME's in the global environment. This general approach in leadership and management studies can be considered surprising since there are decades of research that focuses on leadership styles and their positive influence in company performance.

Oviatt & McDougall (1995) challenged the existing internationalization theories in their studies couple of decades ago. In today's knowledge intensive industries BGs seek growth with a wide global spread (Chetty & Campbell-Hunt, 2004). In some extent, the previous studies in BG literature stress that due to a reason that the domestic market is not large enough i.e. for technological innovations, SMEs are forced to seek growth and global scalability (Saarenketo, 2004). This approach is more do-or-die and from a perspective that the SMEs would not have survived in their domestic market without seeking sales and growth from the global market place. Undeniably, there are several cases that proves the theory right but what if the company still does exist, and they just weren't able to scale their business enough during the internationalization process. Meaning, that they were able to grow but not enough.

More specifically, this research will concentrate on the significance of leadership, vision implementation and success through empowerment in rapidly changing environment of Born Global New Ventures. The main focus will be in company's performance enhancement when seeking growth from international market place and how implementing successful leadership policies and company culture influence in this performance.

1.2 Literature Review

This chapter establishes a preliminary theoretical framework for empirical research. The goal of the literature review chapter is to examine earlier studies in academia related to born global, leadership and growth stages of firms.

First characteristics and definition of born global is revised. This is important hence there are distinction when compared to “traditional firms”. After opening up the typical characteristics of the BGs the author concentrates on internationalization which can be considered to be a vital similarity between all BG firms. To fully understand the concept of the study the author needed to address typical growth strategies and growth stages in order to understand the importance of leadership within these stages.

The traditional leadership literature concludes that the company must have a clear vision and good leadership in order to be a successful as an organization. Also, the leadership studies boast the importance of committed employees who support the company vision. This so-called empowerment is crucial for company success as well and mainly relies on trust between the managers and employees. In previous BG literature there’s a gap between leadership, vision and empowerment which validates this study to be significant. (Chhotray et al., 2017)

1.2.1 Characteristics and Definition of Born Global

The number of Born Global firms seem to have started to increase in the beginning of 1990s. Many scholars have attempted to analyze the emergence of the new phenomenon and to explain the existence of Born Global companies (Oviatt & McDougall, 1994; Saarenketo, 2004; Luostarinen & Gabrielsson, 2006; Rialp, et al., 2005). Due to the spread interest of various researchers there are numerous definitions for Born Global companies that, indeed, have similarities between the boundaries.

According to Oviatt & McDougall (1994) Born Globals are business organizations that from the inception seek to derive significant competitive advantage from the use of the resources and the sale of outputs in multiple countries. These types of organizations were first identified in countries that had small domestic markets. Meaning that there was a pressure to expand the business right from the inception in order to survive and to stay competitive. (Knight & Cavusgil, 2004)

The following chapter introduces another typical characteristic for BGs which is they route to internationalization that varies from other traditional patterns. Instead of incrementally shifting resources and activities into new markets abroad these companies jump over stages, and even move back and forth among them. (Luostarinen & Gabrielsson, 2006)

One of the fundamental characteristics of a born global is having a global mind set from inception. According to Luostarinen & Gabrielsson (2006) there are two aspects that have been commonly used to identify the faster pace of internationalization: The share of revenue coming from abroad and the location of the major foreign markets.

The Born Global companies need to function with scarce resources, and tackle challenges with limited capabilities. They face establishing international operations in a short period of time, competing in global environment and usually lack resources and capabilities i.e. in financial and human resources functions. (Knight & Cavusgil, 2004)

1.2.2 Rapid Internationalization

The previous chapter concentrated to define and characterize the BG firms and took a quick glance to time frame and the company age as a framework for internationalization. Both stress the urgency of a rapid internationalization as a defining part of a BG firm. The chapter aims for greater understanding as whole why BGs choose to become international ventures from their inception.

In order to fully understand how the internationalization of a BG differs from other SMEs it is important to compare their process to more traditional internationalization models such as Uppsala and I- model. According to Prashantham (2005) one of the reason why BGs differ from traditional internationalization strategies is the pace of business. It is noted previously in this paper that the actual pace of business has been accelerating because of the

changes in economic environment and the companies tend to seek wider market coverage.

Cavusgil (1997) formed a I- model theory that introduces five stages for successful internationalization process:

- Domestic Market Stage
- Pre-export Stage
- Experimental Involvement Stage
- Active Involvement Stage
- Committed Involvement Stage

Theory is strongly based on different stages. These stages reflect to knowledge gathering and testing the markets whether the product or the service will have success. Strong domestic market presence is based on knowledge gathering to avoid pitfalls in when expanding incrementally into international markets. (Etemad & Lee, 2003)

The principles of Uppsala model are that the companies seek to internationalize incrementally in terms of geographical and cultural sequences, and by their market entry choices. Typical characteristic in the Uppsala model is that reducing uncertainty of new market by taking advantage of already existing experience and knowledge that have been gathered for longer period of time. The process usually starts from exporting goods or services. After having certain time period of gathering export data, companies tend to form subsidiaries to these markets where they have had success. (Luostarinen & Gabrielsson, 2006)

Regarding the pace of internationalization, the company needs to have a large portion of their revenues comes from foreign markets (25-50%) in order it to be considered as true an international organization. In other words, the share of revenue and the location of the market define the organization. Born Globals need to reach 25-50% stake of their income from markets outside their home

continent in order within the first 2 to 5 years after their inception in order to be considered as true BG. (Luostarinen & Gabrielsson, 2006)

Born Global Stage	Characteristics
1. R & D	No sales, global vision
2. Domestic Stage	Domestic revenues, global vision
3. Entry Stage	<25% of international revenues, global vision
4. Starting Stage	>25% of international revenues and <25% of revenues from other continents, global vision
5. Development Stage	>50% of international revenues, global vision
6. Growth Stage	>25% of revenue from other continents, global vision
7. Mature Stage	>50% of revenue from other continents

Table 1. Stages of Development of Born Global Company (Luostarinen & Gabrielsoon, 2006)

According the study of Luostarinen & Gabrielsson (2006), there are seven development stages for Born Global companies. The table above helps to understand the previously mentioned distinctive focus of operations, the level of revenues generated and the origin of the revenue. When comparing the traditional internationalization models and the Table 1., it is evident that the internationalization process differs from the previously mentioned I- and Uppsala-model. BG's tend to jump right into the global competition in order to achieve the best possible results.

1.2.3 General Growth Models

Companies seek for growth in order to achieve more profitable business, if they have unused or spare resources and through accomplishments that are highly related to managerial motivation. This resource-based approach has been widely studied and have had major influence in academical literature. The sole income of resource-based view is that companies are able to grow if exploration of new resources and exploitation of current resources are in balance. (Penrose, 1959) There are also various studies from scholars that concentrate on stage models – successful growth is achieved through certain stages that are challenges for companies to tackle. There are studies that introduce three, four and five stage growth models. (Kazanjian & Drazin, 1989)

In contrary to existing traditional literature of growth models, BGs tend to seek global growth from inception. According to Luostarinen & Gabrielsson (2006) there are seven recognizable stages in BGs development:

1. Research & Development. In this stage the company doesn't have any sales but already possess a global vision.
2. Domestic Stage. Firms have domestic revenue and a global vision.
3. Entry stage. Less than a quarter of the revenue comes from an international market
4. Starting stage. More than 25% of the total revenue comes from the international market.
5. Development Stage. The share of international revenue is more than 50%.
6. 6. Growth Stage. 25% of all revenue comes from other continents and company has a strong global vision.
7. Maturity. More than 50% of the revenue comes from other continents.

Framing the traditional growth models and theories to the study mentioned above, it is evident that BGs have different approach and time frame than taken into consideration in traditional literature. This criticism is widely acknowledged in the literature due to a reason that the previous studies totally neglected SMEs and stated that they need to pass all the steps or otherwise they wouldn't survive. (Churchill & Lewis, 1983). Both Churchill & Lewis (1983) and Gabrielsson &

Gabrielsson (2009) have conducted growth models for SMEs that are more relatable in BG context. The latter growth model has four stages; 1) Intoductory phase, 2) Commercialization and foreign entries, 3) Rapid growth and foreign expansion and 4) Rationalization and foreign maturity (Gabrielsson & Gabrielsson, 2009). Churchill and Lewis (1983) conducted a five stage models that takes Inception, Survival, Growth, Expansion and Maturity into consideration.

According to study of Gabrielsson & Gabrielsson (2009) the similarity between each study is based on moving from one stage to another. Each phase requires firms to have a crisis and if it's not managed well the seek for growth might fail. The crisis might be either internal or external but according to study it is in evident.

1.2.5 Leadership

While leadership literature has a long tradition due to the complexity and the dynamics of a BG context the previous studies need to be addressed in a certain manner. There are various definitions and discussions regarding the leadership in international business concept. One of the most used definition of leadership was formed by Bass & Stogdill (1990). According to that study, leadership can be seen as an interaction between the members of a group. They mention that leadership becomes visible when one member is able to transfer or modify the motivation or competency of another member in a certain group. This restructuring of the situation can be exhibited by any member of the group and the study revealed that there are also silent leader within the companies. (Bass & Stogdill, 1990)

Transformational leaders have few defining characteristics. They motivate the followers through communication, drawing an inspiring vision of the future and often use symbols, and appeal emotions in order to get the attention of the followers. Transformational leadership is considered to be the most efficient leadership style and active form of leadership behavior. One of the reasons to the efficiency is that the leaders respect the followers and understand the importance of personal growth and development. The continuous learning

process in the center of the leadership behavior and the leaders aim to provide followers opportunities to challenge themselves, learn new skills and abilities, and by encouraging them to think and fulfill themselves. (Zaech & Baldegger, 2016)

Transactional leadership can be defined to be more traditional leadership behavior than transformational leadership. Meaning that it can be considered to be more top down, leader-follower style of leadership. Typical characteristic for the transactional leadership behavior is that leader communicates and clarifies what is expected and if the expectations are met what will the followers get. This style refers to management by exception and it is characterized by continuous rewards. Hence transactional leadership strings within transactions of a leader and a follower it can be considered to be heavier to maintain as a leadership style. Transactional leadership requires amounts of task monitoring in order to maintain certain performance level. It is highly motivation-based system that rewards the followers after the expectations of the leader are met. (Zaech & Baldegger, 2016)

Zaech & Badegger (2016) boasted that current studies between the leadership and entrepreneurship can be defined as *Entrepreneurial leadership*. Typical characteristic within the concept of entrepreneurial leadership is that founder-CEO has a very entrepreneurial mind-set, exceptional abilities and uncertainty of the business environment. The founder-CEO's main task is to create much needed flexibility in order to survive in the uncertain business environment. There are similarities between the BG and entrepreneurial leadership literature hence both stresses the extraordinary characteristics of founder-CEO. (Zaech & Baldegger, 2016)

When studying entrepreneurial leadership in a context of the study from Bass & Stogdill (1990) it can be applied into a certain context. Referencing the statement to the study of Chottray et al., (2017) there are strong similarity between the previous BG literature and the previously mentioned context. Both views describe the founder-CEO's personality to have influence in another member of the group

and directing the path to follow certain actions. This finding from the previous literature will guide this thesis to study further the phenomenon addressed in the upcoming chapters and is in line with the previous studies made within the new venture and BG context.

As mentioned, there are various studies that take the characteristics of a born global leader in to consideration (Oviatt & McDougall, 1995; Saarenketo, 2006). From an entrepreneurial and BG perspective there are not much of a research that concentrate in leadership as a whole (Zaech & Baldegger, 2016). According to Chottray et al., (2017) the previous research in academia mostly concentrate on entrepreneurial characteristics of a BG leader. The most studied characteristics are international experience, background and childhood, innovation and international entrepreneurship in universities. Adding to the lists of characteristics the author should not forget Oviatt & McDoudall's (1994) and Saarenketo's (2006) study that highlight the importance of "Global Vision".

Hmielski & Ensley (2007) noted that the importance of leadership within entrepreneurial research has gained increased attention due to a reason that successful new ventures cannot be established without leadership behavior. The study of Zaech & Baldegger (2016) supports the view and ties leadership to be a foundation for development of a new venture companies.

1.3 Research Gap

Chhotray et al., (2017) point out in their study that the significance of a leader and leadership is widely recognized in Born Global literature, although, previous literature mainly concentrates in the characteristics of a Born Global founder-CEO, in example his/her background, childhood or international experience. Saarenketo's (2004) study concentrates mainly on the characteristics of BG leader and highlights global mindset, international experience and willingness to take risks. By concentrating in individualistic characteristic such as global mind set has led in ignoring more collectivistic approach in BG literature.

Because of the changes in traditional market places there are needs for more collective approaches in BG leadership literature. The changes in the market place are related to bettered end user accessibility to information and communication. This has led to a stage when implementing the company vision and creating a strong company culture plays a crucial role in top management teams. Rather than creating a product/ service for customers the customers define what kind of a commodities they need and its influence in leadership has been enormous. The employees equal the company. (Denning, 2011)

The topic requires further research especially from the leadership perspective. Different stages of company's life cycle such as founding and growth stage, require different kind of leadership. This haven't been recognized in BG literature and due to that reason, the study will mainly concentrate on that.

1.4 Research Questions and Objectives

The objective of this research paper is to gain more comprehensive understanding of often complex relationship of dynamics of rapid growth and leadership in new venture BGs, and to research the typical characteristics of a New Venture BG during the rapid internationalization process to find out the most beneficial leadership styles for the phase. This will be achieved through literature gathered and read, which in turn will be compared and mirrored with the empirical finding from the case studies conducted for this research paper.

There are various strategies to achieve growth and achieve competitive advantage. The bottom line is that company growth through rapid internationalization bundles typical and necessary characteristics of a BG together, it's something that's common to all the companies. Leadership plays a critical role during the growth stage and according to Krogh & Cusumano (2001) rapid implementation of a vision is a requirement when scaling the product or a service to international markets.

In order to reach the objectives described, the actual research problem needs to be formed in relevance of the topic at hand. The primary research question is:

- *“How does different leadership styles, as well as recognizing the significance of the leadership in top management teams, influence in New Venture BG’s performance?”*

To be able to bridge the research gap in relevant manner to gain focus on the research problem of this study, the following sub- research questions have been formed:

- What is the significance of company culture and properly implemented vision through empowerment in terms of New Venture BGs successful performance?
- What is the role of leadership in supporting growth and company performance?
- How does leadership support BG’s survival?

1.5 Definitions

This section includes the key terms and theories. The definitions help to understand the key words that are used throughout this paper. These contexts will be explained to greater depth later in the study and the exact definitions are providing structure and understanding of otherwise broad concepts.

Born Global: “A business organization that from the inception seeks to derive significant competitive advantage from the use of the resources and the sale of outputs in multiple countries” (Oviatt & McDougall, 1994)

New Venture: New Venture businesses are entities that are developed with the focus of profiting financially. It is common that either individuals or groups invest in these entities. The sole purpose of investing in New Ventures is the exit stage

where the investors are financial beneficiaries. The growth expectations for New Ventures are usually rapid. (businessdictionary.com)

Leadership Styles: Leadership styles are making and implementing plans, motivating the employees and forming a structure that sets up directions for company to follow. It's filled with implicit and explicit actions performed by the person who leads the company or a group. (Newstrom & Davis, 1993)

Vision: A company vision works as a framework and guides the company towards its opportunities and the main task is to limit the course ahead. Even though the vision provides a framework for a strategy and limits the way the company is heading there should be flexibility as a main task for the vision is to act as a compass for an organization and guide its way towards success. (Chhortray, et. al., 2017)

Empowerment: Empowerment is commonly linked to motivation. It can be seen more as an expanding factor in extent for this individual motivation related perspective. (Chhotray et. al., 2017; Sigler & Pearson, 2000)

Corporate Culture: Corporate culture can be defined as a cognitive framework that sets behavioral norms, attitudes, values and expectations within the entity. (Sadri & Lees, 2001; Collins & Porras, 1996)

1.6 Theoretical Framework

The theoretical framework is based on four key issues: Leadership, vision, internationalization and successful growth. The leadership part studies the previous literature and focuses on how different leadership styles influence in the success of a new venture BG. This is a bottom line for the whole framework as it has influence in vision implementation and finally success of growth. Internationalization is mainly used in understanding of the management styles that are prior used in new venture BGs.

Theoretical Framework

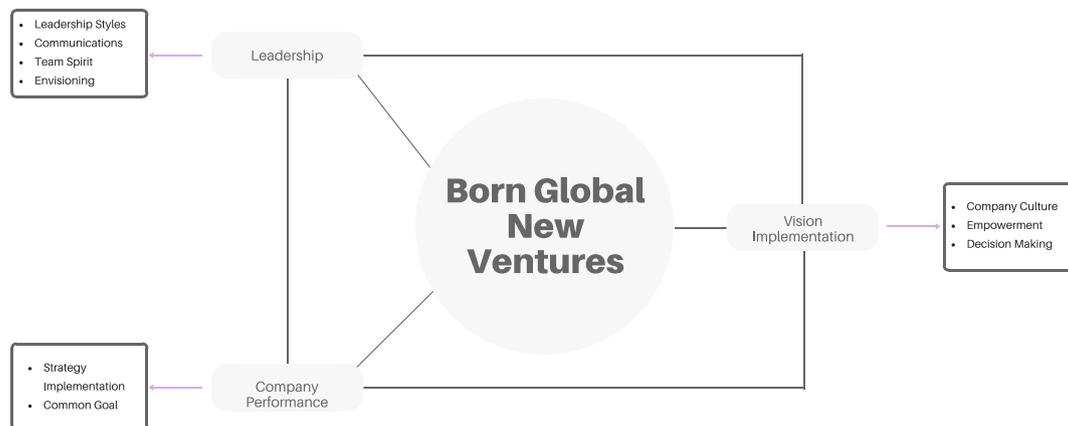


Table 1.

1.7 Delimitations

Born Global phenomenon has been studied since early 90's. There has been both quantitative and qualitative studies, and it must be acknowledged that empirical studies are more comparative, descriptive and exploratory by nature. (Rialp et al., 2005) Many of the previous studies usually focus on the phenomenon of early internationalization, comparisons with domestic ventures, marketing and branding strategies. Also, the characteristics of BG managers has been studied a lot and the studies usually focus on certain characteristics such as childhood, international experience, background and international experience in universities. (Chhotray et al., 2017)

Instead of concentrating on certain aspect of a BG manager the author has decided to leave out the previously studied characteristics and concentrate more on leadership styles. It must be recognized that there are similarities and overlapping within the traditional leadership studies and leadership in BG environment.

Another widely recognized characteristic of a BG leader is entrepreneurial mindset. This has also been left out from the study in order to focus to bridge the previous leadership studies and current phenomenon of rapidly growing Born Global New Ventures.

2. Theoretical Perspective of Leadership Styles in Growth Stage of Born Global Company

This chapter aims to establish a theoretical framework for empirical research. The chapter analyses earlier studies of scholars that are related to growth stages of the firm, internationalization and leadership in new venture context. By combining the studies from various fields of studies such as international business, entrepreneurship and leadership the author looks for hints to answer to the research questions and will utilize the knowledge for empirical research when studying Finnish Born Global companies within New Venture leadership context.

The business environment has disrupted and changed drastically in the past few decades. The major phenomenon that has enabled the changes in terms of economic integration has been globalization. The other disruptive forces have been advancements in communications technology, logistics and ease of travel within the continents. (Borghoff, 2005)

The fundamental influences that the globalization has had are related to opening up new opportunities for companies such as BGs. The fact is that because of globalization SMEs are able to internationalize within a faster time frame. The upkeep, search and formation of a company has eased due to the major leaps of advancement taken in communications technology. The communication between several actors within companies and across borders have benefitted companies in previously mentioned steps of formation, search of business opportunities and maintenance. (Sasi & Arenius, 2008)

2.1 Company Vision

Company vision describes the state that a certain company will reach someday. It is considered to be the guiding star that structures long-term strategies, points out opportunities and helps to keep control in decision-making process. Vision is mostly communicating a certain message to peers in the most efficient way. The

vision cannot be too strict, and it has to have, in some extent, some strategic flexibility that allows company to pursue competitive advantage. Communicating vision from managerial perspective in a right manner is one of the most important parts in ensuring that employees support the vision. (Chhotray, et al., 2017)

A great vision consists of two components that enable the implementation. These components are *core ideology* and *envisioned future*. Every successful vision must include a core ideology of the organization. Core ideology is organization's continuous identity which means that it will remain the same even though the world, markets or technology around the product or service would change. (Collins & Porras, 1996) As previously mentioned, the globalization has had changes in behavior of leaders, markets and many other aspects of business but that does not mean that the core ideology should change. If the external environment changes it should influence in strategical decision making, not to the core ideology.

Envisioned future is partly concrete and real. Part of it is hopes and dreams. The concrete part of the envisioned future includes description of how to get to a certain point and how to reach goals. Envisioned future often has a bold statement that is also known as company mission. Mission is the part of envisioned future that sets the goal for the organization. The Mission engages people, needs to be tangible and easy to grasp, understandable and energizing. It important that people get it right away, so it has to be clear, highly focused and to serve a unifying focal point of effort. (Collins & Porras, 1996)

2.1.1 Corporate Culture

Corporate culture is in strong ties with corporate vision. As mentioned, vision sets the guidelines for organizational behavior and works as a guiding star to a firm. Corporate culture is more tangible and concrete. The core ideology is highly related to corporate culture and the values set define the corporate culture in all levels of organization. The more traditional way to deal with corporate culture is to think of it as a cognitive framework that sets the behavioral norms, attitudes,

values and expectations within the entity. The most tangible way to recognize a corporate culture is to concentrate in certain kinds of slogans, symbols or stories that highlight the corporate values. (Sadri & Lees, 2001; Collins & Porras, 1996)

When the vision is clearly communicated and there's a boasting corporate culture, the organization tends to be more amusing. An enjoyable environment leads to increased level of teamwork, information sharing and better innovation since the staff is more open to new ideas. As a result, the internal interaction leads to external results through learning, innovation and continuous improvement. The freely flowing information helps to attract and retain top employees. (Sadri & Lees, 2001)

One of the corner stones of corporate culture is positive emotions that's spill over impact is safe working environment, meaning, accomplishment and both personal and organizational vision. (Wall, et al., 2017) Positive emotions seem like very intangible functions of corporate culture but when creating, changing or implementing one they are in the center of it. The employees within the organization need to feel secured, creative and in line with company vision. The next chapter is about empowerment which draws a lot from corporate vision and culture. In order to people to fully thrive and flourish the organization needs to have engaged employees. (Hazelton, 2014)

2.1.2 Empowerment

Empowerment is commonly linked to *motivation*. Term motivation is mostly used when analyzing certain individual levels. Empowerment can be seen more as an expanding factor to in extent for this individual perspective. Typically empowerment is considered to be information sharing and creating new structures. The key characteristics in empowerment are teaming up with others in order to achieve previously mentioned goals. There are seven dimensions that are widely known in academia: power, decision-making, information, autonomy, initiative and creativity. (Chhotray et. al., 2017) Sigler & Pearson (2000) see empowerment more from a psychological perspective. They conclude that there

are four dimensions of empowerment that include meaning, impact, competence and choice.

Referring to Chhotray et. al. (2017) study these dimensions often separate leaders' authority and employees' ability, instead of looking them simultaneously even though team accountability, clear boundaries and information sharing are in the center of empowerment. On the other hand, it's highly important to focus on each individuals perception in term of work role and values, outcomes at work, influence in others' work and ability to perform activities with certain skill set. (Siegler & Pearson, 2000)

2.2 Company Performance

Previous studies have pointed out that venture growth is the most crucial performance measure in terms of success. There are various factors that have influence in venture growth. The effects can be either direct or indirect. It is comparable internal and external factors that are well known throughout the venture growth, leadership and business literature. (Baum, et al., 2001)

Baum et al. (2001) stress the significance of vision, growth goals and self-efficacy as motivational concepts and other financial constraints for growth are very much related to revenue and profitability. The latter can be considered as a key factor in company performance. According Luostarinen & Gabrielsson (2006) global revenue streams are one of the most critical performance indicators for Born Global companies. They also stress, the importance of noting the nature of BG ventures and the time that it will take to turn the business as profitable.

According Barney & Wright (1998) It is widely acknowledged that the employees can be seen as firms' the most important asset and for that reason human resources function plays a great role in company's performance. Even though the fact is recognized there are evidence that many organizations have relatively low-priority on both human resources of the firm and the HR department. It has been proven that well-functioning HR department can provide competitive advantage in terms of diversity, innovation, customer service, referral and retention. It is

important to note that the competitive advantage for any company comes from harnessing human capital skills, employee commitment, culture and team work. This implication really highlights the importance of investing into the personnel of the company in today's competitive and global landscape. (Barney, B., J. & Wright, M., P., 1998)

Suutari (2002), stresses that the globalization has challenged companies to rethink their strategies, structures and necessary competencies. Organizational learning is seen strongly linked to the strategic resource-based paradigms and need to be considered as core competencies and sustained within the organization. A learning organization continuously develops its core competencies which eventually will lead to a better competitive advantage. According to Suutari (2002), companies should invest and pay more attention to management development (MD). There are six (6) suggestions how companies can do this effectively:

1. Involving senior management
2. Shifting focus from individual effectiveness to organizational effectiveness
3. Nurturing currently available skills, talents and knowledge, and developing them
4. Identifying internal resources who possess required skills
5. Focus on corporate vision and long-term performance metrics
6. Involving continuous development throughout all stages of strategy formulation

Including all the steps requires tight integration of strategic MD as part of firms' resource for competitive advantage and development need of individual employees. Highlighting and recognizing these needs within an organization can be considered as a crucial part as part of performance of an organization. (Suutari, V., 2002)

Hayward (2010) stresses that in today's global business environment job satisfaction and stability are crucial in terms of positive business results and employee performance. According to Hayward (2010), a shift in employers' focus has changed from pay and benefits to genuine engagement and a will to help the organization to succeed. It has become more crucial for leaders to act as role models and to represent the company values in their line of work.

In a modern-day global marketplace, the companies that successfully engage employees are more likely to gain and sustain competitive advantage. People are seen more as a source of success and other factors like technology as tools that contribute to the success of the company. (Hayward, 2010)

2.3 Role of Leadership in Born Global New Ventures

According to Oviatt & McDougall (1995) typical BG leaders or founders have global vision from the inception, international experience and possess strong international networks. Saarenketo (2006) stands behind previously mentioned factors of how to be a successful BG manager and stirs the previous studies by taking the founders risk behavior into consideration. Obviously, the study states that entrepreneurs usually have higher tolerance for risk, but this is extremely vital within the BG literature since scaling the company to international markets requires higher risk taking than with other internationalization models.

As mentioned, Globalization and the huge leaps of development taken in communications technology has brought the world closer together. Due to the ease of travel and communicating between the parties, the author challenges the leadership style based on manager's characteristics, networks and previous international experience without neglecting the importance of parts of previously mentioned factors. (Sasi & Arenius, 2008)

According to Ensley et. al. (2006) new ventures operate under a unique situation. The environment for leadership can be considered weak and unpredictable. Often, there are no standard operating procedures in new venture BGs, which has created an urgent need for leadership within the context. Since there are no

structured procedures, such as defined goals or work processes, within the company, the leaders need to take action and must lead, create a vision, influence others and guide others to follow the vision they've implemented in the company. Situational uniqueness challenges the previously mentioned individual perspective of leader or manager focused view that mainly concentrates on leaders' characteristics.

Engaging employees requires whole leadership. Within the new global landscape employee engagement is at its most vulnerable even though employers would like it to be at its highest. This has created a new leadership related issue for various organizations. It has been acknowledged that the employee engagement is the basis of success for any organization due to a reason that the workforce is aligned with the strategic priorities and vision of the organization. Engaged employees are often happier, more creative and productive in their work. They are willing to put on extra, direct and focus their energy towards organization's goals and ensure that the successful organizational change relies on them. (Hayward, S., 2010)

Usual issues from the leadership perspective are very much related to vision and strategy implementation. Resistance to change is common within organizations. The more transformational leadership is needed and necessary skills are related to connecting employees in multiple levels, demonstrating them the relevance of company's strategic goals and interacting with heart. (Hayward, S., 2010)

3. Methodology

This chapter of the study presents the research method used in this Master's Thesis and the justification to use the respective method. The goal of this portion is to provide insight concerning the structure of the study, data collection and analysis methods used, the selection of companies, and reliability and validity of the data.

3.1 Research Approach

The research method chosen for the remaining part of the study is qualitative in nature. The approach was chosen as an alternative to quantitative research due to a reason that it allows respondents to reflect or express their views more freely without strict boundaries and provides flexibility for research methods. There are some limitations in qualitative research since it does not sample small differences to the same degree that is possible with extensive quantitative research and it may provide results that take longer period of time and cannot be generalized. (Proctor, 2005; Yin, 1994)

3.2 Selection of Research Method

The author performed three (3) in-depth interviews of Finnish Born Global companies according the qualitative multi-case format. The chosen multi-case format is proven to be suitable when studying complex social phenomena and if the casual links are too complicated to be studied via surveys. Business research is part of social sciences which is identified to be an appropriate field to be studied by using this format. (Yin, 1994) The fundamental questions that case studies aim to answer are "how" and "why" as they allow for an explanatory approach when compared to quantitative research methods that rely on predictive outcomes that may be acquired from review of archival records by asking questions in the form of "what", "who", "where", "how many" and "how much". (Yin, 2003)

The research question in the study is geared to answer "how" questions, the case study format is the most appropriate method to use.

Yin (2003) boasts that analytic benefits ascending from even two cases will be more powerful than those from one case. The latter studies might be vulnerable since by concentrating only on one company it might endanger the validity of the study. Having 2 or more cases strengthens the validity of the findings.

3.3 Data Collection and Analysis

The semi-structured interviews of the case companies and literature utilized in this Master's Thesis was collected based on the identified topic. The literature that is used to form the theoretical part of the study is comprised of academic and business articles, relevant books and from Internet data sources. The interviews were conducted between Autumn 2018 and Spring 2019 using pre-structured questions that were sent to interviewees prior the interview. The method was chosen so the interviewees would have time to prepare for the meeting in order to formulate more thorough answers.

Semi-structured interviews were chosen as a method due to its flexible nature. It allows flexibility and time for the interviewee to prepare for the event and the author has a possibility to guide the conversation and make sure that it keeps in line with the topic of the research. (Yin, 2003)

All of the interviews were conducted in each case companies' premises in Helsinki, Finland. The author set up a meeting with the founder and arrived to the conference room in time to prepare himself for the interview. All of the interviews were recorded and trans littered into the author's own use. This was due to a reason that the it would be easier to come back to the specific situation and to have more reliable data available when taking the time frame into consideration.

3.4 Limitations

The study has multiple limitations and it should be taken into consideration when evaluating its merits. It is also important to acknowledge that a time frame set its limitations and it had an influence in the amount of case companies. This

decreases the validity since the conclusions are drawn from a relatively small pool of New Venture Born Global firms.

Study's narrowness acts as a limitation as well. The study focuses only to Finnish New Venture Born Global companies. The purpose of this narrow study was the focus to do a thorough and in- depth analysis of the business area in question. Also, the resources such as geographical location of the author and time constraints limited the study to concentrate only in Finnish firms.

The author has been working in one of the case firms for past couple of years. This might have caused bias in the views even though the author has done his best to remain as objective as possible. This can be also be considered as a valuable asset for the study since part of empirical finding are truly based on author's own experiences.

It is crucial to notice that the study was solely conducted from the managerial and leadership perspective. None of the employees of the case companies were part of the of the interviews and the interviews were solely from founder's perspective which may have led to biased ratings in empirical findings.

The study was conducted from transformational leadership and transactional leadership perspective, other leadership styles were neglected which may have had an influence in the study's holistic perspective. Since BG's are usually lead by its founders, the author suggests that other leadership styles such as shared leadership would be taken into consideration as part of future research topics. Shared leadership is based on the concept of vertical leadership (Pearce et al., 2007).

4. Empirical Findings

4.1 *Smarp*

Smarp was first founded by three students that all had background in economics, and it started as a passion project in 2011. The first vision was to consult global organizations with their social media and communication strategies. They had realized that organizational communication between companies, their employees and external stakeholders had fallen behind in the era of modern technology and social media.

Smarp offers a Software as a Service (SaaS) products for employee advocacy, social recruiting, social selling and enterprise communications. According to Roope, it is crucial for these kinds of companies to be agile organizations and there is no room for an error, lag or not to take risks. The product is offered globally and Smarp's solution helps companies i.e. to find and share relevant industry related content with its employees, improve organizations' social selling strategies and to spread their content in a more effective manner.

After a short period of time the founders noticed that the consulting business didn't scale as fast as they would have wanted. They developed an e-learning software which was a beginning for the final product. This journey took about two and a half years and resulted to the final product which was developed only in three months.

When they first realized that organizational consulting wouldn't scale, they decided to go global. As said, the first e-learning idea was to replicate the communication consulting to a web service which helped them to test the market, establish partnerships and to understand what are the pains that organizations really need to solve. E-learning was something that the companies wanted to from a person, not a software.

These happenings led to a final product and to a first customer from Australia. The original idea was to help the professionals to share industry related content in social media. The idea was based on the learnings from the previous product, and the goal of the current product was to ease active use of social media in order to get it function in a better and more efficient way.

The story and the spirit of Smarp is full of trial and error. The product fit itself, was based on failures that were made with the previous product and service. The relentless attitude of the founders led to a success and finally the existing and new customers were prepared to pay for the product.

When Smarp launched their current product, the market did not exist and there was not even a word for Employee Advocacy in a Finnish vocabulary. According to Roope, when creating a new market, it's quite hard to find a product fit, especially when being a small Finnish tech company. Some would say it's almost impossible. What helped Smarp a little was that almost at the same time one competitor was founded in the US. This helped both companies to create a market for better communication during the social media era and sets a positive tone for global competition within a unique pioneering market.

Since then, Smarp has grown the business to be globally leading employee communications app provider. They employ more than 60 talents in their Helsinki, New York, London and Stockholm offices. Their application enables employees to get all their company news and content anywhere, anytime and guarantees that all employees have access to the information they need to be successful in their line of work.

4.1.1 Vision

“We didn't have a written, formal, vision for the first 3-4 years. We really didn't need that. There were less than 10 people in the company and a unanimous understanding of where we're going, and the vision formed through the discussions that we had all the time.” (Roope Heinilä, Smarp, 2018) A lot has

changed since then. Nowadays, vision truly guides Smarp's strategic decision making and it's not to be questioned. According to Roope, when company grows to be more than 20 employees it is a must to write down the vision, and the values.

Vision guides all the decision that are made at Smarp, and it has changed multiple times simultaneously with the business. Vision is not seen as stagnant milestone, instead it's a constantly changing organism that expands with the business. The vision in the beginning was *"to inspire every professional to be an influencer"*. The first step was to convince employers and employees that they have the capability to make an impact within their networks. The main agenda was to spread the idea that the organization itself is not solely responsible of its brand creation. Meaning, that company's brand is a summary of the stories that its employees share about it (Torkki, J., 2014).

Vision is truly a guiding star for Smarp. Most of the decisions are made according the vision. Although, the vision has changed multiple times within the years of existence it has guided the strategic and operational functions years out. Smarp basically has two different vision. One can be considered as a holistic vision and the other is the product vision. Smarp's business vision is:

"to create a world where relevant knowledge flows without silos".

The vision has changed because the market has changed. Smarp has learned to identify what are the relevant pains, solutions and products in the market. The message from the industry is that employees do not know enough what is happening in the certain industrial market, and that the internal communication is weak. Smarp is solving this problem and they are aiming to help companies to ease their communication about market changes with an efficient way.

The business vision is a true guiding star for strategic decision making. According to Roope, the vision is not to be questioned and if there's a need or a want to iterate the vision, it should only be done once a year, or even more seldom. The

vision can be considered to be written in the stone until it has been achieved. The route might be different, but the vision should remain the same.

Product vision has been separated from the business vision. The product vision is that Smarp's solutions are:

"A primary place where employees find and share their professional content".

It is a lot more tangible than the business vision and its purpose is to guide management and employees in product development, and to help R&D function to recognize that to whom they are developing the product for. It guides for example what features are made and what kind of products are released with a certain time frame.

Smarp's mission has remained the same over time. The mission is to:

"Make knowledge sharing simple and rewarding".

Mission is very much in line with both business and product vision. It guides daily operations and has a major impact in day-to-day decision-making process.

4.1.2 Company Performance

Vision has guided Smarp's growth for its whole journey. When Smarp was first founded in 2011 to consult top management with social media and communication strategies there were only 3 founders working with the company. Roope acted as a CEO back then as well because he didn't have a full-time summer job. Other founders acted as Vice President and as a Chairman of a Board.

Currently Smarp is a home for 70 professionals and it is growing continuously. The number of personnel is now about 20- times bigger than 7 years ago. Its revenue has grown 50 to 200 per cent annually and in 2017 it was about 2 million euros. It is expected to double by the end of the year 2018. As a Born Global

company, Smarp has performed tremendously. After launching their current product and establishing the business to be what it is nowadays, they've had revenue streams from 4 continents and more than 50% of the revenue comes from the global markets.

Smarp puts a lot of effort to its employees and staff. They consider themselves as team and personnel is key for the success and growth. In 2013 after their pivot from a service company to a software firm they started to hire more and more personnel. They wanted to grow rapidly and wanted to hire "A-players" that have a certain growth mindset, are ambitious, self-driven and eager to learn. The first hires had a lot of responsibility and they needed take over their tasks and others as well with rapid pace. When the team was smaller and the communication of the vision, mission and the destination was part of daily processes it was easier to rely that each person was in line with their tasks and had clear goals.

When the company grows it becomes harder to manage. Even though each team member still has great responsibility, the bigger organization has more complex functions than small less than 20 people agile team. There is always a need for each function to work together and nowadays, according to Roope, it is harder to give the clear destination to new employees.

Smarp sees recruitment as a corner stone of their growth and performance. Even though failing rather than being slow is in Smarp's DNA, they do not apply this in their recruitment process which has multiple steps, interviews and real-life cases. Each new team member has a three-week onboarding period in Finland, even if they would work in international offices. This is to engage each team member to follow the vision and clarify the destination where the company is going – and it is critical in order to sustain the path to competitive advantage.

Smarp motivates their employees with both tangible and intangible rewards. They've allocated a stock option pool for early phase employees that engages them to be company owners. For sales there are certain provisions and success

is rewarded, and in other functions such as tech, self-development through different workshops, conferences and courses are fully subsidized by the company. All the employees are able to use 20% of their working time to develop themselves and to learn new things.

Smarp invests to their personnel internally as well. They arrange internal workshops, offsites and conferences. They see that the seed for growth is in people and especially when they are on top of their peak performance. The culture really motivates everyone to learn and grow both professionally and personally.

In along with personnel, vision plays a key role in Smarp's growth. Vision also empowers the work that the employees do. They are capable of making any kinds decisions if it helps company to get closer to their destination and if it is based on company values. This enables employees to act more freely within the organization.

Roope's take on vision is that it is a basis for growth, competitive advantage and top notch performance. Its task is to give a destination to the company, not a path. As mentioned, vision should not be questioned. The path to achieve it can and should be questioned.

The company is making great efforts in vision implementation. They are painting a clear destination within the organization and giving the employees freedom to question the route. They test how well the implementation has succeeded with questionnaires that have given satisfying results. According to Roope, following the vision is crucial. It gives continuity to the company's actions and the thinking should be long-term wins over short-term. Even though that the pace is great and Smarp aims to pick the lowest hanging fruits, they all need to be strictly in line with business and product vision.

4.1.3 Leadership

Roope boasted that the most important task for the leader is to make sure that the personnel follows the vision and to guard it. As a CEO, he sees that it's hard to see the big picture if he needs to be involved constantly in daily battles. At Smarp, they aim to hire people who can take over a position and bring new knowledge to a table.

Employee advocacy is at the core of Smarp's business and its final product. It is, obviously, linked to the company's leadership practices as well. Each employee is highly valued and according to Roope, the company is basically "people and laptops", which means that without the personnel there would not be Smarp at all. Taking Smarp's end product into consideration, it is crucial that the company itself practice what it preaches. The employees have opportunities to grow within the company, each individual can reach out to their supervisor, the hierarchy is extremely low, and all leaders are considered as coaches whose responsibility is to provide a safe environment for personal growth and success.

Smarp's leadership is highly self-directed. The roles within the organization are vague and people are encouraged to create their own path. Smarp weighs a lot to its values and they have really spent a lot of time to form these in order to help daily and strategical decision making. Smarp's values are following:

1. Take initiative and ownership
2. Be ambitious and create your own opportunities
3. Work smart, Work hard
4. Be team player, collaborate, have fun
5. Get out of your comfort zone
6. Be part of the solution

The values are guidelines for both managers and employees. They're always there to ease, help and back the decision making. Values make the decision easier and simplify the process. According to Roope, at Smarp people can make

mistakes but they can't be slow and reactive as a company. The role of values is to ensure that each person in the organization makes decisions that are in line with strategy and helps them to act in a more efficient and proactive way without asking permission from supervisors.

“Working Smarply” means that personnel are allowed to make decision individually and by relying on their own perception. The company is led as a professional sports team and all learning, results and observations from each individual business-decision are shared within the team. This is due to a reason that Smarp is a team, and no team can succeed with couple of good individuals – at least not sustainably.

The communication is at the core of the leadership at Smarp. Besides sharing the learning from the field, the shareholder and board reports are shared with the entire company quarterly. This provides an opportunity for each employee to be aware of what has happened and what will happen in the near future. This open book communication has had an influence in Smarp's low employee turnover rate. In terms of open and effective communications, Roope and other executives are always present for their employees if they have any concerns, ideas or suggestions.

Taking risk is in the nature of Smarp's core and employees are encouraged to take risks in decision-making and business. If the risk realizes, the perception from the leadership team is that it should be taken as a learning experience. The tolerance of risk enables employees to make decision by themselves which according to Roope has led to major cost savings in some functions and huge, unexpected customer acquisitions.

It's good to conclude that at Smarp, the company culture is very open, empowering and there is low, if any, hierarchy. People are free to spread their ideas around and make decisions by themselves and at Smarp, failure is something that the personnel do not need to be afraid of.

4.2 Company Goodio

Goodio is a small raw chocolate company from Helsinki, Finland. Its' chocolates are made from organic raw materials and exported to more than 15 countries. According to Jukka Peltola, co-founder of Goodio, chocolate production is not always ethical, transparent or trustworthy. Goodio wants to address real world problems with its own actions. They are concerned about issues that a large proportion of cocoa growers live below the poverty line, the loss of biodiversity because of cocoa farming and clearing out the rainforest to get more land to farm cocoa.

Goodio considers itself as a food pioneer with a big heart. Goodio's groundwork is based on principles of sustainability. Its' core is inspired by Nordic flavors that are mixed together with delicious raw chocolate. Goodio uses wild, organic and mainly raw ingredients in its chocolates because when the chocolate is kept in raw form it retains its nutrients and can be considered as a superfood. (goodiochocolate.com, 2019)

There are two different stories for Goodio. Goodio was first founded in 2012 under Eatiful Oy. Back then Goodio was one of the product line brands under company's portfolio. In 2014 the three founders decided to pursue their own passions and drove down the organization.

Jukka, Co-Founder of Goodio, wanted to pursue his passions. He got the idea for putting up first Eatiful Oy and then Goodio when he was doing groceries, checking out and seeing ingredient lists in various Supermarkets. His first thought was that have we really outsourced our well-being for these massive multinational corporations. He wanted to change that and decided to partner with couple of friends - and that's how Eatiful was born.

Jukka wanted to continue to pursue his passions to change the food industry to be more transparent, sustainable and fair for the end user. So, when the decision

to put down Eatiful Oy came, Jukka wanted to manufacture Goodio raw chocolates for a significant health store brand in Finland as a private label. This was the last resort to keep the Eatiful Oy as cash flow positive.

Jukka had a friend who owned couple of stores under the brand. His goal was to reach out the CEO of the brand chain and discuss about the private label manufacturing opportunities in order to continue the brand and product development. Unfortunately, the CEO had just died in a plane crash and it was not looking so good for Goodio.

The person who was Jukka's contact got interested. He had dreamed of building his own brand and also knew another person who was willing to jump in and take care of the operational and financial functions. That's how Jukka, Sampsa and Jonni established Helsinki Heaven Inc. that owns the Goodio brand which is their flagship product in a global market.

The idea right from the establishment of Goodio was to make the best chocolate in the world. When producing the best possible chocolate there were no point of only staying in Finland. Also, positive impact is in the core of Goodio's DNA and when building an impact driven business, the scaling of the business would have a minimum effect if they have only stayed in Finland.

4.2.1 Vision

When Goodio as its current form was established in early 2015, they had a holistic vision for the company. The business was formed on the grounds of positive impact and product was thought through its impact as well. The basis for business were hovering around questions of how the manufacturing of chocolate impacts to the lives of farmers, the vitality of the planet and the soil, consumer behavior and through that to the society we are currently living.

Goodio made a soul decision to only use fine flavor cacao as an ingredient in its chocolate. This was the first key decision that they thought that would have a

positive impact. Farming fine flavor cacao means that the farmers will also have other crops on the same cacao field which retains the nutrient levels of the soil, supports biodiversity and gives cacao a distinct taste in the process as well. According to Jukka, bulk and mono farmed cacao often involves harvesting rain forests to make space for cacao farming, unfair labor conditions and sacrificing biodiversity in the name of efficiency.

Goodio's big vision from the beginning has been:

"To change the whole chocolate industry towards fair, sustainable and ethical forms of business."

By using sustainably produced fine flavor cacao with a more complex taste, their goal is to bring this to the mainstream level and raise the awareness of an average consumer to hit the mass markets. They see chocolate similar to wine meaning that there are differences and variance between the ingredients that are based on how they are farmed and nurtured.

Goodio's mission, *accelerate the positive change*, is very much align with its vision to change the whole industry for better. The mission drives the everyday work at Goodio and highlights the importance of positive impact within the global markets. It has helped Goodio to expand its business all the way to the US that is now their main market.

By following its big vision, Goodio has grounded its position within the chocolate market and had become a significant global player. They are available in the biggest retail channels such as Whole Foods in the US and are now expanding their business to even further by opening up an online store, and a US based manufacturing plant, that'll change the consumer behavior in the US and globally, and raise the awareness of the whole industry.

4.2.2 Performance

Since the beginning Goodio's goal has been to accelerate the positive change. When the company was founded Jukka acted as a CEO, Sampsa had previous experience of marketing and brand building so he became a CMO ja Jonni's background was in finance which made him a CFO.

Goodio has traveled a rocky road from the first idea that Jukka had in the supermarket to be where it is now. A lot has changed. Personnel has grown from 3 founders to 30 employees, they have their own manufacturing plant in Finland, are building another in the US and they've expanded their business into the global markets.

As a BG, Goodio has performed very well. They've had a different path than the other case companies and they're internationalization strategy has not been as aggressive. They've modestly expanded their business to global markets within the first three years which has lead them to expand their business to 3 different continents. After hitting the mass market in the US, Goodio became a true BG by having the 50% revenue stream from another continent.

One of the corner stones of Goodio's growth has been its staff. The significance of recruitment has been huge and according to Jukka it cannot be highlighted enough. There have been several positions available varying from a business partner to a warehouse worker. Jukka boasted about the significance of "A-Players" that have made a huge contribution to Goodio's global growth. It has been extremely important to verify that these A-players have growth mindset, are align with the company values and understand their role in order to achieve the position that has been envisioned for the company.

Goodio has made an extremely good job in their vision implementation. Each one of their employees are very much aware the impact of the bigger picture that they are working for. Goodio communicates transparently its vision and due to the flat organizational structure, it ensures that each employee throughout the

organization are committed to transparency, continuous product development, ethical business agendas and the massive change that Goodio's after.

The company performance can also be seen through the shifts in the company's business focus. When the company was established it concentrated on getting foothold from Finland and other countries in the Nordics. Now the company has expanded its business to the global markets, and they have a real retail presence in the Nordics, Germany and the US. The main business focus has grown from the Nordic countries to the US and that's their new soil for growth and making an impact.

Since establishing Goodio at its current form it has grown from being an idea to a company that has its own manufacturing premises, headquarters and a café that engages people to the brand. Goodio's revenue was 10 times bigger in 2017 than 2016 and also the manufacturing plant under the name of Helsingin Suklaatehdas has more than doubled its revenue between 2016 and 2017.

4.2.3 Leadership

As said, Goodio is an impact driven business and its mission is its heart and soul. Goodio's mission to accelerate the positive change flows through the organization and has a great impact to its hires. Besides mission fit, Goodio has significant values that guide its day-to-day business. Goodio's values are:

- 1) *Caring and Empathy* – Business with a thought for greater good. The foundation for all communication.
- 2) *Trust and Transparency* – Everything Goodio does meets its standards and they can openly communicate this within external and internal interest groups. This defines the whole manufacturing and sourcing process.
- 3) *Happy Beauty* – Feeling and lightness are corner stones to share happiness and beauty to the world. This has a major influence in the company's product design.

The values at Goodio simplifies the decision-making process. They work as leadership principles and guide all the employees to make decisions by themselves. Jukka mentioned, that to be able to work on the massive change and the big picture, values need to align with the company's mission, and ease up self-oriented decision making for each employee.

Goodio's considers itself as a pioneer in the chocolate market. Being a pioneer requires risk taking, empowering culture and a mindset to change the world and to grow. Goodio puts a lot of weight on each individuals' shoulders, especially if they're hired for managing position. They enable flexibility within the positions and people are encouraged to make their own paths within the organization. This requires proactiveness and certain mindset for self-development. Goodio is committed to offer this to its employees. It needs to be acknowledged that certain positions within the company i.e. in manufacturing are not as flexible as the ones in i.e. in marketing and sales. Manufacturing line needs to meet the planned schedules and there's not that much room for going solo. Although, bottom-down initiatives in order to improve the process are warmly welcomed and greeted.

Jukka considers himself as a fair, righteous and brave leader. Virtuosity and values are in the core of his leadership and in his opinion the best way to lead is to show example is all of his behavior. According to Jukka, being a pioneer requires bravery and when breaking the status quo people can't be afraid to step in the dark. Jukka considers that the most important task that he has is to help people around him to become better, get them to feel better about themselves and to grow and thrive as individuals in both personal and professional level. Jukka said that, "if you can support and guide people around you, they will challenge your status quo and you will notice that you're not the absolute truth."

This mindset of challenging the status quo is part of who Goodio is. They're constantly improving themselves both company and product wise to be more fair, equal, sustainable and by spreading the happiness in a global scale. The leadership style at Goodio has had a huge impact in company's success.

Implementing the visionary thinking into the DNA of the organization enables Goodio to take controlled risks, acknowledge their capabilities when working with scarce resources and focus their strengths into the battles that are significant in order to maximize the positive impact.

4.3 Company Ambronite

Ambronite is food for modern lifestyle – in powdered form. It has been made from the best possible ingredients to fulfill one's daily nutritional needs. It is a clean label product that is made from real food ingredients to fill in the food voids that people are facing within breakfast, lunch or dinner. Ambronite is part of functional food industry and more specifically in drinkable meals. According to CB Insights' (2018) study values plant-based protein market to 11 billion USD and acknowledges that multinational food companies are investing more and more resources in direct-to-consumer distribution which creates opportunist growth expectations for Ambronite.

Ambronite was first founded by 6 students. They were all interested in healthy nutrition and life. All of them had their own perspective towards life, health, nutrition and business. The first product was formulated and grinded in one of the founder's kitchen and later sold to the piers of the founders. The business really took off after a successful "restaurant day"- event that was held in Spring 2013 in Helsinki.

After the event, the founders realized that they had something that they've primarily made it for themselves, that people wanted to buy as well. In that point when the business started to form only three founders, Mikko, Arno and Simo, stuck with the company. The company was established in August 2013, but they already had a product that was ready for the market on the day that the company was established.

As said, the first products were sold to the piers of the founders. They took an advantage of their own networks and social media networks, University mailing lists and relied on word of mouth. The first campaign for Ambronite was successful and they made 10 thousand Euros of revenue.

The idea was to expand to global markets from the inception. One of the founders had been part of Aalto Entrepreneurship Society where he got the learnings from

San Francisco, Singapore and various parts of Europe. The final decision to go global was made in Slush which is the Biggest Startup event in the Nordics. Ambronite served their meals to politicians and millionaires. They also got earned media recognition i.e. from the Wired and Business Insider and got listed in top 10 of the most promising startups in Finland.

Back in the year 2013 they had website that people were able to make pre-orders by filling up a form. After the media attention they got in Slush the demand exploded especially in the US and in UK. They decided to head there where the customers are, California, USA.

Living and working from San Francisco was a kick start to a global business. Ambronite put up a crowdfunding event via Indiegogo and got a 100 thousand dollars as pre- orders via that campaign in 2014, which was a record on that year for a food technology startup. They also got their first Angel Investors from California and established a real startup in there.

According Mikko, the CEO of Ambronite, how they established a product market fit wasn't done properly. They first decided that they needed a product that would fit into their busy lifestyles as a healthy alternative for poor quality snacks. The idea was that if they needed it, there must be millions of other people who need an alternative like that even more than them – they were right. Although, there were proofs that the market was growing. On the same year a functional food brand named Soylent released their Meal Replacement and they were growing rapidly. This created an opportunity to release a real food based clean label product without any additional synthetic ingredients.

4.3.1 Vision

Vision and mission at Ambronite are aligned with each other and they go very much hand in hand. The approach to the vision differs from other companies and instead it is thought to be a milestone that describes where the company wants to be after 5-10 years. Vision is linked to brand building.

Short term vision for Ambronite is to be a trusted brand in Europe and this will be achieved within the next couple of years. The business and brand building focus are currently in the European market in which they see to be the best for their sustainable growth.

Long-term vision is to be a *recognizable and trusted brand globally within the people who are concerned about their health, time and performance in their daily lives*. The long-term vision is built on three key elements: *Sleep, Exercise and Nutrition*.

At the moment, Ambronite is concentrating to serve their customers the best possible nutrition and solving issues that are related to peak performance and health. This goes well along with Ambronite's mission that is:

"Helping urban professionals to thrive and live their lives to the fullest with nutrient dense real clean foods."

Within the next 5 years Ambronite's goal is to provide nutrition related solution for urban professionals at any time of the day. This means that the distribution, products and the whole business is conducted to serve the target audience in the best way possible. Also, it means entering to a mass market.

As stated earlier in this chapter, Ambronite's vision is to be a trusted and recognizable global brand. All this goes well beyond nutrition and it is considered to be more of a lifestyle brand rather than only a food brand. Sleep and exercise are included in the long-term vision and are corner stones in building up a trustworthy lifestyle brand.

4.3.2 Performance

From the day that Ambronite was founded, it has truly and strongly been an impact and mission-based company. As boasted before, Ambronite was first founded to fulfill the personal needs that were successfully translated into a business. During the establishment of the company Mikko acted as a CEO

because of his experience, Simo specialized in marketing and became CMO, and Arno with previous management consulting experience and background in Finance was a natural pick to act as a CFO/COO.

Ambronite employs 8 young professionals and collaborates with various logistics and manufacturing partners. Hence, they do not have any employees in warehousing or manufacturing functions, which enables them to be agile and flexible. Since the original establishment date, Ambronite has almost tripled its personnel from 3 founders to 8.

Ambronite opened up its webstore in 2015. Since then the online sales has nearly doubled from 500 thousand USD to almost 1 million USD in revenue. For the year 2018 the revenue is expected to remain the same as in 2017 but there are great growth insights for the year 2019. It needs to be acknowledged, that from the inception Ambronite has had more revenue from global markets than its home market in Finland. Ambronite's available in all continents and still to this date about 70% of its revenue comes from the global markets.

Also, Ambronite invests a lot to their personnel and sees them as critical factor for growth. Employees are encouraged to spend 20% of their time for self-education. There is also an allocated budget for attending various conferences, education, courses and books. This education budget is targeted to the employees so they would use it to develop world class skills in their own function.

There is similarity within the recruiting functions of each interviewed firm. All the companies are looking for "A-Players", who are eager to learn, possess growth mindset and are ambitious and self-driven. This has been one of the corner stones in Ambronite's recruiting process as well. Besides these intangible and self-development focused drivers, Ambronite also motivates their employees by providing stock options. The significance of stock option plan is to commit each employee to the company for a longer period of time and ensure that they all work together towards the same goal.

At Ambronite, the employees have a full responsibility of their function and are expected to manage it fully. Even though, the functions and job tasks have become more accurate within the years and then the company has growth, there are still possibilities to influence in other functions by seizing the moment. Still, Ambronite is considerably small team and all the employees work effortlessly together to achieve the goals that are set company wise.

Ambronite also holds up events for its employees for at least 3-4 times a year. These events include external consultants who gives their opinions in company strategy, mission and how they could improve both personally and professionally. The impact and mission-based fundamentals are very much in Ambronite's spirit as well. They invite key interest group members and get them together twice a year to give back to the community, and for mind share.

The company put a lot of effort to achieve its long-term vision to become a trusted life-style brand. All the actions, employee educations and conferences, strategical offsites and mind shares gives an advantage to Ambronite as a company and put them couple steps closer in achieving their goal.

4.3.3 Leadership

At Ambronite, the company mission is in the heart of the leadership. The mission has remained the same since establishment of the company. Ambronite still thrives for better quality life for individuals through real food and clean label ingredients.

Ambronite's vision has changed multiple times, and within the tactics that are and were used to strive to achieve it. Within the years of business, the vision has grown and clarified. This has changed the leadership styles and roles within the organization and personnel.

When the company was established the roles were divided based on previous experience and characteristics of the founders. This had influence in how the

company was managed and to be noted that each and every one worked equally next to each other towards the same goal. This low-hierarchy has still remained at the heart of the company culture, and according to Mikko there are no bureaucracy within the company.

One of the biggest and the most important hurdles that Ambronite has at the moment is to free up the time from the CEO and other founders to concentrate more on to big thinking, guarding the vision and taking the next steps. At the moment, too much of the founders' time goes to daily tasks and the employees within the organization are aware that the time that is used fighting the daily battles should be used better in more strategical level.

At Ambronite, the culture is very open, and the employees are encouraged to challenge themselves, take risks and their professional development is very well guided. The closest and direct supervisors are easily approachable, and development discussions are arranged quarterly.

These development discussions are safe places for the employees to share their feelings, development ideas and ideas of how things could be done better within the organization. I.e. communication of the vision and strategical implementation weren't communicated that well within the organization but through these development discussions it was brought to the founders' knowledge that it needed clarification within the organization. This was fixed right on the next quarter by having a strategy summit where the strategy was communicated and implemented well.

The previously mentioned example reflected well on Ambronite's low-hierarchy structure, and how Ambronite gives a lot responsibility to their employees. Each employee has their own function that they are fully responsible for. As mentioned before, there are possibilities to work beyond one's function and daily meet ups ease the barriers to contact, and collaborate, within the organization. Several

problems that need solving are rarely only on one person's function which requires profound team work.

By giving a lot off responsibility, encouraging personnel to challenge and develop themselves, and to take risks, Ambronite empowers their employees to solve problems and work individually. As boasted previously in this chapter, the responsibility of one's each function is a driver for each employee. Being a small, agile and growing company – with a great team spirit – each individual feel pride of their own function and cares about the future of the company. Since most of the employees are part of the stock option pool, and have some “skin in the game”, the company's win is also a win for each member of the team.

Giving Ambronite's reputation as mission and impact driven company, values play a great role as part of the leadership of the company. Ambronite has 11 core values that have influence in both day to day decision making and strategical decision making. Also, these 11 values guide the everyday work of each employee:

1. Learn and Grow Professionally
2. Customer Obsession
3. Embrace Simplicity
4. Hire Only A Players
5. Think Big
6. Own & Respect Functions
7. We Give Our Best at All Times
8. Communicate Honestly & Transparently
9. Put Your Wellbeing First
10. Interact With Heart, Deliver With Integrity
11. Give Recognition and Stay Grateful

The values are considered as the soul of the organization when mission is the heart. The purpose of values is that they are not just nice to haves, they are

something that each individual believes in and live in their everyday work. The values, were formed together with the team, made sure that each team member is align with them and that they can truly believe and stand for the company values. This was to ensure that these really guide everyday life at Ambronite.

5. Discussion and Analysis

The following chapter encompasses the main empirical findings from the three case companies included in the study. The results are compared with the findings from the literature review as well as mirrored to the respective theoretical framework of this Master's Thesis paper.

5.1 Born Global Characteristics

All of the companies studied in the thesis had a global vision from the establishment that is considered to be one of the key characteristics of being a Born Global firm. Also, the companies had strived to gain competitive advantage over others by utilizing specific unique resources and by selling their products and services in multiple foreign markets. They truly fulfill Oviatt & McDougall's (1994) definition of a Born Global company in their business strategy level.

All case firms had an introductory period when entering to the market and it lasted one to two years. For example, Ambronite tested its product within the friends and family, and Smarp reached out the existing customers with the new solution that they loved. The phase was fairly short, since it is typical for Born Global companies to pursue growth aggressively from the foreign markets where the customer coverage is larger.

5.2 Analysis

The data from the interviews is coded and constructed in Author's conceptual framework. The purpose of the framework is to illustrate similarities and differences between the three case companies and reflect the relationship of the development in each company.

It needs to be pointed out that each of the case companies were true Born Global's according to study from Luostarinen & Gabrielsson (2006). Within the three (3) year time frame each of the companies got more than 50% revenue

globally. The best performer was Ambronite that have had 70-80% of its revenue from the foreign markets right from the inception.

The corporate culture in all three case companies was very low in hierarchy and empowering. Each employee is able to gain loads of responsibility, act based on their own perception and take risks. Also, the founding partners and managers were available for the personnel regularly and seeing a team as a professional sports team was connective factor was that the manager was seen as a coach and employees as part of the team – in order to succeed team needs to co-operate.

	Vision	Company Culture	Leadership	Performance
Ambronite	Ambronite's vision solely guides the business goals that the company has set. It describes where the company sees itself within a certain time frame and does not have that much of an impact in strategic decision-making or daily activities. Although, Ambronite's mission drives the daily tasks and strategic decision, vision sets guidelines for employees' personal development.	The company has extremely flat organizational structure. Empowerment is in the core of Ambronite's culture. Each employee are given lots of responsibility, new challenges and a freedom to take risk. Employees' make their calls without assistance of a supervisor and if necessary consult the core values that are in the heart of the company.	Due to the flat organizational structure each member of the organization is on the same level with each other. The leadership style within the organization is transformational. Instead of telling employees what to do, the leaders encourage employees to make their own decisions.	From the financial and revenue perspective Ambronite has not performed as well as other case companies. They've established a corporate culture that strives for success, found their market niche and mounted their place within the functional foods market. They've performed very well globally by having 70-80% of their revenue streams from 40 different countries.
Goodio	Goodio's vision is clearly divided in two - product and business vision. The business vision is more linked to Goodio's mission and it strives to revolutionize the whole chocolate industry and the product vision is a guidin star for product development. Vision has also had a critical role in their internationalization process hence as an impact based company the biggest impact is done when going global. Values and mission are in the core when other functions such as marketing are taken into consideration.	Goodio's organizational structure can be considered flat. Employees within white collar department are given a lot of responsibility, an opportunity to manage their work and make decision, as well as throw in ideas if they're align with the vision. In blue collar division, Goodio keeps more strict approach to it employees. The culture is very empowering and people can work freely if they keep in line with the vision and reach the goals that are set to them.	Even though the organizational structure at Goodio is flat, there are characteristics of both transformational and transactional leadership. Due to the nature of manufacturing business strict instructions, deadlines and top-down expectation management is in the core of its manufacturing business.	From the financial perspective Goodio has performed well even though they have made major investments in manufacturing. They've solidified their mass-market position in two different continents and 50% of company's revenue is coming from the other than its home continent. They've opened mass-markets in more than 15 countries and established a strong doer culture within the company.
Smarp	The vision of the company guides every day decision making, is communicated clearly and it's widely spread within the organization. Vision evident part of Smarp's strategy and future plans and it's in the core of company's identity.	Smarp has a strong doer culture. Employees are encouraged and required to take risks, act on their own and to be agile. Risk-taking is in the core of the business and Smarp truly engages and empowers their employees to fulfil themselves.	Smarp has established transformational leadership in its company's core doing. Even though expectations towards employees are high and they're allowed to take risk based on their own perceptions and calculations, Smarp does a great work aligning each individual to stick in the frames of its vision.	In terms of financial performance Smarp has been the best performer from the three case companies. They are the only company that has a profitable business and they are successfully expanding their services continuously in the global markets. After 3 years they got more than 50% of company's revenue from foreign markets and they have presence in every continent. Smarp invests lots of resources to its employees and they've performed very well by finding business solutions individually and taking over more responsibility within the company.

There are various differences and similarities within each company's characteristics. The next sub-chapters will open up the discussion part of the study and suggest research for future studies.

5.2.1 Vision

The biggest differences are within the context of Vision and its implementation. All the companies used vision as a strategical tool but there were great differences how it affected to strategical decision-making process.

At Smarp, vision had the biggest impact in strategical decision-making, and it was significant factor in daily operations within the whole organization. At Smarp, the vision is not seen as a stagnant milestone but as a guiding star that can grow bigger when the company gains more i.e. market share or when the market changes. Smarp's vision is to create a world where relevant knowledge flows without silos and gaps in communication. Smarp is the only case company that communicates its vision also externally on its' website which clearly reflects that vision plays a bigger role at Smarp than other case companies.

When compared to other case companies' vision is truly a strategical tool at Smarp. Chhotray's (2017) study boasted that vision should have some strategical flexibility, it cannot be too strict, and it is mostly used to communicate certain message throughout the organization. Smarp has respectively implemented its vision to the company's strategical level and it has guided the success of the company since the beginning. Due to the changes in market and the growth of the company it is acknowledgeable that the vision has grown during the years of business as well. Smarp's vision captures both core ideology and envisioned future and it can be considered as greatly formed guiding star for the company.

At Goodio, the vision did not play as crucial role as the company mission and the impact that the founders wanted to make with the business. Goodio and Smarp differed in a way that the vision is divided into product and business vision. Product vision is more concrete and guides the product development as well as new product development processes. The business vision is highly linked to

company values and has its foundation in the story of Goodio's establishment, as revolutionizing the whole industry.

At Ambronite, the vision was not as set as with the other case companies. The purpose of the vision is to guide business decision towards a certain goal, but it was evident that it did not play as big of a role in strategical decision-making or as a leadership tool. Ambronite was the purest mission-based company from all of the three companies studied.

5.2.2 Company Culture

The biggest similarities can be found within the Company Culture- context. Each company has a low hierarchy and a flat organizational structure. The founders and supervisors are available for the employees and interact with various team members in daily basis. All of the interviewees highlighted the importance of organization's values that guide the daily decision-making throughout the firm. Based on the study of Sadri & Lees (2001) and Collins & Porras (1996), it can be acknowledged that the core ideology of the company existence has been implemented in all levels of the studied organizations. The values that each company have set also set the behavioral norms, attitudes and expectations within each firm. It can be concluded that company culture was well formed in all of the companies studied.

Empowerment plays a key role in each case companies' cultural framework. The companies value their employees highly, has built a platform to support each individuals personal and professional growth, engages employees with stock option plans and puts a lot of resources and responsibility on their employees. It needs to be acknowledged that due to the differences in each case companies' nature of business there were also variety within the level of empowerment – especially divisionally. I.e. Goodio has very empowering culture within its white-collar division but in its manufacturing department the risk-taking and responsibility are more written in the stone and not as tolerated as in white collar department.

Each interviewee concluded that the personnel has had a major impact to their business and organizational growth. By investing more resources to their current employees and creating them a safe platform by nurturing each individual's personal growth, the companies have succeeded to keep the "A-players" in their teams. Personnel has had the biggest impact on Smarp's growth, and they are really investing a lot in internal communication and progress.

Each case company invests time and resources to internal communication. Goals are clearly set and all the case firms seem to follow Chhotray's (2017) study's guidelines and by concentrating on employee abilities and leaders' authority as well as holding team's accountable, communicating boundaries through organizational values and sharing all the information within the whole company. All the companies share their investor reports each quarter which gives a great opportunity for each employee to study the business metrics and to understand the current situation.

It needs to be noted that the study has been conducted from the managerial perspective and further study is needed in order to fully understand how positive emotions within each organization influences its growth. Each organization respected greatly their employees which was very much related to educating individuals, bonuses and perks. Further studies are needed to understand the correlation between meaning, accomplishments, safe working environment and growth within the Born Global entities.

5.2.3 Leadership

This study differed widely from the traditional perspective of BG leadership literature that has commonly concentrated on individual characteristics of a leader or a founder/CEO. The study concentrated on leadership styles which were transformational and transactional leadership. Leadership styles set the structure for making and implementing plans, motivating the employees and forming a structure that sets up directions for company to follow. It's filled with implicit and explicit actions performed by the person who leads the company or

a group. (Newstrom & Davis, 1993) Each leadership related question was formed to support the results of this empirical study.

When analyzing the results, it became apparent that each of the case companies preferred transformational leadership style over more traditional transactional leadership style. Each of the case company had extremely low hierarchy, flat organizational structure and empowering company culture. There were plenty of similarities within the leadership styles but during the analysis process the author was able to point out differences as well.

Each case company could be considered as pioneers in their own business field and that created a unique situation for the leadership environment as well. When pioneering in certain industry, according to Ensley et. al. (2006) it creates a weak and unpredictable leadership environment for each company. In author's perspective the uniqueness of the business industry is the major factor for the differences within the leadership styles of each case company. This is due to reason that each company has had to create their own standard operating procedures, define goals and create a vision from scratch.

Each case company had characteristics of Hayward's study (2010) and the companies took employee engagement seriously. Each interviewee boasted the importance of correct recruits, personal growth of employees and employee engagement. This was seen as a competitive advantage and a resource for successful performance. It was clear that long-term employees are more aligned with the vision and strategy, create better value for customers and the organization, and are willing to put an extra effort in order the company to succeed.

The information sharing and communication within the case companies was extremely transparent and almost all the information was shared within the all the members of the company. It needs to be pointed out that Goodio did not share as much information within its employees as Smarp and Ambronite. This can be

explained do to the varieties within the industries that the companies act. Goodio shared its strategical decision with its white-collar department but there were noticeable information gaps between the upper management and blue-collar manufacturing and warehouse personnel.

Typical characteristics in transformational leadership style are motivating the followers through communication, drawing an inspiring vision for the future and often using symbols, and appealing to emotions in order to get the attention. (Zaech & Baldegger, 2016) Vision had the biggest impact in leadership style at Smarp. Smarp had constructed its whole strategy and leadership around its vision. The author considered it to be the most liberal company in terms of leadership, employee advocacy and transformational leadership.

The interviews revealed that at Ambronite and slightly at Goodio as well, mission had more of an impact to how the company's leadership styles were formed. This is very much aligned with the industries that the organizations are part of. Both companies practice their business within the food industry and their mission is either to influence in people's health or to completely change how the things are done within the industry. The author's perception is that this requires more concrete mission-based approach to both business and leadership styles.

All of the companies studied had formed values in order to ease everyday decision-making. The values act as guidelines for both managers and employees. The purpose of values is to help employees to act more individually and enable to make the decisions on their own. Each company had the same approach to leadership as its best form, which was that leaders could outsource themselves from the everyday battles and concentrate on protecting vision and ensuring that the strategy is align with the goals of the company.

5.2.4 Company Performance

All of the three case companies shared a very supportive corporate culture. The key intake of this corporate culture was the decision-making progress that was delegated directly to their employees. Since the employees do not need to

authorize or wait for specific orders from the founding team, both the firm and the employees benefit. This has provided business agility and all of the companies have been able to seize business opportunities within a fast pace.

Since the employees are very much empowered to work individually and make decisions based on their own best perceptions, it means that they also seek solutions and business opportunities as well. The best example of this kind of behavior was at Smarp, where the employees from their operations team were able cut monthly costs with tens of thousands of Euros without instructions or even top managements knowledge about the opportunity to save up.

Each of the three case company founders were very satisfied of how their employees perform and handle the business. This has given them the opportunity to concentrate on bigger picture and to push the firms forward. Each case firm had also grown personnel wise and were aware of the significance of A-“players” that they wanted on their team. The correlation between the recruitments made and the company success was evident from the interviews.

There had been growth in revenue streams within each firm and they had already mounted their place in their market places. In terms of revenue it needs to be pointed out that both Smarp and Goodio have had major growth in sales, although their internationalization strategies have been totally different. This can be explained through the differences between the food and ICT industry. Ambronite was the company that had had the most stagnant growth and when looking the company performance from the financial perspective it is clear that they have not performed as well as the other case companies. Each case company’s business is different in nature and due to that reason, the performance cannot only be measured through financial factors.

The biggest difference in financial numbers was in business profitability. Smarp was the only case company that had a profitable business. It needs to be noted that Goodio had just invested in a new factory and were starting to build another

factory in the US which will have a major influence in company's profitability for years to come.

All of the three companies had succeeded in their internationalization process. Ambronite can be considered to have succeeded in the best way by having 70-80% of its revenue from global markets. All of the companies offered their products or services to more than 15 countries in different continents, and all this had happened within a three (3) year time frame.

Each company had gained competitive advantage through their employees. The employees enable founders to concentrate in strategy execution and provide both stability and agility. Also, it needs to be pointed out that all of the case companies had promoted their employees to managerial positions. This can be seen as a true competitive advantage because recruitment process of an executive takes a lot of time, resources and capital. All of the case companies can be considered as learning organizations that continuously develop their core competencies, which can be held as a long-term competitive advantage. In order to achieve the goals, the BG founders need to envision the future and form the guidelines to support that dream.

6. Conclusions and Recommendations

The findings of this study made contributions to existing theories of Born Globals. The focus in previous studies has been more in the characteristics of a Born Global leader/ founder. The study provided an extension to these theories by concentrating mostly on leadership styles and their contributions to corporate culture, growth and company performance. Additionally, significance of vision was examined and tied to existing leadership theories, company culture and empowerment. Even though, the theoretical implications were focused around strengthening existing Born Global literature, the study utilizes the perspective that leadership styles do have an impact in firms' growth and a company performance.

The research problem which was presented in the introduction section of this paper is as follows: *“How does different leadership styles, as well as recognizing the significance of the leadership in top management teams, influence in New Venture BG's performance?”* To truly answer the research problem, three sub-research questions were formulated. The first question deals with company cultures and vision influence as part of BG's growth:

1. *What is the significance of company culture and properly implemented vision through empowerment in terms of New Venture BGs successful performance?*

It became apparent from the empirical findings and from literature review that vision and leadership style are identified as accelerators for New Venture BG's performance. There were severe differences within the case companies regarding the vision implementation and significance, as well as growth spurt that each company had had. Each company had an eager desire to be a pioneer on their industry and to really wanted to change the entire industry or to create

completely new industry. They all acknowledged that well implemented vision is a key factor in doing this. Hence, the role of empowerment and company culture are more relevant to further sub-questions they're neglected in this chapter.

According to the literature analyzed well formed, strategically flexible and thoroughly communicated vision has been seen as a competitive advantage and a corner stone for company performance. Each case company weighted the importance differently. Smarp was the strictest with the vision, Goodio a bit looser and at Ambronite the importance of vision was not as important as in other case companies. Interesting acknowledgment were made regarding the relation of vision implementation and company performance. Based on the empirical study the author can verify that the vision has an impact in company performance since both Smarp and Goodio had performed better than Ambronite i.e. in terms of revenue, market expansion and the number of personnel.

2. What is the role of leadership in supporting growth and company performance?

It was clear from both theoretical and empirical part of the study that each case company operated under a unique situation that required certain type of leadership. All the case companies were built in to be platforms for individual growth and responsibility, opportunities and wide business tasks were shared, nurtured and given for personnel in each case company. The companies shared a common opinion that leadership style has an effect in supporting company growth and performance – especially from personnel perspective.

Each company had made strategical pivots that had had an influence in their leadership styles. Smarp pivoted from consulting to a Software as a Service-provider, Ambronite swiftd from pure online store to retail expansion and Goodio had major changes in its founder base which change the whole characteristics of the company. These "growing pains" had clearly brought up the importance of talent nurturing in founding partners attention and had had influence in how the

company was formed after changing the big strategical goals pursued. Authors opinion of these transformation periods is that it has had a major impact in leadership styles that the case companies have formed. They've acknowledged that during strategical transformation periods there always resistance within the organizations and communication needs to be very open, aligned with the new strategy and vision, and the relevance of each employee need to be clearly communicated individually. The whirlpool in company structure really has an impact in leadership style which clearly correlates with the company performance and growth.

3. How does leadership support BG's survival?

Based on the literature studied there is correlation between leadership and survival. The most important aspects that need to be pointed out are vision implementation, leadership focus and guarding the big picture strategy. As stated earlier, each case company have had strategical pivots and the significance of engaging employees played a crucial role within this stage.

From the three case companies studied Ambronite has had the most crucial strategical pivot. The company has not yet been profitable, and they ran out of private equity invested in the company. Hence began the survival process and the strategy had to be rethought and reformed. From the leadership perspective it required a lot of efforts since the company wanted to keep its key employees who had had a major impact in their business survival. They managed to engage their employees by offering them option packages, communicating long-term strategies openly and thoroughly, and by investing a lot of resources in employee development. The company was able to turn the course and prior to new investments made, the business also turned cashflow positive for a while.

From the empirical study it can be stated that the leadership does support BG's survival, although more studies are required from this perspective. It is safe to say that investing in existing employees, engaging them more into the company

and its culture, and by communicating the future vision with the whole team openly can help companies to overcome major bumps that are in their way. In the end of the day, it is the most committed employees that make the difference and letting them go might cripple the firm when going through transformational times.

It became apparent that transformational leadership style was more suitable when working within a unique situation without clearly forming the standard operating procedures. The corner stones for transformational leadership were open communication, establishing a strong company culture and drawing inspiring vision. Empirical study strongly supported the theory and it was evident that pioneering firms required a transformational leadership style.

6.1 Managerial Implications

There are a few key intakes that this research emphasizes for managers' consideration, especially for the new founders of the New Venture Born Global firms. It is in the nature of Born Global firms that they seek growth through global expansion. In today's modern-day global marketplace, the pace is faster than ever, and the first intake is more of a reminder from previous studies than an implication. It is crucial that during the early stages of BG establishments the future is envisioned, written down and broke in to clear pieces that are easy to communicate. The core ideology and envisioned future need to be communicated and implemented throughout the firm and made sure that everyone is align with the goals.

Especially for new BG managers it is important to point out that guarding the vision and staying in strategical level is highly important. This puts a lot of weigh in new personnel recruiting. As mentioned in the empirical part of the study, a lot of responsibility were given for early employees and the expectations for them to succeed were high. Future BG managers should not be afraid letting some things and functions out of their hands and sharing the responsibility from their shoulders. This is highly valuable lesson learned from the study.

Another managerial implication is employee empowerment and engagement. Providing cross-functional opportunities and a freedom to roam between the functions creates an innovative and inspiring environment for employees' personal and professional development. It is clear that the personnel have a major influence in company performance. This creates an opportunity for future BG leaders to create successful platforms where employees are given enough responsibility, opportunities for development and engage them to stay with the firm even during more stressful times. By creating safe and innovating working environments the future BG leaders are able to grow managers internally for their future needs and promote the most potential employees to be responsible of bigger functions over time.

The suggestions for future BG leaders are very much in line with Hayward's (2010) study. It can be said that people who are happy at their work contribute more of their time, resources and contribute more for the firms success. Stability, opportunities and job satisfaction correlate very much with both business results and employee performance. It has become crucial for leaders to act as role models and to represent the company values in their line of work.

6.2 Further Research

The study deals with how leadership style influences in company performance and what other factors are needed to take into consideration in order to understand the leadership more holistically. It needs to be brought into attention that the literature deals very much with the importance of vision and the focus is on organizational vision that is a result of a top-down construction rather than a bottom-up construction. The author suggests that more empirical research is needed in order to understand the importance of the vision from the perspective of employees and other layers of an organization.

It is important to acknowledge that the three case companies in the study were all small or medium sized BGs. A similar study could be conducted on bigger BG or and multinational corporation that started as a local entity. Another aspect on the issue could be involving BGs that have already disappeared or gone

bankrupt. This could amplify the meaning of certain leadership style, especially if the founder of unsuccessful BG has started another entity which has had success.

Furthermore, the author thinks that a larger data set or a quantitative study may reveal more of decision-making progress, empowering work autonomy and clarify the relationship between the leadership styles and a company performance.

Finally, an industry specific study or certain leadership styles, and their correlation with the company performance could benefit future BG leaders.

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