Do Cultures Really Matter?

A Case Study of Human Resource Management Strategies

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Abstract

The purpose of this research study is to explore the relationship between cultures and Human Resource Management Strategies in Swedish Multinational Corporations. In order to achieve this purpose, a multiple-methods research design is adopted. The study consists of two steps. The first step is a pilot study which aims to give a general picture and the direction for the further case study. A case study is the second step; here, three companies are studied by conducting interviews: ArtsNordica, TeliaSonera and Company A, with the intention of highlighting the important issues of cultures and HRM strategies

The results indicate that the connection between HRM strategies and cultures is complex. The degree of cultural impacts on the outcomes of HRM strategies are decided by the number of strategy makers and support materials in the process of forming HRM strategies. The most interesting finding of this study, which differs from other studies, is that it furnishes a deeper understanding about the outcomes and processes of HRM strategies. It offers more fundamental knowledge to the topic of HRM strategies. This study has also presented new insights about the role of cultures in the formation of HRM strategies. A recommendation for future research will be to investigate how to ensure the cultural impacts can be benefit for the HRM strategies.

In addition, this study provides some suggestions to the management. HRM practices are culture-sensitive, it is not enough that managers in MNCs are aware of culture differences, more importantly, in order to form successful HRM strategies we must recognize the business context and the importance of cultures. In order to ensure the outcomes of HRM strategies, there are two implications. Number one is to put the managers with high cultural awareness into the process of HRM strategy formation in order to increase the cultural impacts on the outcomes of HRM strategies. The second way is to provide managers the instruction including cultural issues when making HRM strategies, in order to enhance the advantage of cultural impacts.

Keywords – HRM Strategies, Cultures, National Cultures, Corporate Cultures, Business Cultures, Managers' Perceptions

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Contents

Introduction

This study is an explanatory study with the intention of exploring the relationship between cultures and HRM strategies. In our modern society almost every sphere of life is impacted by globalization (Ladegaard, 2007). Due to the globalization of economies, firms continue to move beyond national borders (Lievens, 2007). The number of multinational corporations (MNCs) has increased hastily, which has led to a growing number of individuals with international assignments, international joint ventures (Graf, 2004). Every day, thousands of people across the world engage in global communication in MNCs (Ladegaard, 2007). MNCs are facing challenges in doing business across distinct cultures, languages and legal environments. Meeting such new challenges, how to operate MNCs more effectively has become an important question for the managers.

With the aim of answering this question, a number of components have been given from the different research areas, such as: strategic management, cross-culture management and human resource management. In the context of international human resource management, the researcher believes that for the managers the mission of operating MNCs effectively is concerned with how to overcome the challenges in the HR practices. HRM practices are culture-sensitive. The problem caused by culture differences has been seen as one of the biggest challenges for HR practices. Be directed at this challenge, the researcher indicates that it is important for managers to be aware of culture differences especially at the headquarters (Schneider & Barsoux, 1997; Braun & Warner, 2002; Tayeb, 1998).

However, there are serious communication gaps between managers and academics that are very difficult to bridge (Porac et al. 1989; Mezias & Starbuck, 1996). Managers live in a micro-world composed of concrete, immediate events. They focus on what is happening right now, in their specific jobs, in their specific business units, operating in very specific competitive environments (Boland et al., 2001). Academics, by contrast, frame their theories in terms of abstract concepts that generalize too many organizations and environments (Mezias & Starbuck, 2003).

Strategy, in its different forms has been extensively discussed in textbooks, which furthermore has been adopted widely into managerial practise in today's MNCs. Nevertheless, managers and academics are unable to agree on the most central question: what precisely is a corporate/business strategy? It is factual that most of us do not know what a strategy is or how to develop a good one (Markides, 2000). Some academics believe that the strategy formation is based on the managers' perceptions (Mezias & Starbuck, 2003), for example, Starbuck indicates that managers' analysis might be based on formal corporate documents, their personal experiences, rumours, articles they read in periodicals or on speeches by their CEOs (Mezias & Starbuck, 2003). Moreover, when managers meet to discuss strategic problems, they do not focus solely on available data and indeed, there is often little data on the conference table. Such meetings rely heavily on the perceptions that the participants carry into the room (Mezias & Starbuck, 2003). In the real business world, HRM strategies are made for enhancing the corporation/business strategy. In contemporary MNCs, especially in the large MNCs, making a strategy is a process which includes many people's input (Gugman & Collinson, 2006). Some managers might recognize that strategy is made only for profit-maximization. Some of them might see that the aim of making strategy should be plural, such as achieving market benefits and technology development. The final outcomes of the HRM strategies might be the result of the interaction between all involved managers. Meanwhile, because of the development of

information technology, most of the large MNCs have their own business systems. All activities from manufacturing to sales can be coded in the system; even the human resources management is included. The business systems provide managers the possibility of making decisions based on rational calculations (Seeley & Davenport, 2006). The decision making in MNCs seems to become more popular by quantity analysis. Nevertheless, human resource management is a result of what society can offer managers and how these managers effectively use what is offered to them (Tayeb,1998). The aspects such as legislations, laws, and salary levels might in some way influence the process of HRM in strategy formation.

"Culture" has become a fad. Among managers and academics it is explained with somewhat different concerns. In the academic world, one of the most widely cited frameworks for examining cultural differences is developed by Hofstede, which is based on attitudinal data from employees of a large multinational firm located in 67 countries (Farland et al., 1999). According to Hofstede's findings, culture exists in different nations, because every nation has different political structures, economic factors. (Farland et al., 1999). For instance the companies' personnel policies may differ in different countries or have a diverse impact on employees' perceptions (Arndt, 1983). Many research studies are based on Hofstede's findings and national cultures have been extensively used in explaining cultures. National cultures seem to be equal to cultures.

In the business world, managers might perceive culture in a different way. However, it is difficult for managers to avoid the impacts of their national culture. As cultures influence the way people behave and think, they also influence managerial attitudes and managerial ideology. When managers are making the HRM strategies, they might automatically bear more or less cultural aspects in mind, however, do cultures really matter as the theories mentioned? If so, to what extent do managers pay attention to the culture differences and how does this reflect on their HRM strategies? Yet, is it enough to be aware of culture differences for the managers to overcome the problem caused by culture differences? This study attempts to provide some understandings to the questions above. The purpose of this study is to explore the relationship between cultures and HRM strategies in MNCs. In order to achieve this purpose, the study begins to find out how HRM strategies are made in MNCs meanwhile how managers deal with the cultural issues. In other words, on one hand this study will look closely into the process of making HRM strategies to explore the role of cultures. On another hand, it will also explore the cultural impacts on managers to indicate the influence of culture on HRM strategies.

Literature Review

In order to explore the connection between cultures and HRM strategies, it is good to go back to the original theories and concepts, which might offer the fundamental assumptions about key relationship in business reality; therefore it is essential to begin with some applicable theories and concepts. Through theories, the starting point and the expected result of this study will be found out (Whittington, 2004). Before the connection between cultures and HRM strategies is examined, it has to find out what cultures and HRM strategies are. The theories related with them are: the dimensions model of strategy and the culture levels. Through the dimensions model, the aim is to understand and highlight the key aspects of the HRM strategies. With help of the culture levels, it is easier to understand the cultural impacts on the managers. Furthermore, based on the related theories and concepts, an analysis model for this research study is constructed.

Strategy

Irrelative to the size of MNCs, big or small, one of the characteristics is that they are linked by a strategic plan, which in some literature is called corporate/business strategy. Multinational corporations refer to the firms that are headquartered in one country but have operations in one or more other countries (Gugman & Collinson, 2006). With help of a strategic plan, all units, which are geographically dispersed and/or have diverse product offerings, work in accord with a strategic vision (Gugman & Collinson, 2006). Meanwhile, in order to carry out this strategic plan, many strategies will be designed, such as: organizing strategy, production strategy, marketing strategy and human resource strategy (Gugman & Collinson, 2006). HRM can be described as the part of the management process that specializes in the management of people, which is treated as the starting point of management (Su & He 2001). HRM emphasises that employees are critical to achieving sustainable competitive advantage. As one of functional strategies, HRM strategy is used to coordinate operations and ensure that the plan is carried out properly (Miller el al. 1999). HRM strategy provides a MNC with the opportunity to truly outdistance its competition. A MNC is unable to beat, if it has personnel who are carefully selected, well trained and properly compensated. Therefore HRM strategy is a significant element of international management (Gugman & Collinson, 2006).

Hence, what is strategy? The answer will be different depending on from which perspective you explain it. Generally, there are four approaches to strategy. Among them, there is not so much agreement. Each approach has very different conceptions on two fundamental questions: what is strategy about and how to make it (Whittington, 2004)? The classical approach is the first one which is the oldest and still the most influential. Here a strategy should be formal and explicit which is relied on rational planning methods (Whittington, 2004). The second one is the evolutionary approach. This is constructed on the basic idea of biological evolution, but the law of jungle is replaced by the discipline of the market. They believe that high profitability is the key to survival (Whittington, 2004). The processual approach is the third one which emphasizes the sticky imperfect nature of human beings. It suggests that firms should pragmatically change their strategies to match the markets' needs. For them, strategy can be crafted and its goals vague (Whittington, 2004). The last one is the systemic approach which is relativistic. It regards that the ends and means of strategy are linked to the powers of local social systems in which it takes place (Whittington, 2004).

The four approaches differ in two dimensions which can be illustrated by the axes in Figure 1. The vertical axis represents the outcomes of strategy which reflects the answer to what is strategy for. The horizontal axis shows the process of strategy, reflecting the answer to how strategy is made (Whittington, 2004).
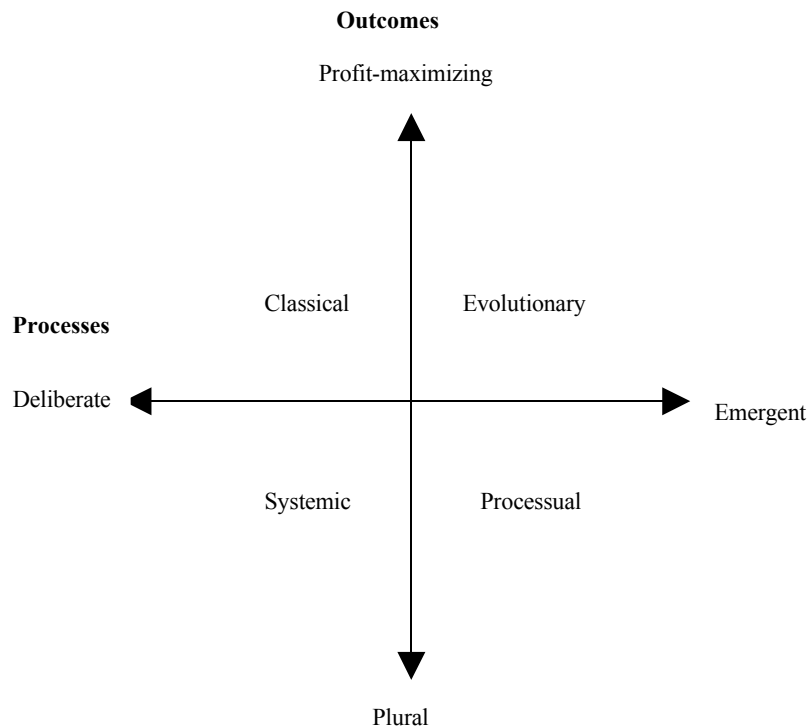
Outcomes

Profit-maximizing

Processes

Classical   Evolutionary

Deliberate ←――――――――――→ Emergent

Systemic   Processual

Plural

Figure 1: Dimensions of the Strategy

The *Outcomes* dimension of strategy shows the degree from a single goal of profit-maximizing to plural goals, which includes profit-maximization and other possible goals like technology development. Both classical and evolutionary approaches consider that the only outcome of strategy is to achieve the profit maximization. In the classical approach, making strategy is a rational process of careful calculation and analysis, which has a purpose of maximizing long-term advantage. It believes that firms can be successful through such a strategy (Ansoff 1965, 1991, Porter 1985, 1996). Contrarily, systemic and processual approaches are more pluralistic. They believe that the outcomes of the strategy can be other possibilities as well as just profit (Whittington, 2004). For example, from the systemic perspective, they consider that MNCs should have a strategy to guide their business. Nevertheless, the goals of strategy-making depend particularly on social context; therefore the strategy should be undertaken with sociological sensitivity and specific cultural aspects. Among these four approaches, their main focuses are different. Strategy making in the classical and processual approaches are supporting the internal management, however, the strategies in the evolutionary and systemic approaches emphasize on fulfilling the external needs (Whittington, 2004).

In different firms the ways of making strategies differ. Some firms rely heavily on rational calculation in the process of making strategies and some firms depend on the knowledge of the experienced managers. The differences can be shown from deliberate to emergent on the *Processes* dimension of strategy. Both classical and systemic theorists agree that strategy can be planned, and therefore strategy should be long-term orientated. Nevertheless, evolutionist and processualist regard that the processes are governed by chance, confusion and conservatism (Whittington, 2004). For example, evolutionists usually regard that the future is too hard to plan

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for. It is not the manager, but the market which makes the important choices. Successful strategies are only the result of the process of natural selection. All managers can do is ensure that they fit as efficiently as possible to the environmental demands of the day (Hannan & Freeman 1988, Williamson 1991). The best strategy is to concentrate on maximizing chances of survival today (Einhorn & Hogarth, 1988); therefore the strategy should be short-term orientated. Evolutionary theorists have focused on the specific market. Market aspects have strong significance when making strategy. Like the evolutionist, the processualist also prefers making the short-term orientation strategy. The reason is that people are too different in their interests, which limits their understanding and actions to carry through a perfectly calculated plan. Anyway, the plan is bound to get forgotten as circumstances change (Cyert & March 1963). In practice, for the processualist, strategy is seen as an emergent process of learning and adaptation (Whittington, 2004).

According to the theories above, the central issues of strategy are summed up as followed:

	Classic	**Processual**	**Evolutionary**	**Systemic**
Goals	Profit-maximizing	Plural	Profit-maximizing	Plural
Processes	Deliberate	Emergent	Emergent	Deliberate
Focus	Internal	Internal	External	External
Time	Long-term	Short-term	Short-term	Long-term

Table 1: The central issues of Strategy

Cultures

Culture as a word has several meanings, which all derives from its Latin source; it refers to the tilling of the soil (Hofstede, 1991). Culture can be defined as the sum total of the beliefs, rules, techniques, institutions and artefacts that characterize human populations or collective programming of the mind (Ball & McCullorch1999, Hofstede 1980). Definitions of culture vary according to the focus of interest, the unit of analysis, and the disciplinary approach. Obviously, culture is a too complex phenomenon to be satisfactorily encompassed by any single treatment (Arndt, 1983). In the area of cross-cultural management, Hofstede is said to be one of the most influential (Lim & Firlora 2000, Hill 1998, Higgs 1996, Jackson 2002). According to him, culture has meanings both in the narrow sense and in a broader. In a narrow sense, culture commonly means civilization or refinement of the mind and in particular the results of such refinement, like education, art, and literature. The broader sense of culture is always a collective phenomenon, because it is at least partly shared with people who live or lived within the same social environment, which is where it is learned (Hofstede, 1991). Moreover, culture is defined as the collective programming of the mind which distinguishes the members of one group or category of people from another (Hofstede, 1991). Here a group means a number of people in contact with each other, for example, those who are working together in the same departments or MNCs. A category consists of people who, without necessarily having contact, have something in common, such as people from the same country and people who share the same culture. Culture can be learned, not inherited. It derives from the social environment not from the genes (Hofstede, 1991). In that case, it is not true to say that people with Asian / African / European appearance share the same culture.

People react to culture differences in different ways. Perception is a phenomenon which is similar with concepts like awareness, belief, cognition, estimation and sense-making (Mezias & Starbuck, 2003). All of these concepts share one fundamental meaning: "apprehension by means of the sense or of the mind" (Mezias & Starbuck, 2003). Cultural awareness is a concept

which reflects how people perceive cultural differences. Culture differences can be a source of problems, in particular when the firms need people to think or act in a similar way. Culture differences sometimes will increase the level of complexity and confusion in the communication between people in MNCs. However, it can become an advantage when the firms expand their solutions and senses of identity, and begin to take different approaches to problem solving. Furthermore, cultural awareness can also be understood as the degree of knowledge about the way of thinking and behaving of people from different cultures (Buckley el. al., 2006).

Culture differences exist in the different levels of cultures, such as in the national level, regional/ ethnic/ religious/ linguistic affiliation level, gender level, generation level, social class level and even an organizational culture level. The most general level culture can refer simply to the lifestyle and behaviour or a given group of people. National culture is seen as one way to identify cultures in a simple context. Within nations that have existed for some time, there are strong forces towards further integration. It has usually one dominant national language, a common mass media, national education system and national political system, as well as a national market for certain skills, products, and services (Hofstede, 1991). This kind of classification of different national cultures might create stereotypes of how people act, think and behave. Nevertheless, the academics insist that national cultures are a helpful tool for managers and researches as long as its limitations are clearly understood (Thomas, 2002). Using national cultures to explain the culture differences has been dominated in the research area. In academic world, it refers directly to national cultures when culture differences are mentioned.

Besides nations, culture differences exist also between different industries, professions and companies. However it is hard to separate the influences between them (Schneider & Barsoux, 2003). Corporate culture is a term used to characterize how the managers and employees of particular firms tend to behave. It is also used by HR managers to proactively shape the kind of behaviour (Gugman & Collinson, 2006). It might be the most frequently discussed cultural aspects. The academics consider that many managers more quickly recognize the differences between companies than between countries (Schneider & Barsoux, 2003). Corporate culture is also influenced by the nature of the industry, business and product. Corporate culture is seen as one of the competitive advantage. The prime reason for interest in corporate culture is due to the increased competition which forces the companies to reconsider their ways of doing things (Schneider & Barsoux, 2003).

Analysis model

The analysis model is constructed based on the theories and concepts above. According to Starbuck, the strategy making is based on the managers' perceptions (Mezias & Starbuck, 2003). Culture cannot itself influences on the HRM strategies, but with help of managers' perceptions, the HRM strategies and cultures are connected. Under long time, managers' perceptions are formed by the specific cultures, such as national cultures. Accordingly, the managers will have its understanding about what culture is. If the understandings of cultures among managers are different, the idea to make a HRM strategy will be also different, for example, if a manager regard that culture is national culture and it is important for the HR practices, he/she might suggest putting the cultural issues as a goal of the HRM strategies.

The analysis model is constructed based on the theories and concepts above. In the model there are 3 steps: categorizing the HRM strategies, comparing the cultural impacts on managers and exploring the relationship between HRM strategies and cultures.
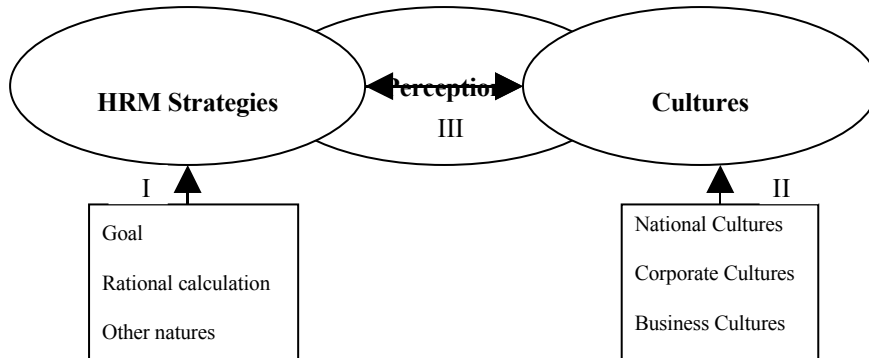

Figure 2: Analysis model

I: Categorizing the HRM strategies

In this step, HRM strategies will be categorized with help of some variables of strategy, such as the goals of strategy, the role of the rational calculation and other natures of strategy. These natures of strategy are long-term or short-term orientation, internal or external and formal or informal. The table of the central issues of strategy and the dimension model of strategy will be adopted as the tool to identify the HRM strategies. By using the central issues of strategy, which approach the companies belong to will be easy to categorize. Further more, the order of companies on the outcomes dimension can be placed by knowing the number of goals. As a result, the locations of the HRM strategies will be show in the dimension model of strategy.

II: Comparing the cultural impacts on managers

This step is to identify and compare the cultural impacts on the managers with help of the concepts of cultures. According the theories, there are different levels of cultures. By going through what the managers perceive on different levels, the impacts of cultures will be identified and compared. The different aspects in cultures will be examined with different variables: general cultures, national cultures, corporate cultures, business cultures. Thereby, the role of cultures will appear in the course of making HRM strategies.

III: Exploring the relationship between cultures and HRM strategies.

The final step is to explore the relationship between cultures and HRM strategies. The analysis will begin with indicating how cultures impacts on the managers' perceptions. Furthermore the analysis will go through the process of making HRM strategies to examine if these perceptions will influence on the outcomes of HRM strategies.

Methodology

With a purpose of exploring the relationship between cultures and HRM strategies, it can be seen as an explanatory study (Saunders, Lewis & Thornhill, 2007). A multiple-methods research design, which combines a mini survey study and case study, is adopted for this study. The theory about Strategy is written in a very abstract way, in order to have a concrete understanding about HRM strategies, it requites a theory test before the case study. A mini survey study is carried out with the intention to highlight the guiding questions for the case study. This pilot study is a quantitative study which emphasizes numerical data or data that have been quantified (Saunders, Lewis & Thornhill, 2007). Due to the complexity of cultures, it is difficult to collect the data through the standardized questions: for example, what do you think about national cultures. Accordingly, a qualitative research might be more appropriate for studying the cultural aspects. In that case, a case study is a good to collect this kind of qualitative data which uses words instead of numbers to describe the situations (Bennet, 2003). Through a case study, it is possible to gain rich understanding about the influence of cultures in the concrete context of HRM strategies (Saunders, Lewis & Thornhill, 2007).

The study topic is concerned HRM strategies so the population of this study becomes automatically the firms who have at least one HRM strategy. Multinational corporations usually have at least one HRM strategy, although perhaps in different outcomes. For this reason, Swedish Multinational corporations became the relevant sample. With Swedish MNCS in this study, refers first of all to those MNCs that are located in Sweden in a geographical sense. The reason is that it is easier to generate and compare the different HRM strategies in the same market. In relation to the cultural aspects, it is reasonable to focus on the MNCs which have Swedish founders. Due to the global capital market, many Swedish companies might in reality not be owned completely by the Swedish citizens. Nevertheless, the Swedish corporate founders might strongly shape the values and ethics of an organisation but it will not be their individual values but rather the culture of the corporation, which becomes the primary determinant of business ethics (Yong, 2008). The findings of study by MNCs with Swedish founders would indicate that under a similar cultural environment the managers have either similar or different cultural impact on HRM strategies.

Data collection

The theoretical analysis model has given the direction to data collection. According to the model, the data related to the goals, the role of culture and other natures of HRM strategies to be examined. Meanwhile, the data about managers' perception of cultures are also supposed to be measured. In that case, data collection is divided into two steps which are based on the need of seeking information for the analysis model. The first step is a pilot survey study which aims to collect information through questionnaires, and the second step is a case study which gathers information by conducting semi-structured interviews.

Pilot survey study

The aim of the pilot study is to highlight the guiding questions for the case study. Questionnaires are used as the data collection method which can provide a general picture of HRM strategies (Saunders, Lewis & Thornhill, 2007). The questions in the questionnaires are

designed based on the previously described theories about Strategy and cultures. There are 23 questions in the questionnaire, which includes two main areas: HRM strategies and cultures. Some questions are supposed to get the basic information about the respondents, for example, if they have taken part in making HRM strategies. The questionnaires are supposed to be filled out by those who are responsible for making HRM strategies, which usually refers to the managers in the HR departments of Swedish MNCs. In that case, the questionnaires are sent to HR departments of the Swedish MNCs. Firms with a lot of employees frequently have at least one HR or personnel specialist. Large organizations may even have several managers that are in charge of different activities (Bratton & Gold 1999). In case of uncertainty, respondents will be instructed to forward such questions to appropriated alternative respondents within the MNCs. The questionnaires are sent out to 50 Swedish companies. There are 11 companies that replied and only 5 of them filled out the questionnaires completely. A 10% respond rate proves that a survey study is not feasible.

Case Study

Culture is a complex phenomenon. By evident of the pilot study, it is difficult to collect the data about how cultures influence the managers through standardized questions. For example, how many goals in the HRM strategies are include in your company? Some respondents have not given an answer to this question. With a questionnaire, it is not possible to find out why the respondents didn't give the answer to this question. However, the reason why might be because there are too many goals to count. Regarding to that, a qualitative research interview will be adopted as the method for the interviews; in particular, it refers to a semi-structure. An interview is aimed at generating qualitative data of the HR managers' perceptions on cultures and their influences on HRM strategy making (Saunders, Lewis & Thornhill, 2007). With the semi-structured interviews, the questions are allowed to be modified to include as many perspectives as possible that the interviewee might have. For example, another question: what do you think about culture? The interviewee might regard the question as too broad, so that, with semi-structure interviews, the questions can be formed in a different way or maybe be more specific in order to be easily understood by the interviewees. Accordingly, it is a more flexible method and allows including what interviewees perceive as relevant and important (Saunders, Lewis & Thornhill, 2007). The main task for the interviews is to collect the data related to three main areas: HRM strategies, cultures and their relationship.

Study companies and interviewees

According to the pilot study, It seems that in Sweden, most of MNCs have at least one HRM strategy, because 5/5 companies have HRM strategies. Based on this finding, it is assumed that the companies in the study can be chosen by random, only if the companies were multinational companies and have Swedish founders. There are 3 companies, who fulfilled the requirements and are chosen by random, take part with the interviews: TeliaSonera, ArtsNordica and Company A. Furthermore, the pilot study has shown that it is not every HR manager who has the opportunity to make HRM strategies. Therefore the interviewees of the case study are HR managers who have experiences in making HRM strategies, because they will offer more related and sound answers to this study.

The interview with the company ArtsNordica took place on the 4th March. ArtsNordica is a culture centre, which offers services related to art, design, gallery, festival and cultural tourisms to every country in the world, in particular, in China. ArtsNordica can be seen as a new actor/company who is on its way of internationalization. The interviewee is the international

culture coordinator. She is at the same time one of the owners of TCG Nordica and ArtsNordica. She has worked within the human resources area since 1998 and taken part in making HRM strategies since 2000. Company A is one of Sweden's leading recruitment companies with 37offices and around 3,500 employees. It specializes in providing the staffing solutions to the different industries. Now it is on the way of internationalization. The interview was taken place on the 9th March. The interviewee is one of the HR managers of this company. She has worked within the human resources area about 10 months after her graduation from university. She has made the HRM strategies related to personnel staffing & development daily for the different clients. TeliaSonera is a leading telecommunications company in the Nordic and Baltic regions with strong market positions even in Eurasia, Russia and Turkey. The interview took place on the 13th March. The interviewee is the vice president of two units: Human Resources and Business Services in TeliaSonera. One of his main responsibilities is for the unit of Business Services, which has focus on working for the biggest (business) customers. He has worked almost 10 years within the human resources areas. During the last 10 years, he has tried the different positions within HR areas.

Interview questions

Before the interviews are conducted, an interview guide with key questions is designed in advance. Both cultures and Strategy are well-researched separately; the theories provide the major concepts for the interviews. Together with findings of the pilot study, the interview questions are formulated. After the pilot study, the findings are given some clear guidelines for the interview questions of the case study. The HRM strategies were seen as long-term orientated and tended to be formal, however, the time of changing and renewing the HRM strategies differed. In that case, during the interviews, the validity of HRM strategies would be asked by one question: how often does your company need to adjust/renew the HRM strategy?

Except that the company Bank A, which had only one goal (profit-maximizing) of HRM strategies, the other companies tended to have five goals or more. The number of goals would also be one of the interview questions. The most common goal of HRM strategies was to achieve the competitive advantage. Profit-maximizing and market-seeking were also found as common goals for HRM strategies. When the HR managers were making the HRM strategies, they had very different ideas about which aspects were important. It was hard to generate. Issues related with leadership and business objectives had been shown as important in the process of HRM strategy making. None of 5 companies had mentioned that the cultural aspects were important when making HRM strategies. According to this finding, in the semi-structure interview, it required to identify the role of the cultural aspects during the HRM strategy making, for example by one question: how does you company deal with the culture differences related to the need of HRM? The role of rational calculation in the processes of HRM strategies was still unclear, which was one of the main questions for the interviews, such as: how much degree the rational method is used in the process of making HRM strategies?

During the interviews, some key questions were asked in order to identify two major categories: which dimension the HRM strategies belong to, how cultures would impact on managers perceptions. The order of the questions is determined by the setting of the interviews and the situation of the study companies. Based on the guide questions, deeper and more detailed information will be explored by the semi-structure interviews. Every interview is recorded and afterwards the information is written in paper and restructured to become the primary data for this research study.

Coding and the quality of data

Due to the primary data collected from the interviews belongs to the qualitative data which is needed to be coded. Usually there are 3 steps in coding: processing the data, analysing the data, and interpreting the data. During the step of processing the data, rich information is collected. All information leads to significant insights. Nevertheless, it is not all information that is applicable for the analysis. In the second step, analysing the data, the information which is not applicable for the analysis is deleted. The last step is interpreting data, which highlight the important issues of the interviews and editing them down with help of theoretical framework. A common mistake in qualitative research is that the authors might highlight or pay too much attention on an articulately expressed, yet not widely shared opinion (Collins & Hussey, 2000). In order to reduce the chances of making such mistake, the data will be constructed on the same theories and concepts.

Commonly, the quality of data could be measured by two measurements: reliability and validity (Saunders, Lewis & Thornhill, 2007).The data with reliability is stabile and not exposed to bias. The interviews were taken place in the same sitting. It means that the respondents have not been given the detail questions in advance, but only the purpose of this study. The answers given by the interviewees about the HRM strategies are represented of the companies. The attitudes of the interviewees on the phenomenon cultures are formed in a longer period; it won't be changed in a short period. The results of the interviews will be the same as if it will be done at other occasions (Saunders, Lewis & Thornhill, 2007). The data collected through semi-structured interviews in large extent has reasonable reliability, because the guiding questions are aimed to measure the same things, such as the types of HRM strategies and different aspects of cultures. The data is objectivity because the answers of the interviewees are registered in the same way. In order to reach high precision of the interviewee data, the results of interpretation of the interviews are confirmed by the interviewees. Accordingly, the data through interviews is considered with good enough reliability and validity.

Empirical Findings

Based on the analysis model, data needs to be collected on the four different approaches to Strategy. There are four different approaches about Strategy, so that it is best to find four companies, which are represented each of four approaches. Due to the need of analysis, the company Bank A with a very special HRM strategy will be chosen from the pilot study. Bank A is one of Swedish banks and it has many subsidiaries around the world. With help of the interview questions, the other data claimed to be measured in the analysis model are gathered through interviews of three companies: ArtsNordica, Company A and TeliaSonera. In the following section, the empirical findings are illustrated one by one. Except Bank A, the findings of each company are divided into two major issues: the outcomes of HRM strategies and the managers' perception on cultures.

Bank A

Because the study companies were chosen by random, in the case study, there were only three study companies which would only represent three approaches. In order to illustrate the whole picture of different types of HRM strategies, Bank A was chosen for completing the data which were required for the analysis model. Bank A was selected from the pilot study, because it had a special HRM strategy, which consisted of only one single goal. Before this study, in a very casual setting the author had talked about the study with the respondent of Bank A and asked for her participation of filling out the questionnaire. The first impression of Bank A was that it had a very formal HRM strategy and the corporate cultures are very strong. According to the answers given by the respondent, Bank A was a suitable company to be used in the analysis of HRM strategies. In Bank A, there was only one goal in its HRM strategy, which referred to profit-maximizing. The company didn't change or renew the HRM strategy, which was always the same. The business objectives were considered as important aspects during the HRM strategy making. The HRM strategy was seen as formal and achieving a long-term advantage.

ArtsNordica

At the beginning of the interview, the interviewee of ArtsNordica was not sure what HRM strategies referred to. As she mentioned, the company had no strategies which included HRM strategies when the company was founded. As the business kept growing, there was a need to formulate the HRM strategies, in particular, when the company needed to recruit new employees. The interviewee mentioned that all strategic plans included the HRM strategy making aimed to improve the legitimacy in order to attract more the investors.

The outcomes of HRM strategies

The HRM strategies of ArtsNordica were formal. The HRM strategies had two goals. The first one was creating a workplace in purpose of having good balance in order to motivate the employees. Achieving a profit-maximizing was another goal. The HRM strategies were made for a longer period. However, according to the interviewee, a long-term period referred to 3 years. Every year, the company would go through the HRM strategies to see if there was a need to change them. The reasons of changing the HRM strategies were whether there was something wrong with the strategies or something changed in the markets, which in turn for the

company to change its strategies. In other words, the HRM strategies of ArtsNordica were more or less overall strategies in order to guide the direction of human resources management.

The process of making HRM strategies in ArtsNordica relies heavily on the managers' experiences. No rational calculation was included. Nevertheless, some documents from the parent company would work as the instruction when making HRM strategies. Something important was mentioned by the interviewee. According to her, it was not good to have a too specific strategy, it would lead to miss something more important which the managers might not think about in advance. It was good to keep the plan open. The HRM strategies in Sweden was made to match the need of the local labour market here in Sweden as well as the HRM strategies in China was made to match the China market.

Managers' perceptions on cultures

The interviewee considered that culture was an important concept. It would refer to the different ways of how different people express themselves. It would refer to the traditional, art, music. It would refer to the different ways of communication among different groups. Cultures would also refer to the different ideas about how things work. Further more, she regarded that cultures have different levels. There was also some kind of organization cultures. Different countries have different cultures, for example Swedish culture and Chinese culture. Even in the same countries among different groups and ages, the cultures were different. According to the interviewee, culture was complicated but she believed that it was possible to handle it. As she considered that the Swedish culture was dominant in ArtsNordica, meanwhile the Chinese culture was dominant in the parent company in China.

The interviewee considered that there were culture differences existing between two countries, for example, between Sweden and China. According to her experiences, even in a team, the people from China and Sweden behaved in different ways. As she said, the Chinese culture was famous for their collective value. During the teamwork in ArtsNordica, she observed that the Chinese were not as collective as the Swedish were. Meanwhile, she observed that when the Chinese were talking about their own countries, they seemed to be more collective. Her conclusion about national culture was that it was not easy to identify culture by different nationalities. It was good to learn more about other cultures all the time.

Company A

In General, there were two types of HRM strategies in Company A which were the routines and the personnel strategies. The routines were both formal and informal. The documents of routines were available only for the employees which include even personnel policy. There were also some informal routines which were made by the board. The routines can be both long-term orientation and short-term orientation, because the legislations and laws change continuously but the principles were similar. The routines need to be renewed if the legislations/ laws in the labour market have been changed. The reason for changing routines was the laws and legislations. Commonly, some of routines were general and some were specific. This type of HRM strategies would not be used to identify the outcomes of HRM strategies, because the interviewee did not take part in this type of HRM strategy making. In that case, the personnel strategies would be used for identifying the HRM strategies for Company A.

The outcomes of HRM strategies

The personnel strategies were made in order to find the right people for different assignments and this type of HRM strategy was crafted by the interviewee. The HRM strategies consisted of four different strategies: personnel staffing, recruitment, personnel dismissal and personnel development. This type of HRM strategies differed from clients to clients and cases to cases, which could be seen as short-term orientation. The HRM strategies were changed due to the requirements of clients, employees, markets and assignments. In general, the personnel strategies were specific. The goals of the HRM strategies were: following the laws and legislations, fitting the ethical requirements, achieving the best result for both employee and the company. Together with creating a good workplace there were totally 5 goals.

One of HR managers' responsibilities in Company A was making the personnel strategies for clients. The process of making HRM strategy relies heavily on the managers' experiences. No rational calculation was included. According to the interviewee, when the HR managers were making the HRM strategies, they followed strictly the legislations and laws in order to match the needs or requirements of the clients. Normally, most of the HRM strategies were made based on the routines of Company A. In some cases, the HRM strategies were made in a team.

Managers' perceptions on cultures

The interviewee considered that there were different types of cultures, for example, the general cultures and the corporate cultures. Culture would be the way of how people take care of/ plan/handle something. It would be how people behave, live, work, act and react in different ways. Different cultures have different ways to handle, act and behave. From her point of view, she regarded that the culture differences would be both positive and negative. According to her, culture differences were good due to the development of ideas. Meanwhile the culture differences would be negative because it would create the communication problems. She believed that the corporate culture should exist in every organization. It was more or less to tell the employees how to work in the same organization. She identified the corporate culture of Company A as similar as Swedish culture, because they followed the Swedish laws and legislations.

When the interviewee was making the HRM strategies, she mentioned that she would bear indirectly the corporate cultures and even the Swedish cultures with her. Actually, in Company A, the HR managers did not need to think about the national cultures so much, because they had no actives to outsourcing the employees to other countries. However, according to the interviewee, they would be aware of the different ways of doing things from different individuals/employees based on clients' need. The reason was that there were culture differences between two companies/people/cities. The employees might have different cultures/ ways of doing things, before they became their employees and even during employments in Company A. They would keep all of these aspects in mind in order to react to the different ways of doing things.

TeliaSonera

Compared with the other two study companies, the HRM strategies of TeliaSonera sounded very complicated. From the interview's point of view, he considered that the HRM strategies were similar with business strategies and HRM strategies must be part of business strategies. The business strategy handled the questions about what TeliaSonera was aiming for and working for now and the future-orientation issues. The HRM strategies were made after the business strategy was decided, which stressed the questions about how TeliaSonera were

dealing with the people related issues and handling the important issues in the future, for example, to identify and find the future competency. According to the interviewee, the HRM strategies were not talked about so much nowadays in the company. Thus, there were different levels of HRM strategies in TeliaSonera. One level described the people dilemma, which were about how to make the personnel and managers work in order to make the company become more successful. The next level was about how the people dilemma was solved, which referred to the activity plans. The interviewee emphasized that from his point of view, activity plans were not the same as the HRM strategies in his head. For him, the HRM strategies ought to be on a high level, though there was not only one document named about the HRM strategies. The HRM strategies were spread in the different policies and decision documents; therefore there were many HRM strategies in TeliaSonera. Such documents were not able to be counted; thereby the number of HRM strategies would not be counted.

The outcomes of HRM strategies

Based on the interviewee's experiences, one important issue of the HRM strategies was that the documents must be communicable. Regarding to that, the number of goals would be limited in some extent. In general, the numbers of goals of HRM strategies were about 10-15. Furthermore, according to him, the main goals of HRM strategies would be similar to the business goals. As he mentioned, a company would have more goals of HRM strategies if the company had different business areas. In that case, the number of goals was dependent on the business contexts. According to the interviewee, the ways of doing business in telecommunication industry were quite similar in different countries. The differences were decided by the market situations. In some countries with a free market, companies were allowed to establish their own companies. However, in most countries, due to the licence, companies had to establish by buying the existing companies in those countries. As a result, TeliaSonera sometimes was the only actor in some markets and sometimes was a competitor with many other actors. At the same time, the ways of doing things in the telecommunication industry, based on the answer of interviewee, was the same in principle. In that case, the HRM strategies of TeliaSonera were also similar in the other subsidiaries.

As interviewee stated that HR was not a short-term activity, instead, it was long-term orientation. The HRM strategies were often changed once in 4-5 years in TeliaSonera, it was up to the customers, the business climate, the technological changes and the changes inside the company. The legislations and laws were not the reason for renewing the HRM strategies. In TeliaSonera, the process of making HRM strategies relied on both the managers' experiences and the rational calculation, which referred to HR reports. When the managers were making the HRM strategies, sometimes they needed help of calculation; sometimes they needed discussion in a team and sometimes they needed to follow up some instructions. It was a process of combining any possible ways.

Managers' perceptions on cultures

The interviewee believed that culture was inherited, which was formed by the whole environment including how we treated ourselves, and how we saw our role in society. It was related with the art and history; something bonded you and the other people in your country and something had been influencing you a lot. According to him, culture was vague and was like defying the feeling. People would use hours and hours to define culture, thus, there were no result about the definition of culture. He regarded that it was interesting to see things from the different cultural backgrounds. As the interviewee mentioned, the corporate culture of

TeliaSonera would be identified as dominated by the Nordic culture, because there were similarities between Finland, Sweden, Norway and Demark. He believed that it was very natural that the Swedish and Finish ways of doing things were dominated in the management, because every company had its national culture as the root culture. However, it was at the same time the HR challenge as well.

Based on the answers about national cultures, the interviewee considered that national cultures for a big company would be a problem as well as a challenge. He explained further that the problems took place when putting people to communicate and deal with each other. Because people from different nations worked together, there were different kinds of behaviour. National cultures caused problems not only on the languages, but also on their different behaviours, for example, how people talked about other colleagues and handled their businesses. In addition, he stressed that the business cultures for TeliaSonera was much more important than the national cultures. The business culture was the ways of doing business and how to meet the competitors in the same industry. For example, buying the existing companies in other countries to establish new subsidiary was one way of doing business in telecommunication industry. By this way of doing business, in somehow it would arise more problems for the HRM practice. There were different approaches for solving the problem: imitate strategy, integration strategy. Nevertheless, based on the interviewee's experiences, it was up to the integrations. It was the ownership issue. The owner was the one who decided that the new companies had to follow some of the policies and decisions. As he said that in the business mindset, it was very easy. However, it might be a risky business to implement it.

Analysis

The analysis of this study is based on the analysis model, which is constructed of the theoretical argument between Strategy and cultures. All data collected in the empirical finding will be examined one by one according to the analysis model. The first step is to categorize the HRM strategies by means of using the central issues and the dimensions model of Strategy. In this step, the HRM strategies of the study companies will be analysed. The next step is to compare the cultural impacts on managers' perceptions through highlight the similarities and differences of cultures between the study companies. Here the concepts of cultures will be used in order to classify the aspects of cultures. The final step is to connect the HRM strategies and cultures through two different stages: from cultures to HR managers' perception and from HR managers' perceptions to HRM strategies. It aims to find out how cultures will impact managers and thereby how these cultural impacts will furthermore influence the outcomes and the processes of the HRM strategies.

I: Categorizing the HRM strategies

According to the empirical findings, the four different companies of this study have totally different views on what a HRM strategy is made for. Due to the lack of information from Bank A, the analysis of this company only aims to give a whole picture of the different types of HRM strategies. On the outcomes dimension of Strategy, the degree of outcomes among the study companies shows from a single goal of profit-maximizing to plural goals:

Company Name	Bank A	ArtsNordica	Company A	TeliaSonera
The number of goals	1	2	5	10-15

Table 2: The order of study companies on the Outcomes dimension

The company, Bank A has only one single goal which refers to profit-maximizing. ArtsNordica has two goals, Company A has five goals and TeliaSonera has 10-15 goals. During the process of making HRM strategies, the rational calculation has not been used so much for the HRM strategy making. In stead, there are some materials which are used as support materials for the HR managers' decision making. In ArtsNordica, some internal documents must be followed when making HRM strategies. Like ArtsNordica, Company A follows strictly the company's routines, legislations and laws in the labour market. Exceptionally, the rational calculation has been used in TeliaSonera in form of HR reports. The HR reports are in somewhat used as support materials for the decision making. The more support materials are included in the decision making, the less the managers will depend on their intuition.

The goal of the HRM strategy in Bank A is only profit-maximizing. It is easy to identify that Bank A's strategy either belongs to the classical approach or the evolutionary approach, because in these approaches are agreed that the only outcome of strategy is to achieve profit maximization (Whittington, 2004). However, the difference between them is that the classical approach believes in long-term strategy and evolutionist considered that it is better with a short-term strategy. The HRM strategies in Bank A never need to be changed and they are seen as long-term, formal and deliberate strategies. Based on the arguments, it seems as if Bank A matches better with the classical approach.

During the interview, the interviewee of ArtsNordica repeatedly mentioned the importance of market aspects, which is the central issue in the evolutionary approach. In this approach, they believe that the market aspects have strong significance when making strategy (Whittington, 2004). In ArtsNordica, all strategies including HRM strategies are made with the purpose of matching external needs of the market, for example attracting new investors in the markets. The processes of making HRM strategies is tended to be emergent, first it is because the interviewee is not sure about the HRM strategies, secondly, it is because the rational calculation is not at all used in the process of making HRM strategies. Compared with the other two companies, the HRM strategies are made for a three year period which cannot be treated as long-term orientated. Thus, the HRM strategies of ArtsNordica tend to be short-term orientated. In a word, the HRM strategies of ArtsNordica seem to belong to the Evolutionary approach.

There are five goals in the HRM strategies of Company A. Both systemic and processual approaches are more pluralistic (Whittington, 2004), thereby, the HRM strategies will belong to one of them. In the processes dimension of Strategy, Company A tends to be emergent, because the support materials are legislations, laws and routines which are not based on the rational calculation. The HRM strategies of Company A are crafted by the HR managers and the HRM strategies are different from case to case. Here the HRM strategies can be seen as short-term orientated. According to the argument above, the Company A might belong to the processual approach.

TeliaSonera's HRM strategies have plural goals, more than 10-15. Rational calculation has in some extent been used as the support material for the HRM strategy making, so that the HRM strategies tend to be deliberate. During the interview, the interviewee of TeliaSonera repeatedly emphasized that the HRM strategies are long-term orientated, which might belong to the systemic approach because they consider that MNCs should have a long-term strategy to guide their business (Whittington, 2004). The interviewee mentions that the HRM strategies are determined by the business context. The business objectives are also the objective of HRM strategies which have its focus on external need. In the systemic approach, the social context is emphasized as important. The social context of TeliaSonera is depended on the way of doing business in different markets. It has to pay attention to the power of local social systems and play by the local rules. In some countries, TeliaSonera is allowed to play a role as a competitor among many other companies in a free market and in some countries it only plays a role as one of few actors in the market. The way of doing business is determined by the local government. Their HRM strategies are changed based on the differences of business contexts. The HRM strategies of TeliaSonera seem to belong to the systemic approach.

According to the text above, the companies belong to the different dimensions and approaches, as shown in the table and figure bellowed:

Company	Bank A	Company A	ArtsNordica	TeliaSonera
Strategy	Formal	Crafted	Efficient	Embedded
Goals	Profit-maximizing	Plural	Profit-maximizing	Plural
Processes	Deliberate	Emergent	Emergent	Deliberate
Focus	Internal	Internal	External	External
Time	Long-term	Short-term	Short-term	Long-term
Result	**Classical**	**Processual**	**Evolutionary**	**Systemic**

Table 3: Analysis result of the approaches

Outcomes

Profit-maximizing

Bank A

ArtsNordica

Classical   Evolutionary

Processes

Deliberate ← → Emergent

Company A

Systemic   Processual
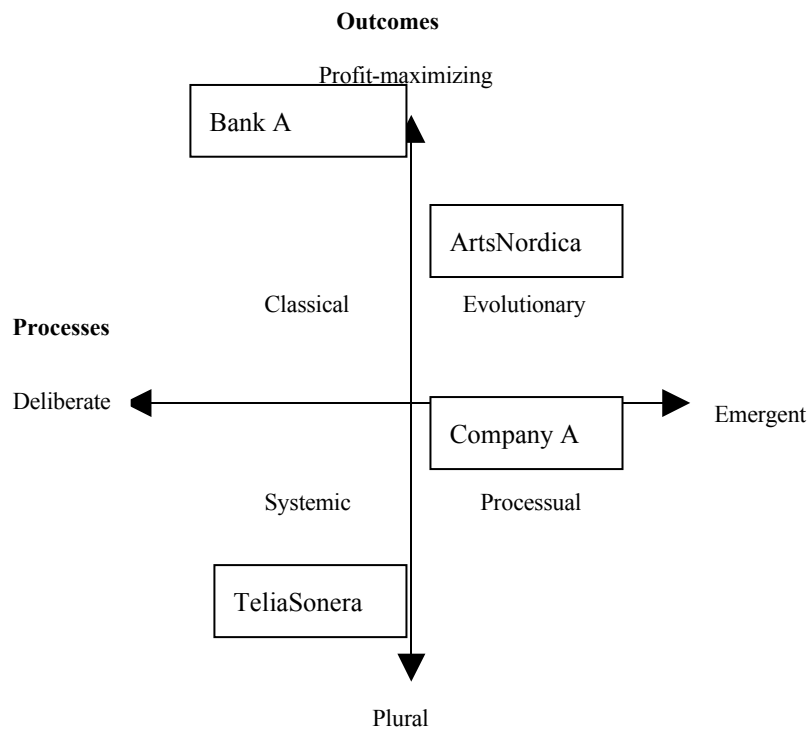
TeliaSonera

Plural

Figure3: Study companies' HRM strategies in the dimensions model of Strategy

II: Comparing the cultural impacts on managers

By comparing the cultural impacts on managers' perceptions, some differences and similarities have been found. The cultural awareness, which here refers to the different ways people perceive culture differences, are quite similar among the managers who take part in this study. All of them consider that cultures are vague and complex. They realize that there are the other ways of doing things and are aware of the advantages and disadvantages of culture differences. In addition, when the cultural awareness refers to the degree of knowledge about the way of thinking and behaviour of people from distinct cultures (Buckley el. al., 2006), some differences are found. Based on the data, there are different views on the general pictures of cultures. The most interesting finding is focused on the question whether cultures can be learned. In the pilot study, 2 of 5 respondents were not sure about this question and one interviewee further considered that culture is inherited. It proves that cultures are perceived differently by different people, because their experiences, ages and educational backgrounds differ. Compared the data of three interviewees, the interviewee of ArtsNordica has a higher degree of cultural awareness. The reason might be that she has the possibilities to gain more knowledge about different cultures. Because of her job context, she is able to observe the different cultures. In a word, culture seems like an unclear concept for all interviewees.

All interviewees describe cultures with different aspects and perspectives and cultures are complicated for all of them. The interviewees seem to be more careful with the question about national cultures. The similarity among their opinions about national cultures is that all of them realize that there are differences among the different national cultures. The interviewee of Company A has no detailed answer to the question. It might be true that the manager more quickly recognized the differences between companies than between countries (Schneider & Barsoux, 2003). Her job context has no direct connection with the national cultures. However,

she is aware of culture differences which exist between companies and individuals. As mentioned earlier, the interviewee of ArtsNordica, due to her job context has a direct connection with national cultures. She offers much more detail information related to this question about national cultures. She regards that the culture differences between two countries will be founded in different ways and situations. According to her, the differences between China and Sweden differ from Hofstede's theories about national cultures. According to the interviewee of TeliaSonera, national cultures are challenges for HRM. National cultures for a large company will create communication problems, which is not only because of the language, but also the different things, for example the ways of treating other colleagues in the same company.

All interviewees can easily identify their corporate cultures either as the Swedish culture, as dominated by the Swedish culture or as dominated by the Nordic cultures. However, the corporate cultures in written form exist only in TeliaSonera, but in the other two companies the corporate cultures is not a clear concept. According to the interviewee of TeliaSonera, it is very natural that the Swedish and Finish ways of doing things are dominated in the management because it is dependent on the company's history and the root culture of the company. From the interviewee's point of view, corporate cultures ought to exist in every organization and the corporate culture in Company A is identified as the Swedish culture. The reason is that the business of Company A relies on the Swedish laws and legislations. However, in ArtsNordica the corporate cultures are dominated by the Swedish cultures, meanwhile in the HQ of ArtsNordica in China the corporate cultures are dominated by the Chinese cultures. The business/industry cultures have been mentioned only by the interviewee of TeliaSonera. According to him, the business cultures decide the ways of doing business in the same industry.

In other words, all interviewees consider that culture differences exist in different nations, industries and companies. However, some aspects of cultures have more impacts on their perceptions when making HRM strategies. Due to the job contexts and business contexts, some cultural aspects are emphasized. Cultures seem to be different for each manager and the culture differences refer to different things in different companies. In the ArtsNordica, the culture differences refer to the national cultures. In Company A, the culture differences do not refer to the national cultures, but the corporate cultures. Meanwhile, the culture differences in TeliaSonera include the national cultures, the business cultures and the corporate cultures. One common consideration among interviewees is that they believe the culture differences can be both positive and negative.

III: Exploring the relationship between HRM strategies & cultures

In the cross-culture management, cultures are seen as being able to provide a source of competitive advantage rather than as a problem to be solved (Scheider & Barsoux, 2003). Cultures have been talked about a lot during the business management study, it seems like every business problem can be explained by cultures. This study is to exam the culture's role by going through the HRM strategy making process. Some insights about cultures have been discovered. The connection, between managers' perceptions on cultures and HRM strategies, has been found out as more complicated than expected. The central problem is that the connection between cultures and HRM strategies varies depending on which aspects of cultures the managers refer to. Some managers connect the cultures with the corporate cultures and some refer to the national cultures. In order to be more specific, it is good to separate the perceptions on cultures in the different aspects.

Cultures impact on managers' perceptions

Culture differences in nations have been studied a lot in the cross-culture management; in particular, Hostefede's theories of national cultures are dominant in the academic world. According to the data, the business of ArtsNordica is the activities related with culture exchanges. Cultures, specially, the national cultures are the selling point. In this case, the national cultures have a crucial position, so that, the culture aspects will automatically be taken into account by the HR managers, for example, hiring the personnel with high cultural awareness competency. However, there are no indications in Company A and TeliaSonera that national cultures are important to the HR managers.

Compared with national cultures, corporate cultures seem to have more significant impacts on HR managers. According to the data, all interviewees see the Swedish cultures/ Swedish ways of doing things as the root culture of the company. However, according to the interviewees, they seem to have a very clear distinction between corporate cultures and national cultures. Corporate culture is similar with the Swedish culture, but they are not the same. According to the interviewee of Company A, she bears indirectly the corporate culture with her when she is making the HRM strategies. The first thought of cultures for all participations of this study is corporate cultures. The corporate cultures have formed the managers' perception on cultures, in particular, for those managers who have worked a longer period in a company. They have learned the ways of doing things in that company. In TeliaSonera, the business/ industrial cultures have huge impacts on HR managers' perception. Due to similarity in the business context of telecommunication industry, the most common way of gaining the licence in other countries is buying the existing companies. In the telecommunication industry, the ways of doing business have been formed by the local governments. In some countries, a free market in telecommunication industry is allowed; TeliaSonera will be one of many competitors in this market. In some countries, getting licenses together with local companies is the only way. In this market TeliaSonera can be one of few actors and even the monopoly actor. All these ways of doing things in this industry have formed the business/industry cultures. Thus, the industrial cultures are not the same as corporate cultures. In TeliaSonera's case, maybe it could be right to say that the corporate cultures are similar with the business cultures. However, in some MNCs such as GE which have different business areas, whose corporate cultures are far from their industrial cultures.

Generally, cultures have different aspects. Cultures have impacts on the HR managers' perceptions. The question is in which aspects of cultures will have significant impacts on the HR managers' perception. According to the data, for ArtsNordica, the national cultures have significant impacts to the HR manager and for Company A, the corporate cultures are more important; finally, for TeliaSonera, the business/industrial cultures have more impacts on the perception of HR managers.

Cultural impacts influence the outcomes of HRM strategies

The HRM strategies are used to ensure that business strategy is carried out properly (Miller el al. 1999). HRM is treated as central for the MNCs, because it is the starting-point of management (Su & He 2001). As the analysis about HRM strategies, there are at least four different types of HRM strategies and the final outcomes of HRM strategies are the results of interaction between different people and positions inside a company. When the HR managers are making HRM strategies, they will bear their perceptions about cultures with them. However,

these perceptions have different influences in the different ways of making HRM strategies. The first reason is that HRM strategies include more than one person's involvement. Even in a small company like ArtsNordica, the interviewee mentions that she must talk with her partner about the strategic problem even if she is one of the owners. The bigger company the more people are involved in the process of making HRM strategies. In a company with strong corporate cultures, the perceptions of the involved manager will tend to be similar. In that case, the cultural impacts will have high influence on the outcomes of HRM strategies. However, if everyone has very different views on cultures, the cultural impacts might not be shown in the same way. At the same time, during the HRM strategy making, there are many different materials which support decision making. They include the legislations and laws, the internal documents, personal policies, routines and other documents. All these documents function as the instructions for the HR managers. If most of the documents stress on the differences in cultures, the cultural impacts will have huge impacts on the outcomes of HRM strategies. However, if the documents do not mention anything about cultures, the cultural impacts will be reduced. The support materials and the number of involving strategy makers together have decided the degree of the cultural impacts on the outcomes of HRM strategies.

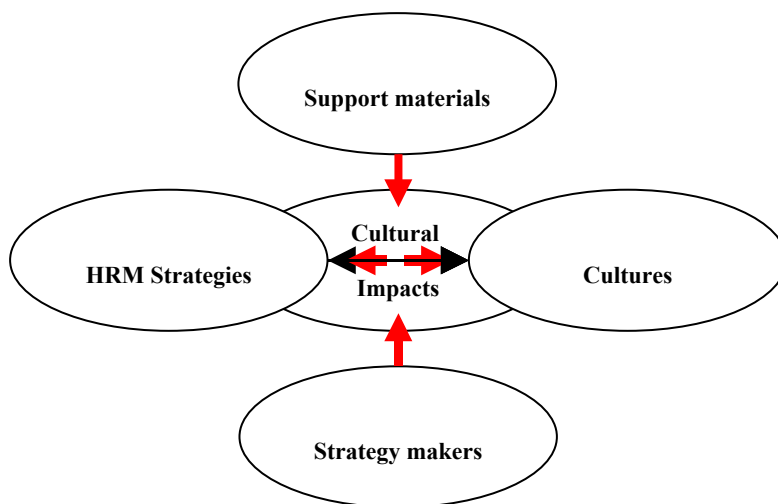The arguments above can be shown as figure bellowed:

Figure4: Model of relationship between culture & HRM strategies

Other findings

Compared to the role of cultures in the process of making HRM strategies, some aspects have been found as more important. According to the findings of this research study, the role of culture in the HRM strategy making is determined by the business context. The business context of ArtsNordica is the activity related with culture exchanges. Cultures, especially, national cultures are the selling point. The national cultures have a crucial impact on HR managers so that HR managers will automatically pay attention on national culture when they are making HRM strategies. For Company A, outsourcing personnel is their main business. How to find the right person for the right job is the HR managers' responsibility. Here, the national culture has no significant impact on the HR managers. Instead, the cultures differences between corporate cultures are more reasonable for the HR managers to take into account. In the TeliaSonera case, the main business is providing telecommunication service. The ways of doing business in this industry is important which have been mentioned as central for the HR

managers to think about when they are forming HRM strategies. In other words the business contexts determine which aspects of culture are significant for HR managers when they are making HRM strategy.

Conclusion

Before this study, the author has assumed that cultures are important and to some extent cultures can affect the outcomes of HRM strategies. Therefore the purpose of this study is to explore the relationship between cultures and HRM strategies in the Swedish MNCs. Through this study, the connection between cultures and HRM strategies has been found as complex. Depending on the business context of the companies, the different companies have related different types of HRM strategies. The business contexts determine the outcomes of HRM strategies, which include the goals of the HRM strategies and the role of cultures. Cultures do have impacts on the HR managers' perceptions; however cultures sometimes are shown as the national cultures and sometimes as the corporate cultures and business cultures. In the same sense, the business contexts have formed the corporate cultures, which further affect and form the managers' perceptions, for example, most HR managers remind directly of the corporate cultures when they are talking about cultures. However, the cultural impacts of these perceptions on the final outcomes of HRM strategies are decided by the number of involved people and the support materials in the process of making HRM strategies.

Do cultures really matter? For the managers, they won't deny this question. According to the interviewees, cultures are important for them, however, the cultures for each of them refer to the different contexts. Some connect culture with national cultures, and some refers to the corporate cultures and business cultures. In this study of HRM strategies, the answers to the same question really depend on. The cultural impacts on the managers' perceptions are formed over a long time. While they are making HRM strategies, it is difficult for them to avoid the cultural impacts. However, in the process of making HRM strategies, the different ways of making HRM strategies will increase or reduce the cultural impacts on the outcomes of HRM strategies. The relationship between HRM strategies and cultures can be expressed that the degree of cultural impacts on the outcomes of HRM strategies are decided by the number of strategy-makers and the support materials in the process of making HRM strategies.

Contributions to Research

This study is successful to implement the theories about Strategy and culture for a case study of HRM strategies. The result of this case study has form a model to show what culture and HRM strategies look like. The relationship between culture and HRM strategies can be changed, depending on the strategy makers and support materials. It has given more understanding to the topic about HRM strategies, for example, one finding shows that different types of companies have related different HRM strategies. The findings of HRM strategies, it gives a deeper understanding about the Outcomes and the Processes of making HRM strategies, which would offer the fundamental knowledge of HRM strategies to other studies. In addition, this study offers the new insights about how cultures through managers' perceptions influence the final outcomes of HRM strategies. Based on the findings of this study, a further study would be to investigate how to ensure the cultural impacts can benefit for the HRM strategies. If the study topic is about HRM strategies, a similar study can be made by changing the cultural issues to a performance or competitive study.

Contribution to management

HRM practices are culture-sensitive. Facing to the challenges of doing business across cultures, it is important for the managers in MNCs to understand how to deal with the problem caused by culture differences. Through this study, it shows that it is not enough to be aware of culture differences. Even if the managers are notice at the culture differences, it can not directly have its influence on the HRM strategies. With the intention of overcoming the challenges caused by culture differences, it requires also successful HRM strategies. This study gives one option to the managers about what a successful HRM strategy is. A successful HRM strategy ought to recognize the business contexts and the importance of cultures. According to this study, it proves also two different ways to make a successful HRM strategy. Number one is; in order to increase the cultural impacts on the outcomes of HRM strategies, MNCs should put the managers with high cultural awareness into the process of making HRM strategies. The second one is: in order to increase the advantages of cultural impacts, MNCs should offer the managers the instruction including cultural issues when making HRM strategies,

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