

National culture and its impact on trust and cooperation in international business networks:

Some empirical evidence from a Greek-Finnish business network

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Key words: culture, trust, cooperation, Finnish-Greek trade, international business, industrial networks

1. Abstract

The paper discusses the question how national culture affects the creation of trust in international business networks. Can national culture function as an invisible barrier? It is assumed to have a central role in the development of trust and cooperation in cross-cultural industrial networks.

The study concentrates on inter-organisational level and emphasises behavioural, non-economic exchange. Theoretically the study is built on interactive network approach (Industrial/ International Marketing and Purchasing Group, IMP). The study focuses on the managerial perspective of interaction. The empirical background is the commercial interaction between Finland and Greece.

The research part is explorative and mainly qualitative, interviews and a small survey is the data collecting method. It analyses the individual managers' viewpoint. The results of the study question the central role of national culture in trust creation and emphasise other aspects of cooperation instead, as well as dynamics.

The study contributes to international business and networks in illuminating critical managerial aspects and implications on trust and culture. For further research avenues the strategic impact of multicultural personnel in international business nets and the dynamics of trust are suggested.

2. Introduction

The paper attempts to deepen the understanding of the elements of culture and the trust building process. This is considered a critical issue in international business and especially in cross-cultural business networks. The empirical part explores culturally different managerial views on trust and cooperation. The research concentrates in finding out if significant differences in national culture hinder the development of trust.

The study focuses on interaction between companies from culturally different countries with “psychic distance” (Johanson and Vahlne 1977). The sample network is a Finnish and Greek industrial buyer-seller net and the focal relationships among the business partners. Research

concentrates mainly on actors and actor bonds. Activity links, resource ties and actor bonds¹ form the contextual framework.

The theoretical framework of the study relates mainly to the network theory, interaction approach and the organisational aspects of culture (see Ford 2002; Usunier 1996). The paper emphasises behavioural, cultural and organisational concepts from the perspective of the managerial school of marketing, although concentrating on the non-economic exchange (Sheth and Gardner and Garrett 1988; Hunt 1991).

2.1. Objectives and limitations

The objective of the research is to understand if significant differences in national culture affect the development of trust and cooperation in international business networks and how. The study examines the managerial view: what managers perceive critical for trust and cooperation. The study attempts to explore and identify these key elements and to discover dynamics of trust and cooperation in a cross-cultural business network.

Cultural differences may mislead managerial decisions concerning network entry². The expected results were that both Greek and Finnish managers find it difficult to establish a satisfactory durable business relationship with the counterpart, especially in terms of trust creation, since the cultures and practises are very different.

The limitations are set on the data collection period, 2002-2003, and geographically: Finland-Greece. The paper is part of a larger on-going study. Empirically the focus is in industrial networks and buyer-seller relationships; one industrial network in paper and packaging industry is studied³. The study is issued-focused and does not attempt to modify theory or generate patterns. Still it contributes in understanding managerial reality, highlighting new aspects and questioning previous assumptions. It questions the usage of culture as a “garbage bin” failure factor.

¹ Håkansson, Håkan and Snehota Ivan, in Ford David, *Understanding Business Marketing and Purchasing*, Thomson Learning, 2002, p. 162-182

² See Fenwick and Edwards and Buckley 2003.

3. Theoretical framework and key concepts

3.1. Business networks

The network metaphor as an epistemological standpoint in industrial marketing (Nohria & Eccles 1992) is chosen. The interaction approach of the IMP Group (Industrial Marketing and Purchasing Group) forms the framework for this paper. Networks are patterns of relationships within which interaction takes place (Gummesson 2001). Networks are combinations of actors, activities and resources that are interconnected with exchange processes and relationships (Ford 2002; Gummesson 1999). The approach incorporates relationships with both economic and non-economic exchange (Easton and Araujo 1992; Wellman & Berkowitz 1988; Johannisson 1994). Relationships are based on economic, legal, technical, social and/or administrative bonds (Hammarkvist et al. 1982). The actors are connected with relationships that are weak or strong (Granovetter 1973). According to relationship marketing the group members share common interests and form communities (Gummesson 1999).

Economic theories provide only limited views when applied as such in cross-cultural settings. Gulati (1998) criticises the view of transaction costs economics that does not apply as such to partnerships being of dyadic nature. Partnerships are not one-off transactions, but processes being influenced by continuous change and adjustment. The extent of market overlap known as “relative scope” influences the competitive dynamics (Strandvik and Törnroos 1997). Firms embedded in a social network can anticipate the changes and modify the structure. Halinen and Törnroos (1998) see business actors being interdependent on company-level and on a broader contextual setting specific to a company and time in question (i.e. past, present, future).

3.2. Business relationships and globalisation

³ Paper converting and food packaging industry is the core of the net, 3 related companies were included outside packaging industry.

With the EU enlargement national borders are becoming again less important and small companies are forced to become more international in order to survive, especially in limited markets such as Finland and Greece (Nummela 2001; Luostarinen 1979). Survival means often cooperation with other, unknown foreign companies and distant geographical areas.

Exchange and cooperation need to be managed. Coordination mechanisms develop; the customer firm's and supplier firm's synchronising of activities, resources and capabilities to accomplish a collective set of tasks. Coordination can be mechanistic and it can be collaborative, more organic (Gulati 1998).

3.3. The behavioural elements in a business relationship

Control, dependency and power are key issues in relationships. Power is the ability to get the partner to undertake activities that the partner firm would not do on its own. Influence strategies are utilised: information exchange, recommendations, promises, threats, legalistic pleas and requests. A weaker firm influences the stronger firm through dependence-balancing operations that pursue to equalise the importance (Anderson & Narus 1999). Cooperation entails similar or complementary actions to achieve outcomes or singular outcomes with expected reciprocation over time. Norms are created how to work together, how to jointly create value and share benefits. Bachmann (2001) discusses the mechanisms of trust and power as means of coordinating and controlling trans-organisational relationships.

Conflict is determined as the overall level of disagreement according to the disagreements frequency, intensity and duration. There are two types of conflict, pathological and functional conflict. The three primary sources of conflict are goal incompatibility, working relationships' domain dissensus and differing perceptions of reality (Anderson & Narus, 1999, p.374-395).

Social networks enhance trust and confidence between firms. Effective referral networks emphasise the role of the social network as an information channel creating awareness of potential partner's existence (Webster 1984).

3.4. Trust and relationships in an international setting

3.4.1. Fundamentals of business relationship

Business relationships are influenced by a plethora of factors. Significant and complex factors are the kind of distances that the participants have: physical distance, economic distance, educational and cultural distance. How managers overcome these differences is a topic of great interest.

According to Usunier (1996) the golden rule to succeed in international marketing negotiations is to have few partners and conduct few negotiations but to make the stakes meaningful. A successful partnership is characterised by a long time span over which transactions occur, a large size as a unit sale and a long-term relationship between buyer and seller (Jackson, 1985). Trust that develops between buyer and seller is a key variable for developing any relational exchange whether economic or non-economic.

What trust means? *Trust* could be explained with the example “a leap of faith” which means that the partners believe that each is interested in the other’s welfare and that neither will act without first considering the action’s impact on the other (Nirmalya 1996). Anderson & Narus (1999) explain trust as “the firm’s belief that another company will perform actions that will result in positive outcomes for the firm, as well as not take unexpected actions that would result in negative outcomes for the firm”. Trust and power occur both on inter-personal level and on the structural framework of the relationship⁴. Trust is further divided into “*knowledge-based trust*” having strong cognitive and emotional base referring to the role of informal personal connections across organisations and “*deterrence-based trust*” motivating good non-opportunistic behaviour through potential sanctions (Anderson & Narus, 1999). Trust is a necessary condition for smooth and efficient business between partners, but it is also a highly intangible, volatile asset, difficult to create, easy to destroy (Usunier, 1996, p. 499).

According to Usunier (1996) the concept of trust consists of the following elements:

- 1) reliance and confidence in people, words and things
- 2) trust is inseparable from distrust
- 3) trust is about sharing common faith, beliefs, possibly education or group membership
- 4) trust is directed to the future and to common achievements

Trust involves *dependability*. Trust facilitates inter-dependability and deters conflict. The degree of inter-dependability varies in accordance to the trust game in question.

Fairness is significant. Perceived fairness and procedural fairness (Nirmalya 1996) are important concepts when considering the trade-off the partners choose. Perceived fairness explains how the benefits and obligations are shared. Procedural fairness indicates through the procedures the real attitude of the stronger partner towards the weaker partner. Fair systems are based on the following principles: bilateral communication, impartiality, refutability, explanation, familiarity and courtesy (Nirmalya 1996).

Commitment is defined as capturing the perceived continuity or growth in a relationship between two firms. It entails a desire to develop stable relationship, a willingness to make short-term sacrifices to maintain the relationship and a confidence in the stability of the relationship (Anderson & Narus, 1999). Commitment is one central element in international cooperation (Nummela, 2000).

Relevant concerns for trust building in international business are (Usunier, 1996, p.505-506):

1. How partners use their own cultural codes to rate each other's credibility.
2. Their respective preference for the adoption of a problem-solving orientation embedded in an integrative and collaborative rather than distributive/competitive strategy.
3. How cultural patterns of time affects negotiation phases, scheduling, plans and deadlines.
4. The partner's approaches to formulation problems, identifying relevant issues and alternative solutions, and the extent of which this common rationality is shared by both partners.
5. Differences in communication style and in the degree formality/informality during the negotiation process.
6. The type of negotiation tactics used and the extent to which certain tactics can be misinterpreted and damage trust.
7. The basis for trust, whether it is oral or written.
8. The attitudes towards possible litigation; some cultures are litigation oriented as a result of the get-it-in-writing mentality.
9. Differences in business ethics concerning illegal payments.

⁴ See more on the patterns and interrelation in Bachmann 2001

The intercultural setting creates obstacles. People do not necessarily share or understand the communication style, the beliefs and values are different, they have another opinion for adequate control systems and the perception on control systems varies.

3.4.2. Negotiations and contracts

Important concerns for entering R&D networks, large sales contract negotiations, cooperation structures and alliances are creation of detailed contract providing predictability, existence and development of trust. These “self-enforcing” safeguards may substitute the role of the contractual safeguards when the partners become increasingly embedded in the social network (Gulati & Singh 1998, p. 781-814; Gulati 1998, p. 293-317). Another form of governance by Powell (1990) suggests that the alliance or partnership may be governed by a network form being deeply embedded into multiple relationships.

The asymmetry in the perceived degree of agreement may be significant. An agreement may be non-symmetrical containing disagreements or misunderstandings. The interpretations of agreements may vary. There are cultural dissimilarities in preference for written and oral agreements as well as the formality of the agreement. Edward Hall (1960, p.94) articulated a comparison for the Greeks:

Americans consider that negotiations have more or less ceased when the contract is signed. With the Greeks, on the other hand, the contract is seen as a sort of way station on the route to negotiation, that will cease only when the work is completed. The contract is nothing more than a charter for serious negotiations.

4. Review on the role of culture

Culture is such a complex topic that it is often used almost as an automatic excuse for any failure. Culture has numerous definitions and its impact on business networks has been discussed from several perspectives (see Möller and Svahn 2002).

Goodenough (1971) sees culture as a set of beliefs or standards, shared by a group of people, which help the individual decide what is, what can be, how to feel, what to do and how to go about doing it. His definition does not equate culture with the whole of one particular society; instead people may share different cultures with several groups. He developed the idea of an

operational culture, i.e. in a particular cultural situation a person will switch into the culture which is operational that means shared by the others in group and therefore most suitable for the task.

Culture is seen as a process that consists of several elements. Culture is a complex and interrelated set of elements, comprising knowledge, beliefs, values, arts, law, manners and morals, and all other kind of skills and habits acquired by a human being as a member of a particular society (Usunier 1996). An important element in culture is language, especially for international business. But not only verbal communication is of importance, also the messages given through non-verbal communication; gestures, gesticulations and attitudes are significant. Eye contact, touching, space and privacy are understood and used differently in different cultures. At least 75% of all communication is non-verbal (Trompenaars and Hampden-Turner 1997, p.76). Cultures may be divided into neutral and affective. The two opposite sides may get into difficulties if they misinterpret the other's actual standpoint.

Verbal communication includes varying elements such as level of interruption, tone of voice and silence. Feedback mechanisms to verify the message are various. The context of communication is vital, contextual factors may distort what actually seems to be literally said. Edward Hall (1960) contrasts high context and low context. How people communicate is both implicit and explicit. However, this does not apply for communication only, but in a way people and organisation do business, in other words high context may be called *diffuse* "from general to specific" and low context *specific* "from specific to general" (Trompenaars and Hampden-Turner 1997 p.89). The danger zone is where the specific and diffuse encounter. Communication is basically exchange of information, words, ideas or emotions. Information is the carrier of meaning (Trompenaars and Hampden-Turner 1997, p.74). Meaning is the core of communication and therefore it is essential to find a way to share a system of meaning.

The sources of culture have been divided into the following categories: language, nationality, education, profession, ethnic group, religion, family, sex, social class and corporate or

organisational culture (Usunier 1996, p.12). Nationality and national culture is often considered a cornerstone of culture. This paper limits the focus on the effects of national culture on interaction.

But what are these “national elements” that have been found to influence international business? Geert Hofstede (1980) has collected a vast data and has developed cultural concepts. There are certain patterns that vary across cultures and organisations. Hofstede (1980) created four dimensions of national cultures measured for management and organisational practices: individualism/collectivism, power distance, masculinity/femininity and uncertainty avoidance. According to Hofstede’s study the Greek society (35 index on individualism) is more collectivistic than the Finnish (63 index on individualism). Greek society represents more close-knit social structure with clearer ingroup-outgroup orientation. Individualist societies have a more reciprocal nature.

Power distance refers to the equality of the members of the society, to the hierarchy. Greek society has a significantly higher power distance index (60) than the Finnish society (33) which means that in the organisations the superiors and the subordinates are separated from each other and the power tends to be concentrated on the top.

Masculinity and femininity in society refers to the dominant values a society has. A masculine society is more assertive, more competitive and concentrates on earning money whereas a feminine society emphasises more nurturing roles and interdependence between people. The northern European countries are considered as feminine societies as the welfare and education system is highly developed and accessible. Finland ranks low in masculinity (26) in comparison to Greece (57).

Uncertainty avoidance explains how people react to unknown, new situations and risk. Hofstede (1980) states “Nevertheless societies in which uncertainty avoidance is strong are also characterised by a higher level of anxiety and aggressiveness that creates, among other things, a strong inner urge to work hard”. Greece (112) has a stronger uncertainty avoidance

rating than Finland (59) which is only logical having in mind the historical and cultural background of the two countries. The rating indicates a relatively high level of rules and procedures, which may be seen as an obstacle by the Finns.

The cultural relativity of management theories may be criticised. Indeed, the mindset and cultural environment of many concepts do affect significantly their applicability in another cultural setting. Hofstede's research provides extensive material formulated in generalisations from the early eighties. However, it is not a longitudinal study that indicates to which direction each society may be changing neither it is directly applicable on individual cases.

Particularly looking at the these two countries, Finland and Greece, the economy and the society has changed in many aspects during the last twenty years and the cultural gap between the countries is unquestionably smaller than before. The prevailing stereotypes are outdated.

5. Research approach

5.1. Background to the research

The stimulus for the study stems from the problems and limited amount of business that the two countries have. In the 90's there were only some 200-250 Finnish companies having some kind of contact or activity with Greek companies and a handful of FDIs. Still today there are only four Finnish-owned companies in Greece⁵. Finland's membership in the EU in 1995 did not bring the expected expansion in business relationships either.

5.2. Research questions, methods and data collection

Is the limited activity due to the large cultural distance? Is there lack of trust? What are the culture-related difficulties the managers encounter? To answer these questions a managerial viewpoint has been selected. The purpose of this paper is to increase understanding and identify cultural factors influencing managers' work in Greek-Finnish industrial networks. The study is explorative, part of a larger research on network evolution and internationalisation.

A combination of qualitative and quantitative research methods is used to grasp the actual managerial opinion (Perry, 1998, Alasuutari, 1995). The study has both inductive and deductive characteristics. One business network in paper and packaging industry is the main source of data. As a data collecting method the research utilises observations, interviews and a semi-structured survey questionnaire, developed together with a small test group. Observations and interviews were carried out as a support system to triangulate the data received from the questionnaires. They were carried out as a participant observer in business meetings⁶ during 2002-2003 (Stake 1995; Silverman 2001). The questionnaires were anonymous and the answers were coded. The questionnaires were sent by post, e-mail and fax⁷. The answers were analysed and organised into categories and typologies, from which the conclusions were drawn.

It is assumed here that the answers reflect personal views of the reality that constructs the reality in which all these managers are embedded. It is not expected that the study will have to reach the process of full saturation (Alasuutari 1995) in data collection, although the analysis indicated saturation is most of the questions.

The study method was chosen in a way to provide results directly from those managers that are involved in the network. The questionnaires were sent to 14 Greek managers and to 13 Finnish managers. The rate of reply was satisfactory, 51,8%, and the quality of material was good. Seven Greek managers and seven Finnish managers answered the questionnaire.

6. Analysis of the results

The results show that the expected central role of national culture is emphasised mainly in the starting phase of a business relationship, thereafter other factors become considerably more important. In case of such large business distance differences are expected and taken as given

⁵ source: Embassy of Finland, 2002

⁶ The meetings took place among the members of the business network during March 2002-February 2003. Fieldnotes were obtained from 16 meetings and 10 additional interviews took place from which 9 were tape recorded.

⁷ The data collecting period of the questionnaire was August-September 2002. That decreased assumably the response rate to some extent.

factors. The findings indicate that the managers perceive different levels of competence according to the company size. Capabilities and experience are other success factors. There are clear and commonly shared views in the minds of the managers. The national perspectives stated are very different; if simplified “philosophical” versus “technocratic” (see *diffuse-specific*).

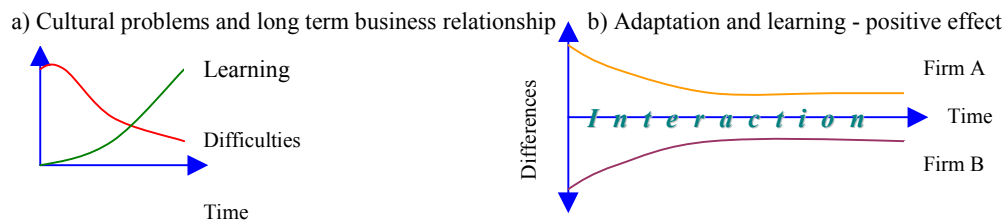
The study attempted to discover those culture-oriented problem factors that form the configurations for a network’s cooperation. Previous research was reviewed and additional elements generated from the research were included. Interest, willingness, understanding, communication, adaptation and flexibility together with learning and compatible values were identified as key elements, as prerequisites for successful cooperation.

Major culture-related differences were identified, see [Figure 1](#).

Cultural differences between Finland and Greece

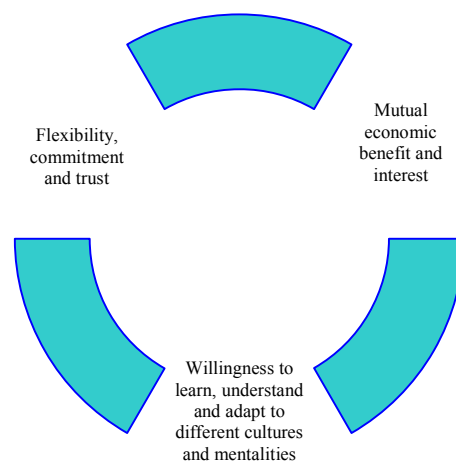
	F=Finland	G=Greece	
Language	common		uncommon
Religion	Greek orthodox		unreligious
Business	specific		diffuse
Individualism	individualistic		collectivistic
Power distance	high		low
Masculinity	masculine		feminine
Uncertainty avoidance	high		low
Flexibility	high		low
Communication	high		low
Planning & organisation	high		low
Education	high		low
Social skills	high		low
Personal relationships valued	high		low

The analysis on the content provides information on the culturally related problems in creating long-term business relationship, particularly in the beginning, see Figure 2a. Dynamic procedure of doing business enhances the understanding of the partner and forms the further development, see Figure 2b. Business networks develop with time their own norm system which enhances trust development and cultural understanding or they tend to fail in the beginning. Motivation and interest seemed to be essential factors influencing the evolution of the exchange. [Figure 2. Learning effect](#)



A dynamic view (past-present-future) on business relationship, cultural differences and trust was prevailing; they are time-loaded concepts. The dynamics had implications for centripetal/centrifugal powers (Koiranen and Varamäki 2002) and clearly both positive and negative “direction”⁸ when situation assessments were compared. The managers see that learning effect in business networks is mostly associated to the respective individuals, not collective actors⁹. Based on the relationships studied it seems that a cyclical pattern consisting of interest-learning/adaptation-trust form the basic configuration for a successful business relationship. See Figure 3.

Figure 3. Positive dynamics in a cross-cultural business relationship



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6.1. Analysis on the Greek managers' view

How the Greeks perceive nationality and culture: The Greeks see themselves as the nation with a history in trade. They also consider that to work with Greeks it is a significant benefit to be Greek as it is perceived complicated. The Greeks see business relationship as an

⁸ Well-functioning business relationships/nets attract business partners and prosper whereas problematic relationships/nets seem to alienate the existing members from potential partners and dissolve themselves.

⁹ Majority of the companies included to the study are SME firms therefore this limitation may affect the validity of the results in terms of size

emotional personal process where the role of the person and his/her qualifications and character is important.

The Greeks accuse themselves for being over-optimistic; promising more than what is realistic. On the other hand they enjoy flexibility and creativeness. The Greeks perceive themselves as more human-oriented. The role of knowing one's partner and trust is seen as a prerequisite for trading. One major problem for the Greeks is the way how they perceive the mentality and practise in payment systems. The Finns are considered not cooperative and flexible enough in this respect.

The opinion of the Greeks concerning the Finns was generally that the Finns are very straight forward, carrying out just a task when working. The human relationships are not valued in work. The Finnish manager is doing what he/she has promised. The Finns are seen demanding, inflexible, but competent and well-educated. The criticism is directed to the less personal, less emotional, specific type of doing business that does not match with the more diffuse Greek way (see Trompenaars, Hampden-Turner, 1997, p.89).

The tendency of the Greeks to seek for fast profits and not to get committed for long-term cooperation is criticised by the Greeks. Difficulties due to inflexibility, payments systems and a different view of targets and reality are seen as obstacles for trade with the Finns.

How the Greeks perceive cooperation with Finns and the relationship development: There is a large cultural distance and the majority of the responses acknowledge problems in micro-level matching (Ghauri & Holstius 1996) particularly in the beginning. Both nationalities state there is a lack of understanding. However, this changes with effort and time. Cooperation is feasible if there is mutual benefit and understanding enough. Multinational level/large firm size is seen as a factor smoothening cultural differences.

The distance and lack of commercial and cultural relationships and the significant difference in mentality are seen the major factors hindering trade. Mutual benefit and interest are seen as

the most important reason and driving force for cooperation. The Greeks consider that cooperation with Finns is satisfactory when these differences are accepted.

How networks face the differences is seen positively by all Greeks. To some extent all believe that if the network members are well selected, broad minded and tolerant they may bring the market closer together and decrease the negative effect of cultural differences.

The role of trust and its evolution: Trust is *pan*, it is a prerequisite for cooperation on an international level. Trust is seen as a process that can be facilitated by financial data, open communication, respect, time and multiple transactions. Although trust is not seen as something absolute, the trust in the Finnish partners particularly in financial matters is extremely high. Time, effort, improvement and frequent cooperation are seen as methods to increase trust together with cooperative sales, mutual investments and common development/planning of businesses.

The views of the managers indicate rather complex attitude, some seem to trust Finnish partners more than Greek. Trust is vulnerable. The importance of guarantees and other proofs as well as standardisation of procedures and informative system is emphasised.

The learning process in companies is acknowledged and the mentalities are seen getting more similar as the globalisation goes on. Small companies are seen as slow in learning. Individual manager is given the responsibility to learn to cooperate successfully. Some criticise the overestimated efficiency and the lack of political will in bringing the two markets closer.

6.2. Analysis on Finnish managers' view

How the Finns perceive nationality and culture: The Finns see themselves as a neutral nation which is rated positively in international connections. They believe they are respected. They consider themselves as efficient, honest and task-oriented. They value highly their good education and see language skills as positive characteristics, but rate themselves as too shy or too straight forward. The calmness and the influence of orthodox religion are stated as a facilitating factor for business with Greeks.

They complain lacking social skills. The Finns criticise themselves for inadequate understanding of different cultures and lack of willingness to learn or adapt. They accuse themselves of being stuck with previous bad experiences.

The Greeks are considered by the Finns as fast, intellectual, flexible and socially-oriented partners when the people are known and there is a long-term relationship, but as too slow in decision making and lacking organisational skills. Hierarchical decision making, unplanned action, late payments and diminishing enthusiasm are seen as major problems.

The Finns see their way to cooperate as less personal, using e-mails instead of telephone. They believe there are efficient and systematic. They criticise the generation gap, the cultural capabilities of the small companies and the export policy. Finns are seen as the late starters¹⁰ in internationalising to Greece.

How the Finns perceive cooperation with Greeks and the relationship development: Overall the Finns are positive about cooperation. The Finns think they do not match very well, but the problems can be overcome with care, adaptation and respect when there is enough common interest. The benefit must be more significant than the problems. They believe it is easier for a Finn to adapt to the Greek system than the other way around. The major success factors for networks are commitment, effort, training, selection of people, know-how, cultural sensitivity and willingness.

The role of trust and its evolution: Despite the differences in culture both nationalities declare that trust is the key to business. It is stated as a prerequisite for any business activity in a very clear manner. The Finns stated their trust towards the Greek partners as good within limits. Still, the role of guarantees is seen most important, trust in financial matters is vulnerable.

¹⁰ see Johanson and Mattson, 1992, p.198 in David Ford, Understanding Business Markets and Purchasing

Previous experiences, the ability to speak Greek and interpret “quiet information”¹¹ are seen as key tools to enhanced trust creation. Greek *filótimo*¹² is appreciated, it eases cooperation.

Trust could be further enhanced through more cooperation and personal knowledge building. More face to face meetings with customers were seen as most beneficial. Secure payments, improved understanding, transparency, information exchange, harmony of sayings and doings and the ability to see the other’s perspective are emphasised.

The Finnish views on how trust evolves are also divided; trust increases in time and needs to be cared, being an in-group member facilitates this, or trust is disappearing and personal benefit seeking becomes primary interest. The Finns see the role of learning and understanding in organisations/networks as a process that is facilitated by additional education. It is seen that the multinational, large companies attempt to spread their own mentality to the smaller firms and countries. There were some criticisms towards opportunistic behaviour of Finns concerning less important export target markets.

7. Conclusions and implications

The findings imply that most of the problems on the managerial level are not that much sensitive cultural details, but practical questions concerning organisation, management, payments and communication. The managers do not perceive the cultural differences as a trade barrier or as an obstacle for trust creation, but emphasise instead the role of effort and willingness as crucial. Large distance seems to hinder interest and cause unwillingness to adapt to the circumstances. Trust does not seem to be significantly affected by differences in national culture after the first stages have been established. Theoretical implications are that the impact of trust and culture should be seen as a dynamic process embedded into a more holistic, interdisciplinary setting.

¹¹ non-spoken messages, reading between the lines

¹²“One’s honour, pride, dignity or face” according to the Oxford Dictionary of Modern Greek, 1986, Clarendon Press, Oxford, UK

Managerial implications suggest the importance of the contact person and “chemistry” is very significant. Möller and Svahn (2002) imply that tolerance of ambiguity, cultural sensitivity and empathy are facilitating characteristics and suggest that boundary spanners should match their counterpart in terms of authority, age and gender. In this study the results correspond and indicate that cultural understanding, especially communication, is the critical capability after the business related aspects.

It is suggested to further study the facilitating effect of bi- or multicultural individuals and operational culture in international buyer-seller relationships. Could these cultural interpreters solve the lack of interest and willingness caused by the large distance?

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