

UNIVERSITY OF VAASA
FACULTY OF BUSINESS STUDIES
DEPARTMENT OF MANAGEMENT

Yulia Gorodchaninova

THE INFLUENCE OF HOST CHARACTERISTICS ON CROSS-
BORDER KNOWLEDGE TRANSFER TO RUSSIA

Master's Thesis in Management
International Business Studies

VAASA 2009

CONTENTS

ABSTRACT	5
1. INTRODUCTION	7
1.1. Background	7
1.2. Research Problem	8
1.3. Research Objective	10
1.4. Definitions and Delimitations	11
1.5. Structure of the Study	13
2. LITERATURE REVIEW	14
2.1. Knowledge Transfer	14
2.1.1. Knowledge and its transfer	14
2.1.2. Post Soviet countries and cross-border knowledge transfer	21
2.1.3. National character and cross-border knowledge transfer	28
2.1.4. Summary	30
2.2. Deriving Theoretical Framework	31
2.2.1. Choosing theoretical approach	32
2.2.2. Theoretical framework and hypotheses	35
3. RESEARCH METHODOLOGY	50
3.1. Research Design	50
3.2. Data Collection	50
3.3. Data Analysis	54
3.4. Reliability and Validity	55
4. RESULTS	59
4.1. Findings Regarding Hypotheses	59
4.2. Findings Regarding Explorative Part of the Research	64
4.3. Summary of the Results	67
5. CONCLUSION	70
5.1. Discussion on the Findings	70
5.2. Limitations of the Study	74
5.3. Theoretical Implications	76
5.4. Managerial Implications	77

REFERENCES80
APPENDIX 1. Interview Guide93

UNIVERSITY OF VAASA

Faculty of Business Studies

Author:	Yulia Gorodchaninova	
Topic of the Thesis:	The influence of host characteristics on cross-border knowledge transfer to Russia	
Name of the Supervisor:	Adam Smale	
Degree:	Master of Science in Economics and Business Administration	
Department:	Department of Management	
Major Subject:	Management	
Program:	International Business	
Year of Entering the University:	2006	
Year of Completing the Thesis:	2009	Pages: 94

ABSTRACT

Purpose – The purpose of this study is to explore host context characteristics' influence on cross-border knowledge transfer using one-way knowledge transfer to Russia as an example.

Design/methodology/approach – A qualitative research design was employed. The data was collected through semi-structured interview sessions. The author assumed, based on the literature review, that national self-uniqueness, chauvinism towards foreign countries, prior status of Russian language, departmental thinking, ability to endure hardship, and disrespect to formal rules among Russians recipients would influence cross-border knowledge transfer. Room was left for other characteristics to appear during the empirical exploration.

Findings – The results showed that these characteristics of Russian host context do influence one-way cross-border knowledge transfer to Russia. The characteristics departmental thinking, disrespect to formal rules and group affiliation were the most common influential factors on recipient learning during cross-border knowledge transfer. The group affiliation characteristic unexpectedly facilitated learning that contradicted previous research.

Research limitations/theoretical implications – Since the study was conducted among Russian recipients the results need to be compiled with further research that include senders' and expatriates' views on host context characteristics and their influence on cross-border knowledge transfer.

Practical implications – Before engaging in cross-border knowledge transfer activities senders should keep in mind influential host context characteristics that may interrupt as well as facilitate the process.

Originality/value – The list of Russian host context characteristics, which influence cross-border knowledge transfer was compiled and completed with new empirical evidence. Applications of institutional and cultural theories to cross-border knowledge transfer were challenged and discussed.

KEY WORDS: Cross-border knowledge transfer, Russia, host context characteristics, recipient characteristics

1. INTRODUCTION

1.1. Background

Knowledge transfer is one of the ways global organizations can gain sustainable competitive advantages (Kalling & Styhre 2003: 136). However, managing proper knowledge transfer is a far from easy task (Kogut & Zander 1992). Knowing factors that influence cross-border knowledge transfer positively and negatively should help to improve the effectiveness of the process. A number of models have already described impediments to cross-border knowledge transfer (Szulanski 1996; Minbaeva 2007; Suutari & Riusala 2004). However, it would be interesting to identify factors that affect the process in a particular national context. This information would help to provide precise examples and recommendations on how to manage knowledge transfer for companies operating in the chosen environment.

Since the collapse of Soviet Union, Russia and Central Eastern European region have drawn much attention from scholars and business people. Particularly to business people, Russia is interesting due to low operation costs, its proximity to Western Europe and its fast-growing market (Linnas 2008). The recent global crisis has lowered the attractiveness of many developing countries including Russia. However, Russia remains a holder of unique resource combination; its geo-heritage includes various energy sources, oil and gas, nuclear power and a room for ecological power generation development; along with a wide range of other important minerals for industrial use. Besides its advantages, investors' concern is Russia's generally low level of economic and industrial development that has been further worsened by the collapse in oil prices (November 2008), the credit crunch (September 2008) and the artificially inflated bubble at the real estate market. The market has always been one of the most volatile in the international investment arena. Many Russian companies that have been considered relatively stable and trustworthy nowadays experience severe problems. Hence, foreign investors concerned with grim forecasts and trimming cash try to avoid Russian market preferring safer plays.

Nevertheless, despite the current unfavorable conditions for Russia as an investment pool, eventually investors' interest will resume. Crises are logically followed by the stage of intensive economic and industrial development. Hence, the need for resources will be inevitable at this early stage of a new economic cycle. Although, the traditional energy sources with which Russia is enriched may become less popular with a growing interest in a green power. Due to the current lack of tax money and extensive funds required to launch alternative power plants the delay before they come into common use will be rather long. Considering that the global economic growth will rebound in 3-4 years (average estimate) traditional power generators will be the main energy source for at least 10-15 years ahead. Meaning, the time scale for the economy to rebound is much shorter than the time scale for a transition to green power, and therefore Russia's traditional energy sources (e.g. oil) are still important.

Despite the decade of intense globalization and the number of publications on Russia and Russians, the country and its people remain an obscure mystery for many Westerners. To shed light on Russia and help foreign business persons run Russian operations this research is focusing on the phenomenon of cross-border knowledge transfer to Russia. The study tries to detect hindrances and facilitators to the process attributed to the Russian context and derive recommendations for managing these.

1.2. Research Problem

The complex phenomenon of knowledge transfer draws a lot of attention from scholars. An effective knowledge transfer enables companies to benefit from all the best practices in overall locations and units. On contrary, ineffectiveness or lack of transferring knowledge weakens a firm's competitiveness. However, the process of internal knowledge transfer is a difficult task with particular hindrances also called stickiness factors (Szulanski 1996). Moreover, it is difficult to share and apply knowledge in a socio-cultural context different from the one in which it was originally created (Engelhard & Nägele 2003: 264). Additional complexities occur while transferring knowledge to an environment originally hostile to knowledge sharing. Russia has been found to be a country hostile to knowledge sharing (Michailova & Husted 2003). Thus,

transferring knowledge across the border to the Russian context is especially challenging to accomplish.

The research problem is thus cross-border knowledge transfer to a knowledge hostile environment. The present paper examines in particular which host context characteristics, attributed to knowledge recipient, influence the process and how. National culture influences a person's actions, either by the in-built values toward, which the actions are oriented, or in shaping a repertoire of strategies of action favoring or avoiding certain patterns of action (Hofstede 2001). Attitudes and behaviors exhibited in relation to knowledge sharing are greatly affected by national cultural characteristics. However, the limited amount of research examines the interface between specific national cultural features and knowledge sharing behavior in a Russian context (Hutchings & Michailova 2006). Engelhard and Nägele (2003: 274) point out that further empirical research on the learning processes between Western expatriates and Russian employees is necessary, taking into account the changes in Russian culture in the course of the overall transformation process and possible effect on management attitudes.

The findings of this study are addressed to managers and other employees conducting cross-border knowledge transfers to hostile environments. With Russian context as an example, the research seeks to list influential factors on learning from outsiders and specify the influence of each factor. This information will also be useful for managers of multinational corporations when dealing with their Russian employees. Moreover, generalization of the results provides basic ideas of influential factors on knowledge sharing in a hostile environment and may be considered by the scholars performing similar research for different countries. Finally, Russians participating in cross-border engagements can improve their learning by pinpointing their characteristics impeding and facilitating the process.

1.3. Research Objective

The research aims to explore the effect of the national context characteristics on cross-border knowledge transfer in example of Russia. We create a theoretical framework based on literature review that draws Russian context characteristics and describes their influence on cross-border knowledge transfer. Based on the framework and the literature review several hypotheses are formed for empirical test. Consequently, the research objective is to find a number of recipient qualities influential on cross-border knowledge transfer through theoretical and empirical data analyses. The national level of internal, cross-border knowledge transfer is under investigation. The national level refers to culturally and institutionally embedded characteristics within Russian individuals and these characteristics' influence on incoming, cross-border, one-way knowledge transfer. Hence, the empirical research takes place at the recipient individual level. The analysis of the study results links characteristics found among individuals to the national context.

The study answers the following research questions

- (a) What particular Russian context characteristics embedded in recipients influence knowledge transfer?
- (b) How do these characteristics influence cross-border knowledge transfer?

Based on the literature review the study framework is developed aiming to answer both research questions. The framework presents findings of previous research using secondary sources of data. Some of the characteristics included in the framework lacked empirically tested evidence of their influence on knowledge transfer. Each of these characteristics becomes a basis for developing a study hypothesis. The developed hypotheses are tested during the empirical part of the research. The study framework completed with empirical findings resolves the research questions. Conclusions made upon the study findings sort out the research problem.

Generally, the thesis seeks to find a relation between cross-border knowledge transfer and host context characteristics embedded in individuals. Cultural and institutional pressures are considered, constructing these characteristics. Accordingly, the theoretical

contribution of the study is a view on cross-border knowledge transfer attributes from a combined perspective of cultural and institutional approaches. Moreover, exploring destination country effects on knowledge transfer brings up the potential for a more sophisticated understanding of global, regional and national influences in international business and management (Clark & Geppert 2002: 273). The practical value of the research is defined by identifying peculiarities of the cross-border knowledge transfer particular to Russian context and by giving recommendations on how to deal with them.

1.4. Definitions and Delimitations

This section provides short definitions for concepts used and outlines the scope of the study. Detailed discussion of the main concepts applied in the paper is presented in the next chapter.

Knowledge has been characterized along different dimensions using various terms (Foss & Mahnke 2003), but the present study makes no distinction between knowledge types. The definition of knowledge most suitable for research purposes is derived in the next chapter. Any piece of work related advice, recommendation or instruction given to Russian employees from their Western colleagues through available means of communication is referred to as *Knowledge* in this research.

The central concept of the study is cross-border knowledge transfer. The study only contemplates internal cross-border knowledge transfer where one unit of an organization (Western employee) affects another unit of the organization (Russian employee) with its experience (Argote & Ingram 2000). That is, our cross-border knowledge transfer concept is limited to one-way knowledge transfer to Russia. Where transfer mechanisms are all available ways of communication between Western and Russian employees. Transferred knowledge as noted earlier are advices, recommendations, guidelines, instructions and trainings.

The study seeks to discover factors, which influence cross-border knowledge transfer effectiveness. In this research, *Knowledge Transfer* is considered effective when

Russian employees accomplish a four-stage process that includes accepting, understanding, communicating, and utilizing new knowledge (May, Puffer & McCarthy 2005: 25). In other words, recipients continuously follow given recommendations and integrate acquired concepts into organizational routines.

The highly controversial term ‘Central and Eastern European’ (CEE) countries has various definitions in the literature (Czeglédy 1996). Some papers refer to Russia as a part of Eastern Europe others exclude it from the group (Koleman, Noorderhaven, Hofstede & Diene 2003). The present study recognizes similarities between Russia and CEE region in institutional and cultural settings. Post soviet, command, centrally planned, emerging, and transition economies are all terms, which correspond to both Russia and CEE countries. Here, *Transition* implies a unidirectional change from one system into another. The alternative concept to transition is *Transformation*, which implies an open-ended, fundamental process of change from which new forms will emerge (Child & Czeglédy 1996).

All nations belonging to the developed world are denoted *Western countries* either *Westerners*. No particular differences are made between various Western countries in terms of the study. Hence, *Western Knowledge* refers to concepts, models and practices transferred from any Western country. One could challenge this generalization of knowledge coming from distinctive countries. However, Lang and Steger argue knowledge transfers from different Western countries have similar patterns and face congruous problems (2002: 280).

To sum up, the study is limited to exploration of one-way, internal, cross-border knowledge transfer from a number of countries referred to as Western to Russia. Host country attributes are under investigation, namely national characteristics and their impact on the transfer process. The sample taken for empirical analysis has the following limitations. All interviewees are Russians; obtain University degree; have been working for a Western company’s Russian unit for one year or longer. Further discussion of the study sample is provided in the research methodology chapter.

1.5. Structure of the Study

The section introduces the logic and sequence of the thesis, its parts, and chapters. The paper consists of five chapters that represent three main blocs: introduction, research and conclusion. Hereafter, each chapter is characterized briefly.

Section 1 introduces the study, provides background of the research, describes research problem and poses research questions. *Chapter 2* provides an overview of knowledge transfer phenomenon. Based on the literature review and research questions the study framework is developed. Hypotheses are put forward to test characteristics of the study framework that lack previous empirical research of their influence on cross-border knowledge transfer to Russia. *Chapter 3* depicts research methods and evaluates their reliability and validity. Detailed description of the research process and tools used are provided. The interview guide for the empirical data collection is introduced. *Chapter 4* performs the findings of the empirical research. *Chapter 5* provides discussion on gained results, states limitations of the research. The paper concludes with theoretical and practical implications of the study.

2. LITERATURE REVIEW

2.1. Knowledge Transfer

The chapter begins with discussion on terms: knowledge and knowledge transfer continues with describing a scheme of the process and finally draws the most suitable definition for the research. The discussion on cross-border knowledge transfer from West to Central and Eastern European countries including Russia follows. Paradoxes and inconsistencies of the topic that appear in the literature are described and critically analyzed. The summary of the chapter presents main issues and states the choices made.

2.1.1. Knowledge and its transfer

The concept of knowledge drew a lot of attention from scholars and researchers since times of Plato and Aristotle (O'Dell & Grayson 1998). According to Kalling and Styhre (2003) the most important resources in contemporary society are intellectual. The world economy nowadays is knowledge-based, where organizations are playgrounds for knowledge development and use. From knowledge-based view, an organization consists of invisible resources, namely knowledge (Holden 2002: 71). These intangible assets and their application are in the heart of the firm's competitive advantage (Davenport & Prusak 1998; Kogut & Zander 1992) and organizational performance improvement (Kalling & Styhre 2003). Moreover, O'Dell and Grayson argue that knowledge is no less than the fundamental building material of a modern corporation (1998: 126). At that point, it is obvious that knowledge is an important issue for a successful organization today. So what "knowledge" actually is?

There are various definitions of knowledge in the literature. However, there is one concept that is most frequently used. It was developed by Nonaka and Takeuchi (1995). The authors divided knowledge into tacit and explicit components (the latter was earlier described by Polanyi (1966)). Based on these two knowledge types Nonaka and Takeshi developed the framework of knowledge creating within an organization. This model became widely accepted in the knowledge related research, though some critique arose (Gourlay 2006). The present work does not aim to dispute the meaning of the term

knowledge. A number of different views will be reviewed to find the most suitable definition that corresponds well to the research paradigm.

Often, the meaning of knowledge is built upon comparing it to other concepts like data and information, though the misuse and mixing of these terms often occurs (Bhagat 2002: 206). Another view is the 'knowledge as a process' perspective. Few approaches are quoted below to figure out a working definition of the term. Nonaka and Takeuchi consider that information "... is a flow of messages, while knowledge is created by that very flow of information, anchored in the beliefs and commitment of its holder." (1995: 58).

Using tacit and explicit dimensions, Fahey and De Long (2000) make a distinction between three types of knowledge: *human* with combination of explicit and tacit components; *social* referring to situation where knowledge of the group is more than the sum of the knowledge of its members. This type is ultimately tacit; and *structured* that could be easily codified and thus considered to be explicit. Spender (1995) has further developed a typology of organizational knowledge. His model encompasses individual and social levels; tacit and explicit dimensions by splitting knowledge into four types: *conscious*, *objectified*, *automatic* and *collective*. The following authors put more process oriented meaning on the term knowledge. Tsoukas states that "knowing is action" (2005: 5). Earlier O'Dell and Grayson offer the following definition: "Knowledge is information in action. Knowledge is what people in an organization know about their customers, products, processes, mistakes, and success, whether this knowledge is tacit or explicit" (1998: 5). In line with the previous researchers, Gherardi (2000) states that knowing is not separated from doing.

Davenport and Prusak provide holistic view on knowledge as "a fluid mix of framed experiences, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information" (1998: 5). According to the authors' perspective, knowledge comes from processing data and information conducted within and between individuals. The model pictures Western 'doing' approach as opposite to Eastern 'contemplating and accepting' mindset. Consequently, in his definition of knowledge Davenport describes Western approach to

knowledge. It appears that learning and adaptation of this kind of knowledge is especially difficult for people with distinctive ideology. Accordingly, the process of this knowledge transfer to Eastern societies is a complex task. One example of these hardships is the assimilation of the idea of free-market in post-soviet countries noticed in many research papers. Therefore, this definition correlates well to the study framework, and is offered as a basis for understanding knowledge transfer process in the context of the present work.

Recipient learning is an important process that is connected to the effectiveness of knowledge transfer. Organizational learning occurs through shared insights, knowledge, and mental models (Stata 1989). Hence, learning is a gauge of proper knowledge acquisition and adaptation. Huber (1991) notes that "...an entity learns if, through its processing of information, the range of its potential behaviors is changed". Accordingly, knowledge is assimilated when employees broaden their mindsets and their actions are taken according to models learnt.

Knowledge is often seen in a context of its sharing and creation (Takeshi & Nonaka 1995). As knowledge is a source of competitive advantage, then knowledge transfer is a strategic capability that enables sustainable competitive advantage (Kalling & Styhre 2003). Some authors argue that effective knowledge transfer between organizational units is not just what separates successful organizations from the less successful ones, but what defines those that are more likely to survive (Agrote & Ingram 2000). Again, transferring foreign investor's knowledge, values and best practices across boundaries is necessary for a company's survival (Zahra & Garvis 2000). However, sharing knowledge between different countries entails considerable difficulties. "Transfer of knowledge across cultural boundaries creates additional challenges that need to be addressed in order to facilitate this process" (Ardichvili, Maurer, Li, Wentling & Stuedemann 2006: 96). Meanwhile, cross-border engagement should be regarded as a potential resource rather than a threat for an organization (Camiah & Hollinshead 2003). To enjoy benefits of the knowledge companies possess in every location they should perform and complete cross-border transfers successfully. Whereas, "whether

knowledge sharing actually takes place in an efficient manner monitoring is difficult” (Husted & Michailova 2002: 63).

The control over knowledge transfer is outside of the research frame. This paper explores factors helping and impeding cross-border knowledge transfer. Facilitators and hindrances vary at different organizational levels. “The sharing of knowledge and its extensiveness depends on the organizational level it takes place in. In this perspective, a geographically dispersed group of individuals share knowledge in a different manner than a network of organizations. The social context where sharing of knowledge takes places, highlights the importance of interpersonal skills of individuals and the relationship between individuals or units in question” (Saint-Onge 1999: 229). This study investigates cross-border knowledge transfer in example of individual learning experiences of knowledge recipients.

Mikl-Horke mentions that interests and strategies of actors are given too little attention in knowledge transfer literature (2004: 107). While “learning and sharing knowledge are social activities, they take place among people” (O’Dell & Grayson 1998: 73); knowledge itself is social and contextual in nature (Barner-Rasmussen 2003). “Individuals are the agents through whom all learning in organizations takes place. Hence, organizational learning is dependent on individual learning process” (Villinger, 1996). Consequently, cultural and institutional contexts embedded in individuals involved would influence cross-border knowledge transfer. The present work particularly investigates influences conditioned by recipient’s nationality.

According to Fabry and Zeghny (2003) knowledge transfer implies an involvement of managers within affiliate, cross-cultural adaptation, organizational distance reduction, and organizational learning. Husted and Michailova (2002: 69) claim that “knowledge sharing can be encouraged by human resource practices and overall company strategies by providing it the right infrastructure, influencing the environment, and aligning incentives for knowledge sharing” meaning that the process can be regulated to some extent. Thus, knowing influential factors on cross-border knowledge transfer helps companies to manage the process successfully.

The means to conduct knowledge transfer are interaction, cooperation, training and the distribution of texts (Kalling & Styhre 2003: 90). Cross-border and cross-cultural knowledge transfers are performed through documentation, technology, face-to-face interaction, use of experts, expatriation, and communities of practice (Perring, Rolland & Stanley 2006). The following research covers all tools of communication available to participants of cross-border knowledge transfers. According to Merizow (1990), communicative learning is the most effective learning form for adults, which in context of working life means open discussion at workplace. Young (1998) also mentions the importance of discussion as people obtain answers either in the form of confirmation, additional information, questions or doubts, which then lead to proper knowledge incorporation. Therefore, frequent personal communication provides better opportunity for successful knowledge transfer.

The Scheme of Knowledge Transfer Process

The chart in Figure 1 places knowledge transfer in a context of broader knowledge management concept. Knowledge management cycle proposed by O'Dell and Grayson (1998: 7) was taken as a basis of the scheme. The marked area highlights two stages of knowledge management cycle: transferring of existing, organized knowledge and their integration, both together are the actual process of one-way knowledge transfer. This scheme presents simplified process of one-way knowledge transfer. Where knowledge sharing and adaption are seen separate from its creation as opposed to the opinions of many scholars discussed above, such as Takeshi and Nonaka. Nevertheless, the model seems relevant to the one-way cross-border transfer when knowledge creation is not presupposed at the recipient side.

Authors such as Szulanski (1996); Hurt and Hurt (2005); Riusala and Suutari (2004); Lazarova and Tarique (2005) propose more complex models of knowledge transfer. Their schemes mainly focus on barriers to the process and ways to overcome them. All detected impediments can be organized into following groups of factors: social, relational, organizational contexts, characteristics of knowledge, and individual characteristics of participants (sender and recipient).

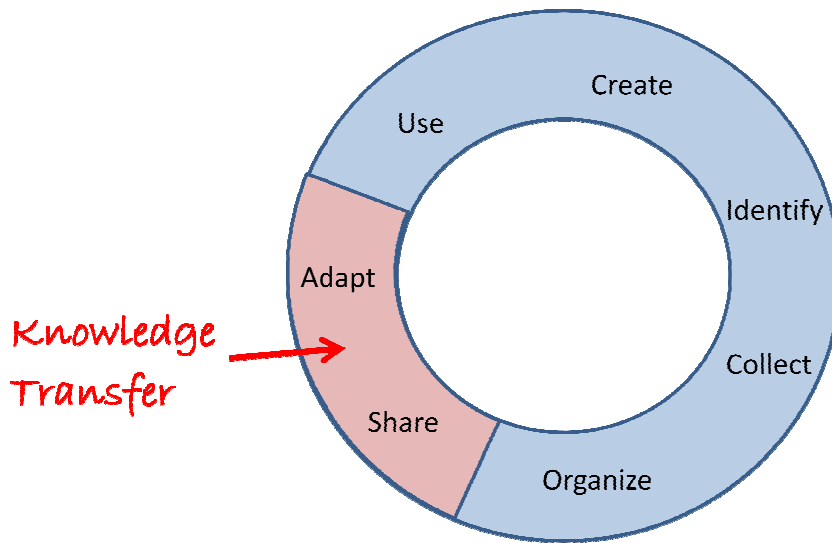


Figure 1.

Adopted from knowledge management cycle by O’Dell and Grayson (2001).

The model by Dana Minbaeva is used in Figure 2 to illustrate knowledge transfer and four groups of influential factors. Namely: characteristics of knowledge, characteristics of knowledge senders (disseminative capacity), characteristics of knowledge receivers (absorptive capacity), and characteristics of the relationships between senders and receivers. Recipient absorptive capacity is defined as “ability to recognize the value of new external information, assimilate it, and apply it to commercial ends” (Cohen & Levinthal 1990: 128). Individual absorptive capacity comprises of ability and motivation to acquire knowledge. Both aspects must be present for the proper absorption of knowledge (Minbaeva et. al 2003). Areas related to the present research are colored in grey (Figure 2). The study looks at national characteristics that are reflected in individual motivation and ability to receive and adopt knowledge transferred across the border. The arrow (Figure 2) shows the connection between national level host characteristics and individual level of a knowledge recipient. Accordingly, the study aims to discover host context characteristics influence on cross-border knowledge transfer through investigating recipients’ individual qualities (shared by all nationals). These characteristics determine recipients’ motivation and ability to learn, from which the absorptive capacity is comprised of.

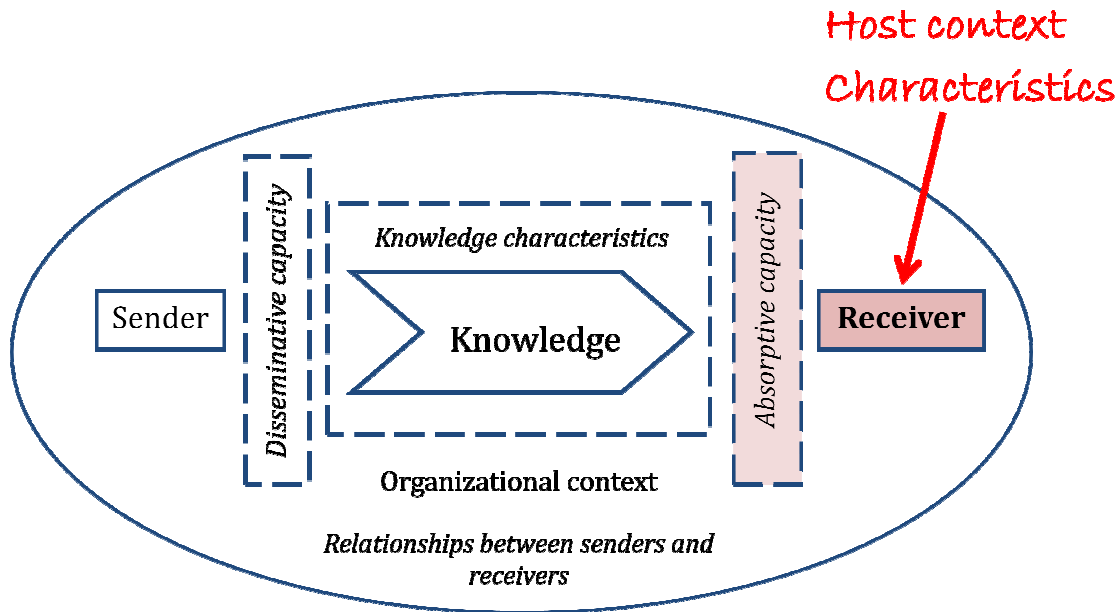


Figure 2.

Knowledge Transfer Process by D. Minbaeva (2007).

Absorptive capacity, which defines how people learn, is the ability to acquire knowledge multiplied by the motivation to acquire knowledge. The research explores how capable individual Russians are at learning Western concepts and extends the results to national level of presumed absorptive capacity.

One more scheme of cross-border transfer of ideas is presented in Figure 3. The model illustrates knowledge relocation from one institutional context to another. The framework pinpoints knowledge modification during transmission to host institutional conditions¹. The concept explains how the idea or knowledge is integrated. Understanding the scope and sequence of the process is important for collecting data and its analysis in the empirical part of this research. Learning mainly occurs as non-conscious process embedded in daily participation in joint work (Engerström 1987). Knowing the steps and essence of transferring knowledge from distinctive institutional context will help to understand how recipients learn foreign concepts. This understanding will benefit the research at the stage of creating a proper interview guide

¹ The issues of knowledge modification and development on receiver's part are further discussed in the next section of the paper.

and by helping to interpret examples and experiences reported by interviewees accurately.

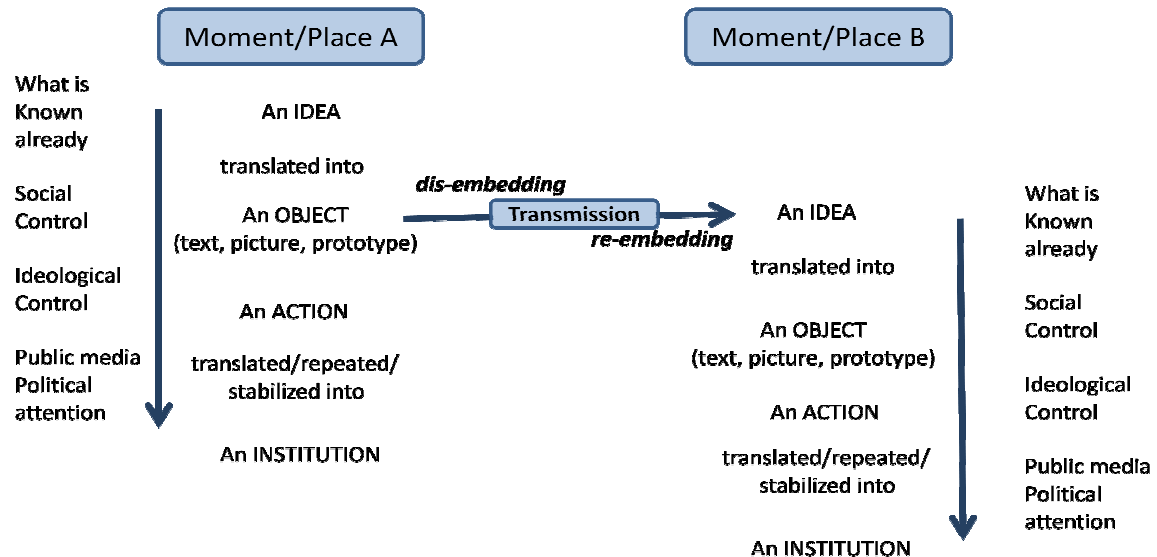


Figure 3.

‘Travel of Ideas’ model by Czarniawska and Joerges (1996).

2.1.2. Post Soviet countries and cross-border knowledge transfer

Practices embedded in people, culture and context are complex and rich (O’Dell & Grayson 1998: 73). This section tries to draw patterns similar for all post Soviet countries. There were many experiences that former communist societies shared together, which make them similar at some extent (Child & Czeledy 1996). The section presents discussion on implications of the post communist era and related controversies including generalization of countries belonging to CEE region, Soviet versus post Soviet generation, economic transition versus transformation. The section also describes knowledge transfer especially from Western countries to the region.

Generalization of CEE countries

While some authors allow generalization of CEE region, others warn about potential drawbacks when treating these countries as homogenous (Koleman, Noorderhaven, Hofstede & Dienes 2003). Clark and Geppert (2002) point at critical differences

between post-socialist countries, in their actual experiences of state socialism, their starting points, and their post socialist experience (e.g. regarding privatization or the role of the state). Distinctions can be found inside any homogenous group. However, this study looks at the distinctions in Western versus Eastern context, in which the two are the relative opposites of each other. Consequently, each context is considered homogeneous in comparison to a greater difference existing between the two of them. Nevertheless, the author of this paper did not generalize CEE countries on any grounds. Generalizations of CEE region that appear in the study were taken from reliable academic sources.

Martin (1999: 175) names the following critical differences between Western and CEE countries “three specific features distinguish post-socialist CEE from competitive capitalism: the frequent absence of ‘real owners’ of capital; ubiquity of networks; and the continuing role of state”. These factors cause a number of problems when Westerners engage in business activities in the former Soviet area. Challenges appear due to crossing of national boundaries and, at the same time, boundaries between (at least formerly) very different political and economic systems: the socialist, centrally planned countries of Eastern Europe versus the market based societies in the West (Villinger 1996). These hurdles kept business leaders suspicious about doing business in the post communist societies. Nevertheless, the trend of foreign investments to CEE countries was on the rise prior the crisis (September 2008). Sears and Tamulionyte-Lentz confirm that doing business in CEE can be profitable and satisfying, and that there are misconceptions and problems to be aware of.

Soviet and Post Soviet Generations

The first debate is developed on comparison between people belonging to young and old generations in the post Soviet countries. Recent history had large effect on the ongoing economic and social development in CEE countries and the role of command-economic legacies weakens year by year (Clark & Geppert 2002). However, many academicians pay little attention to the distinction between Soviet CEE and their present state. The influence of Soviet past on CEE countries exists, though its pervasiveness is sometimes overestimated. The following discussion aims to clear up misconceptions

regarding changes the people and the environment underwent since the collapse of the communist regime.

The Soviet influence on national characteristics is decreasing gradually. The persistence of communist past is highest among people who worked during the socialist era. A sizable portion of the Russian population displays retrospective fondness for new-communist ideology (Michailova 2000), whilst a younger generation appears to be open to a liberal brand of market economics emanating from the West (Camiah & Hollinshead 2003: 246). Especially, individuals who occupied managerial positions at Soviet system might be unwilling to change their mindsets. Hence, the most successful managers under the old system could well be the least successful under the new one (May, Puffer & McCarthy 2005: 26). Less exposed to the planned economy and the communist regime values are people who started their careers after the collapse of the Soviet Union. The least affected are young people who have grown up in already independent countries of the former Soviet bloc.

Therefore, even with persistence of attitudes and ideas from socialist countries pointed by many scholars (Mikl-Horke 2004) the existence of new tendencies appearing in post Soviet societies cannot be ignored. Camiah and Hollinshead (2003: 249) mention following positive features emerged at Russian market: a new generation of managers, a reservoir of feminine relational skills and the appearance of new ideas. Karhunen in her doctoral thesis (2007) notes that Russian managers started to pay increasing attention to such important free-market attribute as service standards that were lacking a decade ago. May, Puffer and McCarthy (2005) found a number of values that Russian managers have recently developed, which may help better absorb Western management knowledge. Alas and Vadi (2004) discovered that people who began working in the former Soviet Union differ from those who started their careers during the subsequent transition period. Kets de Vries (2001); Fey, Pavlovskaya and Tang (2001); Fey, Nordahl and Zätterström (1999); Elenkov (1997); Puffer (1994) also found a number of dissimilative characteristics between behavioral patterns and attitudes of old and young people in CEE region. This research focuses on young generation of Russians, those least exposed to the Soviet norms and values.

So-called ‘communist heritage’ attributes may overlap with symptoms of collective cultural shock CEE societies underwent after collapse of Soviet Union. These symptoms are lack of orientation; lack of trust and self-confidence; passivity; lack of initiative (Feichtinger & Fink 1998). The difference is that characteristics imposed to people by collective cultural shock are less durable than institutional and cultural pressures deeply embedded in society. Consequently, the symptoms of collective cultural shock are less likely to be found among younger people than characteristics developed during the Soviet period.

Economic Transition versus Transformation Process

A controversial issue that is debated among scholars is whether the former communist economies undergo transition or transformation process. There are two schools of thought, structuralist theorists who call the process CEE countries’ societies going through² economic transition and ethnographic institutional theories supporters who call it societal transformation (Clark & Geppert 2002). Transition is an end process of going from central-planned socialist economy to open, market economy, whereas transformation is an open-end process with unknown destination and future outcome (Child & Czegledy 1996). Depending on the speed of the transformation process, Central and East European economies are approaching the mature Western markets at different paces (Jansson 2007: 15). Both approaches agree that the former communist countries are enduring a process of pervasive change.

According to Newman (2000) this process of intense social, political and economic change together with high uncertainty of institutional context make the transformation problematic. To describe the state of transition societies Newman (2000) introduces an institutional upheaval phenomenon and describes its impact on the society. “Institutional upheaval – rapid and pervasive change in norms and values that underlie and legitimate economic activity, which results in fundamental change in a society’s political system, its legal and regulatory frameworks, its economic system and its

² The present tense is used because ‘whether transition has come to an end is a controversial question and cannot be answered for all CEE countries equally in one sense or the other’ (Mikl-Horke 2004: 102).

financial infrastructure.” The effect of institutional upheaval is lack of norms, values, templates, and models about appropriate strategies, structures, and systems in business environment. Clark and Geppert (2002) in line with Child and Czeglédy (1996) add that changes during transformation period embrace the whole society from macro to individual levels and all aspects of people’s lives. These changes are possible origins of collective cultural shock effects discussed earlier. Because of these adverse conditions, people’s learning ability could be temporarily restrained. The effect is likely to disappear³ when transition or transformation ends. Newman (2000) among other authors claims that Russia has far more difficulties overcoming consequences of the Soviet past and the process will be longer than in most of CEE countries. Hence, the attributes of institutional upheaval and collective cultural shock may still appear among attitudes of young people.

Applicability of Western Knowledge Transferred to CEE countries

Knowledge transfer to CEE countries drew lots of attention from scholars as well as business leaders. Economic and institutional differences between Western and the Soviet bloc countries made transmitting and adapting of ideas a challenging task. A number of debates occurred on how applicable Western knowledge is to distinctive contexts and how to conduct its transfer into these diverse conditions properly.

The continuous debate in Eastern Europe is a question of what to learn (Czeglédy 1996). The simplest way for international companies to educate their East European units would be pure transfer of their best practices. Knowledge transfer models that focus on barriers to acquiring knowledge and its integration picture this simplest case. Moreover, Western knowledge is presumed to be superior to the knowledge possessed by developing economies and often its adaptation is abandoned. The assumption makes sense as developed economies are enriched with experience and economic theories. Bedward, Jankowicz and Rexworthy (2003) state that Western models when compared to CEE business theories are better because they are based on practice rather than exclusively on theory. Nevertheless, many authors question usability of Western concepts for diverse contexts (Engelhard & Nägele 2003). According to Weik (2001)

³ Probably, some CEE countries have already undergone this stage, though as was mentioned above the end of transition/transformation process is a controversial question.

such Western theories such as decision-making, planning and learning cannot be applied to societies under transformation because they presuppose a comparatively stable and 'rational' cognitive frame in which actors can plan and act. Clark and Geppert (2002) also challenge Western theories superiority. Lang and Steger (2002: 281) argue that "Western modernity itself faces a process of change, the aim and direction of which is unclear". The authors consider that knowledge transfer is not a simple adoption of 'best practices' but a dynamic process of learning, re-interpretation, re-evaluation, re-modeling, and re-combining with existing concepts, structures and instruments to create new practices – a process which is highly influenced by the situative power relations between the actors as well as by their continuing cultural background (Lang & Steger 2002: 288). Yakliel (2007) adds that not only the content of knowledge is modified but also the context where the process takes place is transformed as well. This approach was illustrated in the model 'travel of ideas' by Czarniawska and Joerges (1996) that appeared earlier in this chapter in Figure 3. Knowledge from the external environment is expected to be a starting point, not an end, of innovation (Fahey & De Long 2000: 123). Auerbach and Stone (1991) reckon that the CEE business culture should be developed according to national conditions and simply imitating Western culture will not work. Albeit, Lang and Steger (2002) note that modes of adoption and barriers to effective learning are in the center of attention, not the proper modification of Western practices to local context.

Many studies have demonstrated the capacity of local social logic to resist, adapt and otherwise reshape packages of formal knowledge imported by Western partners (Geppert & Clark 2003). This kind of modification is an uncontrolled process with unknown outcome. Hence, the acquired knowledge may differ significantly from what a sender intended. An outcome of forced learning can be 'façade legitimacy' when local managers simulate⁴ an adoption of a practice as resisting could mean to them their withdrawal of livelihood (Lang & Steger 2002). Consequently, processes of knowledge absorption and integration are disabled. Other authors argue people naturally resist change and new knowledge adoption due to not-invented-here syndrome (Katz & Allen

⁴ Although, there is an approach to managerial learning as imitation process it is not discussed in the present study, and simulation (imitation) is considered to have more negative meaning and to be an ineffective mode of adoption.

1982; Husted & Michailova 2002). Foreign knowledge is rejected due to psychological perception of its inapplicability because it was invented elsewhere. Notwithstanding with a previous statement, a substantial number of the Russian elite is willing to borrow foreign experiences – particularly models of European welfare capitalism (Rivera 2004: 43). The following quotation explains the controversy “It is common to hear that people resist change. That is not correct! People resist changes that they do not understand and that may put them in disadvantageous position” (Sears & Tamulionyte-Lentz 2001: 77). Consequently, the reasons of resistance are lack of understanding the benefits of knowledge transferred, poor supporting information provided by Western counterpart, and disrespect of local expertise.

Mikle-Horke (2004) outlines that transition societies possess reservoir of experiences that can contribute positively to economic culture by knowledge sharing for reciprocal enrichment. Despite benefits of mutual participation, cross-border knowledge transfer to CEE countries is generally a one-way process where Western sources act as ‘senders’ and ‘teachers’ and the Easterners are solely ‘recipients’ and ‘learners’ (Clark & Geppert 2002). While, developing countries could contribute with the knowledge about local conditions, the way they learn Western practices and ways of transfer for better adopting on the receiver part (Villinger 1996). Furthermore, Vlachoutsicos and Lawrence (1996) recognize a number of Russian practices that are comparable to Western best practices. Sears and Tamulionyte-Lentz state that workers at CEE know more about teams and teamwork than they are likely to be taught by outsiders (2001: 55). Finally, Child and Czegledy (1996) found that skills that Western organizations have in recent years recognized as essential are actually the same ones that many Eastern European managers are already well versed in, particularly the capability to develop personal business networks.

Eastern and Western organizational practices could be successfully combined and thus bring substantial synergies to organizational performance (Breu 2001). Hereby the employees in Eastern countries got a potential to benefit their Western colleagues in a reciprocal knowledge exchange. However, Minbaeva (2007) notes the lack of knowledge transferred from transition economies might be due to low disseminative

capacity of their managers (inability to transfer their knowledge due to lack of competences, language deficiency etc.).

Lang and Steger (2002), in their article, list types of knowledge transfer to CEE countries. Three additional types to the common approach of transmitting Western 'best practices' that broaden the traditional view on this complicated process are

- The transfer of negative Western experiences to prevent Eastern partners from making the same mistakes (Dallago 1999);
- The transfer of management knowledge between CEE countries at different stages of development (Moerel 1997; Fine 1999);
- The transfer and return of knowledge and experiences from the East to the West (Hyman 1996; Thelen & Turner 1998).

Taking into consideration these additional aspects should help managers to better understand and carry out knowledge transfers from Western countries to CEE region.

The section presented various views on knowledge transfer and post Soviet countries. The present research is limited to exploration of one-way process of transmitting knowledge from Western countries to Russia.

2.1.3. National character and cross-border knowledge transfer

The study operates at national level trying to figure out the common characteristics attributed to the Russian context influencing knowledge transfer. Level of the empirical analysis is individual. The connection between individual qualities and specific country context is developed through national cultural and institutional settings that form common attitudes and behavioral patterns among the people within the society.

We start by defining the character and its features. Synonyms for the word character are personality, individuality, disposition, nature, makeup and complexion. There are two facets of the term: distinguishing and descriptive features of somebody or something.

The two following definitions⁵ form a good combination that captures the meaning of the term:

- The aggregate of features and traits that form the individual nature of some person or thing; a description of a person's attributes, traits, or abilities;
- The combination of qualities or features that distinguishes one person, group, or thing from one another; the combination of emotional, intellectual, and moral qualities that distinguishes an individual.

By these definitions, a character is a set of characteristics that a group of individuals possess and that make them different from other groups of individuals. Consequently, a national character is a combination of common features that distinguish one nationality from another. Thus, national character links individual qualities to overall national image. In terms of the research, national character is a set of distinctive (from other nations) characteristics shared by, for example, Russians. Abilities, attitudes and other qualities of receivers may influence knowledge transfer either by restricting or facilitating it.

Various authors found the following receivers characteristics to influence cross-border knowledge transfer:

- Ways of learning (Vlachoutsicos & Lawrence 1996);
- Patterns of behavior (Clark & Geppert 2002);
- Ability and motivation to absorb knowledge (Szulanski 1996);
- Nature of the social actors amongst whom the process takes place (Strang & Meyer 1994).

Clark and Geppert (2002) add that local managers' experiences and skills are critical components that must be taken into consideration in order to understand how managers learn, share, and spread new ideas and practices. Furthermore, only if the 'natural' behavior of Russian managers is integrated into the new managerial systems and

⁵ Modern Language Association (MLA): "character." *The American Heritage® Dictionary of the English Language, Fourth Edition*. Houghton Mifflin Company, 2004. 29 Apr. 2008. <[Dictionary.com](http://dictionary.reference.com/browse/character) <http://dictionary.reference.com/browse/character>>.

practices the transfer of this knowledge becomes effective in Russia. Efforts to introduce innovative management techniques will almost certainly fail unless the management techniques chosen from the arsenal of modern Western management methods complement and build upon the traditional Russian managerial values (Vlachoutsicos & Lawrence 1996). Thus, some features of national character are receiver's characteristics that influence cross-border knowledge transfer. The study aims to discover recipient characteristics corresponding to characteristics of the host context or features of the national character influential on knowledge transfer and describe their influence.

2.1.3. Summary

This section sums up the main issues and ideas appeared in the chapter. Moreover, it states the choices of the study, which are the basis for deriving theoretical framework. Regarding the term knowledge, the definition by Davenport and Prusak (1998) was chosen: knowledge is a number of frameworks that form a mindset for interpreting and proceeding information in a particular way. Tacit and explicit knowledge are studied without distinction to avoid narrowing down the topic to the point where data collection is problematic. Knowledge transfer was defined as a process of transmitting ideas to a diverse environment with content modified according to host conditions. Modification has two aspects: deliberate adaptation of the content by sender, and unconscious, uncontrolled process of content transformation under local institutional and cultural environments' influences.

Upon comparison to Western cultures, East Europeans are considered to share similar characteristics formed by Soviet regime influences. However, the persistence of these characteristics differs among generations. Young people who grew up after the collapse of USSR are less representative of Soviet stereotype widely discussed in the literature. The empirical part of the research investigates a young generation to reflect the changes that have happened.

Transformation view on economy is preferred to transition economy approach. The transformation concept has fewer limits and an outcome of the process is unknown. Russian economy was found to be still transforming.

Camiah and Hollinshead (2003: 258) note the massive reservoir of human potential that lies beneath the surface of Western-Russian interaction has scarcely been tapped. Interestingly, some cultural differences work to build harmony and bring synergies to the alliance rather than to disrupt the processes (Schrage 2001: 59). Gaining the benefits of potential synergies from interactions requires substantial learning on both sides Western and CEE countries (Villinger 1996: 183). However, in the survey conducted by Engelhard and Nägele (2003) expatriate managers as well as Russian employees found the intensity of learning between them to be insufficient on both sides. One of the reasons is a lack of proper understanding of factors influencing learning. This research paper aims to shed light on some of these factors exploring one-way knowledge transfer from Western countries to Russia. Researching of two-way knowledge transfer was abandoned despite of the benefits it has compared to one-way transfer.

The last part of the section discussed national character and its connection to knowledge transfer at national and individual levels. Features of national character can be considered as characteristics of a recipient that potentially influence knowledge transfer. The research explores national context characteristics embedded in individuals and influential on their learning of Western knowledge.

2.2. Deriving Theoretical Framework

The section seeks a theory to build a conceptual framework upon, define variables and develop assumptions for empirical test.

According to several academic sources theoretical or conceptual framework is

- A basic conceptual structure organized around a theory⁶.
- A study framework based on propositional statements from a theory⁷

⁶ Source: crede.berkeley.edu/tools/glossary.html

⁷ Source: wps.prenhall.com/chet_nieswiadomy_foundations_4/3/916/234499.cw/index.html

In this study, theoretical framework is a concept derived from existing theory on cross-border knowledge transfer to Russia. The study framework draws Russian national context characteristics and their influence on cross-border knowledge transfer reported by various authors.

2.2.1. Choosing theoretical approach

“Research about knowledge transfer has emerged from various competing epistemological approaches that provide diverse theoretical and methodological views” (Ringberg & Reihlen 2008: 2). Among other theories, institutional and cultural approaches are frequently applied to describe cross-border knowledge transfer and its elements. The following section considers both theories to choose one that better serves the purposes of the study through comprehensive literature outlook and thorough analysis.

Cultural theory is a popular approach among researchers of cross-border knowledge transfer. Authors De Long and Fahey (2000); Hutchings and Michailova (2004); Desouza and Evaristo (2003); El-Sayed (2005); Ringberg and Reihlen (2008); Jankowicz (2001) apply cultural theory to detect individual characteristics that influence knowledge transfer between different countries. The researchers commonly use cultural dimensions such as Hofstede’s and other models or separate characteristics: values, behavioral patterns, attitudes identified by independent research or taken from other sources. Cultural dimensions alone can hardly take into account all the controversies of a national context because they are quite narrowly defined⁸ and inflexible (the same for all the countries). Moreover, Holden (2004) argues that the most frequently used Gert Hofstede’s model (2001) is out of date. A culture is fluid and it captures the need for on-going update and monitoring (Mikl-Horke 2004). In this respect, research papers like articles focused on particular countries and exploring independent characteristics provide more details on a national context. The combination of these papers embraces a broad range of characteristics that are updated more frequently than data of dimension

⁸ Few dimensions are not enough for a precise picture of particular country needed for the research, though it is useful for the general overview and makes comparison across cultures easy and convenient.

models. On the other hand, these studies are fragmented, they lack integrate structure and underlying logic that makes it difficult to organize them into a unified system.

Various facets of culture are described for few generations of different countries and regions. Extensive research material on cross-border knowledge transfer is available from cultural perspective. Hence, descriptive power of cultural theory is sufficient for the purposes of this study. However, explanative capacity of cultural concepts is questioned. Cultural theorists make their conclusions upon surveying individuals. The findings they then link to historical events and local conditions to explain how found characteristics evolved. The approach is inductive because it moves from an observed result to a cause. This order may cause inconsistencies within the theory. Clark and Geppert (2002) note that cultural theory contains a number of confusions. An example is mixing up traits, attitudes and beliefs Soviet generation and younger people possess in Russia. Another drawback of cultural point of view is its comparatively limited perspective.

Institutional theory embraces broader picture of factors including institutions, cultures, and ethics (Peng 2003). The main structural elements of the institutional approach are cognitive, normative and regulative pillars that combine formal and informal institutions of the society. Culture belongs to normative and cognitive pillars and constructs informal institutions of the society (North 1990; Jansson 2007). Thus, institutions influence culture (Meyer, Boli & Thomas 1994) and the way it evolves (Peng 2003). Meyer and Peng (2005) state that diversities of national cultures are the result of their institutional differences. Moreover, changes within one culture relate to differences between past and present institutional frameworks. Accordingly, the institutional view reflects cultural dynamics and is up to date compared to cultural approach, which updates post factum. Institutional approach comprises cultural influences and formal pressures, both are part of regulative pillar. Institutional theorists develop their concepts deductively by moving from causes (institutions) to implications within society. For example, institutional theory describes national constraints that shape individual behavior (Ingram & Silverman 2002), individual decision-making (Peng 2003), personal emotions (Van de Laar & De Neubourg 2005), and readiness to change (Strang

& Meyer 1993). Development of actors' capabilities, competences, and forms of knowledge sharing are significantly influenced by national institutional settings (Whitley 2001; Geppert & Clark 2003). Institutionalists concentrate their efforts on developing a detailed understanding of how institutional pressures are implicated in social processes and individual actions (Clark & Soulsby 1999). Thus, explanative power of the institutional theory is consistent for this research purposes.

Institution-based view has largely contributed to the studies of emerging economies (Hoskisson, Eden, Lau & Wright 2000). Moreover, institutional theory represents recent theoretical developments whose emergence coincides with the rising scholarly interests in CEE countries (Meyer & Peng 2005). Despite its comparative advantages, institutional approach has been less frequently used than cultural theory in cross-border knowledge transfer studies (Williamson 2000; Lang & Steger 2002). Probably because they've been popularized only since 1990s institutional concepts are considerably younger than cultural models. Among disadvantages of institutional theory, in regard to the purposes of this research, is little discussion on national contexts at the individual level in relation to cross-border knowledge transfer. There is a lack of descriptions of Russian host context characteristics provided by institutional theorists.

Institutional and cultural theories discussed above both have their strengths and weaknesses. The graphical comparison of their advantages and disadvantages for studying a national context influence on cross-border knowledge transfer is shown in Figure 4. The double-headed arrow shows the interconnection between two theories. As it was noted earlier, normative and cognitive pillars elements overlap with cultural settings. The debate about which theory is the fundamental one goes on. However, an explanation of the same phenomenon made from two points of view is richer and more critical than an explanation that a single approach can provide. Besides, using multiple sources increases validity of the data. Reliability of the facts discovered by different authors applying alternative approaches with distinctive logic is also substantially improved.

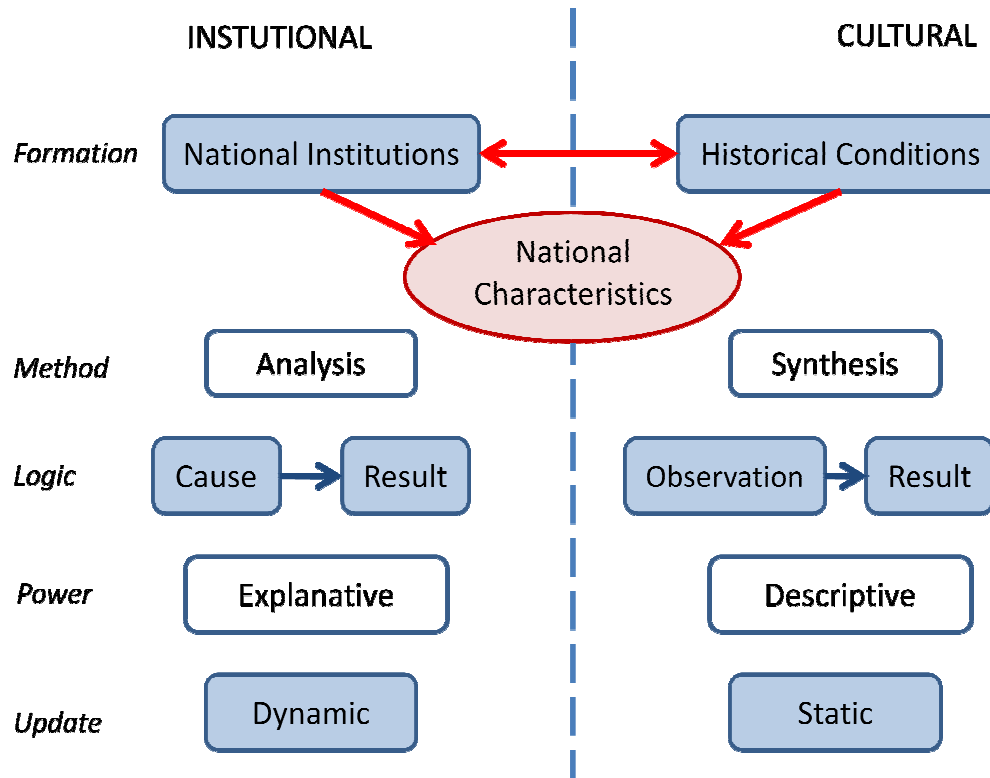


Figure 4.

A comparison of institutional and cultural approaches.

Combined together, the two approaches complement each other by cancelling drawbacks and multiplying benefits. A number of scholars point advantages of extending existing theories with complementary elements and creating composite approaches (Peng 2006; Hoskisson *et al.* 2000; Lang & Steger 2002; Holden *et al.* 1998; Salk & Brannen 2000; Mikl-Horke 2004). The composition of institutional and cultural theories was already applied in the section about CEE countries. Both approaches were used to discuss theoretical paradoxes related to the region. A compound approach of cultural and institutional theories is applied for the study framework development performed in the following section.

2.2.2. Theoretical framework and hypotheses

The study framework seeks to answer the following research questions: “*What Russian context characteristics embedded in recipients influence knowledge transfer?*” and “*How these characteristics influence cross-border knowledge transfer?*” Using

secondary data sources, such as research papers, the study framework lists host context characteristics that various researchers found (through empirical research) or assumed (without testing them empirically) influential on knowledge transfer to Russia applying either cultural or institutional theory. Each characteristic is described, its origin is discussed and its influence on knowledge transfer is explained. The summarized results are depicted in Table 1. The table comprises of three columns. The first names authors who defined a characteristic and detected its influence on knowledge transfer. The second contains characteristics answering the first research question. The third is the answer to the second research question. It contains description of each characteristics origin and its influence on knowledge transfer completed with a theory that grounds each explanation. Fields of the characteristics that were assumed influential (the authors defined these characteristic and their influence on knowledge transfer, but did not test them empirically) are marked with grey color in the table.

The high respect for hierarchy and formal power. The characteristic corresponds to the high score on power distance cultural dimension. Russia is graded among the top countries on this dimension (Hofstede 2001). “Most Russian managers and employees place a very high importance on hierarchy and formal power, and independence is alien to them” (Michailova & Husted 2003: 63). Russians are motivated to learn from their superiors and not motivated to accept knowledge originating from counterparts either subordinates. Managers were unaccustomed to share knowledge horizontally due to extreme emphasis on vertical hierarchy and formal power. They see little value in sharing knowledge across their organizations (May, Puffer & McCarthy 2005). Studying IKEA retailer opening a Russian branch Jonsson and Elg (2006) found that Russian employees’ respect for senior managers and a hierarchical way of thinking might become a hindrance for knowledge sharing because new employees were less willing to ask questions. Consequently, sender’s hierarchical level is positively connected to receiver’s motivation to absorb knowledge.

Highly negative attitude towards mistakes. Michailova and Husted (2003) believe that the avoidance of mistakes and problems is deeply rooted in Russian culture. Individuals do not freely and openly share knowledge about mistakes they have made that limits the

possibilities for learning. The attitude to mistakes as taboo was further reinforced through Soviet institutional settings. Russian employees are unwilling to make decisions themselves and avoiding responsibility for their own decisions because of a fear of sanctions that follows wrong decisions (Engelhard & Nägele 2003: 276). In the Soviet system, focusing on problems rather than encouraging actions toward solutions was raised to an art form. Managers also avoided problems because they had little if any power to control or remedy the situation. The attitude that it is easier to find someone to blame for a problematic situation than to look for a solution is still prevalent among Russian employees. Consequently, Russians had become masters at hiding mistakes (May, Puffer & McCarthy 2005).

Lack of reflection at work. Most Russians do not favor discussions and try to avoid them, especially when they involve problems (Michailova & Husted 2003). The lack of motivation and ability to perform critical thinking restrict individual learning whereas reflection and feedback positively affect learning (Tsoukas & Vladimirou 2001). Russians tend to reject solutions without providing an alternative one. This behavior hinders a consistent learning at the workplace (Camiah & Hollinshead 2003). The characteristic was imposed through institutional pressures. Historically the top-down command and control, and autocratic strategy development restricted questioning of imposed plans. A deviant thinking was chased and punished (Michailova & Husted 2003). The unwillingness to question rules implies that information is not critically interpreted and reflected upon, which negatively influences on individual learning (Engelhard & Nägele 2003). On the other hand, the recent study by Advichvili et al. (2006) found that Russians actively participated in online community discussions and perceived them as a valuable experience. The reasons for contradictory findings may originate from strong organizational culture of the investigated company (Caterpillar) as well as reflect emerging changes in Russian host context characteristics.

Strong focus on procedures and regulations. The characteristic is connected to previously discussed lack of reflection and unwillingness to question existing rules. Most Russian employees believe that complying with formal rules and following official instructions is very important (Engelhard & Nägele 2003). The strong emphasis

on rules and regulations, combined with an enormous focus on tasks, constraints innovative behavior. When non-innovative behavior is a norm, it is logical to punish failures to follow prescribed order (Michailova & Husted 2003). As a result, keep up the rules and instructions become more important than performance and outcome at work. Therefore, the lack of precise guidance during knowledge transfer impedes Russians' learning. Whereas, detailed explanations and appropriate supervision presumably shall help Russians to learn better.

Disrespect to formal rules and laws among Russians, contradicts to their strong focus on procedures and regulations discussed earlier. Surprisingly, this characteristic was reinforced by the importance of regulations and traditionally high arbitrary punitive conditions of the communist and tsarist periods. When people recognize that established rules and procedures are inflexible and cannot be changed easily, they start circumventing them in underhanded ways, concealing and manipulating information (May, Puffer & McCarthy 2005). Moreover, breaking rules is in many cases socially admirable behavior among Russians, because it entails a risk of severe punishment and rioters are historically seen as heroes (Zhelvis 2001). Managers make things look better in written and avoid punishment that logically follows poor performance. The lack of trust, a disdain for measures and control, real numbers, and truthful reports, as well as lack of respect for laws, which Russians see as senseless, appear in a snowball effect (May, Puffer & McCarthy 2005). The characteristic presumably hinders learning as people may develop façade legitimacy (Lang & Steger 2002) instead of accepting and properly integrating transferred knowledge.

Not-Invented-Here syndrome. Resistance towards using knowledge not locally originated because it is more prestigious to create knowledge than reusing knowledge invented elsewhere. Another reason of resistance, recipients do not trust the quality of the shared knowledge due to the lack of trust to a source (Michailova & Husted 2003). Historically, Russians divided into Slavophiles and Westerners. The first group supported the idea of a unique path that Russian society should follow. The latter reckoned Russia should adopt the best Western practices (Siljak 2001). Consequently,

one of the causes of developing NIH syndrome may be an influence of Slavophiles' beliefs on the society.

Often Russian managers reject potential solutions to problems without good argumentation, other than the typical statement that "this will not work in Russia." As a result, Western transmitters spend time proving that actions were possible rather than transfer knowledge. There was also resistance to the policies and practices from head office. They were rejected from the beginning simply for being non-Russian ways (Camiah & Hollinshead 2003). The phenomenon of knowledge modification and related difficulties discussed in the previous section may also cause rejecting ideas from outsiders due to their limited applicability to the host conditions.

Perceived self-uniqueness. Russians presume they are very different from other nations, especially comparing to Westerners (Zhelvis 2001). The characteristic is related to NIH syndrome discussed above; it may similarly originate from Slavophiles' prejudice that Russia has a distinctive path of development from Western nations because they are so different. Russians' conviction of self-uniqueness may negatively affect their motivation to acquire Western knowledge. Often, rejection of Western business practices transferred to Russia is supported by 'it will not work here' argument (Camiah & Hollinshead 2003). The characteristic potentially hinders transfer of originally Western knowledge.

Strong group affiliation. Russia is a collectivistic culture where the collective interest had clear priority over the private interest (Hofstede 2001). Individuals strongly attached to groups both emotionally and in terms of formal membership. Russian managers tend to resist new ideas coming from outside as they may fracture stability and familiarity of an established group (Michailova & Husted 2003). Ardichvili et al. (2006) evidenced the 'us' versus 'them' distinction from the way Russian Caterpillar employees were communicating with local dealers and other partners. However, it seemed that, instead of being loyal to the immediate in-group only (their local office), Russians felt equally proud and fond of their membership in the organization as a whole (Ardichvili et al. 2006).

Hall (1977) defines Russian culture as 'high-context-culture'. In this culture, information is tied to people and informal communication plays a dominant role (Engelhard & Nägele 2003). Informal networks replace poorly performing formal institutions (Peng 2006). Group or network members are suspicious about outsiders and their ideas. Consequently, if the sender is an outsider the knowledge transfer is rather hindered by this host characteristic. Otherwise, when transmitter is accepted into a group the learning is presumably facilitated.

Suspicion of Foreigners. The characteristic is closely related to the one just discussed as foreigners are often perceived as outsiders. Russians are particularly suspicious of people coming from the West, whom they have traditionally mistrusted (Michailova & Husted 2003). Moreover, years of operating within punitive and shortage-ridden Soviet system made Russian people suspicious and prone to secrecy (May, Puffer & McCarthy 2005). Again, if the knowledge senders manage to familiarize with recipients it shall facilitate transfer of knowledge between them.

Trust. This characteristic also overlaps with previously discussed ones. A lack of trust can be considered the most important barrier to learning (May, Puffer & McCarthy 2005). The importance of trust is reinforced by the fact that Russian culture is considered a 'high-context-culture'. The lack of trust stemmed from the highly arbitrary punitive conditions of the communist and tsarist periods. Russians have traditionally exhibited low trust (Engelhard & Nägele 2003). Distrusting official institutions (could be also the company they work for) Russians maintain mutual trust within closed networks of personal relationships (Raiser 1999). Thus, the personal connections in the same way as a group membership may hinder or facilitate knowledge transfer.

Preserving stability. Russian managers tend to resist new ideas coming from outside as they may fracture stability and familiarity of an established group, also overall organizational order, and continuity (Michailova & Husted 2003). Moreover, if Russians do not accept knowledge from others, they believe they preserve the integrity of their own knowledge (Hutchings & Michailova 2006).

Departmental thinking. Socialist management had combined task orientation with a high level of task fragmentation in order to exercise political control over enterprises (Michailova & Husted 2003). Under the Soviet planning system, strategic content had been completely disconnected from the strategic processes, with managers receiving plans from central ministries. Russian managers want trainers to provide ready-made strategy content, but they were very apprehensive about getting involved in the strategy formulation process (May, Puffer & McCarthy 2005). Russian employees show: a general lack of responsibility for problems that are not directly related to their individual tasks; a lack of focus on the core of business problems; and inability to set priorities. Accordingly, Russian employees tend to favor narrowly defined tasks.

The lack of understanding interdependencies between business operations and organizational units limits Russian employees' ability to integrate and apply acquired knowledge properly (Engelhard & Nägele 2003). A Russian interviewee from the research conducted by Camiah and Hollinshead (2003) points "There is a need for us to understand that it is essential to carry out tasks from beginning to end. Not just to do 'my bit' but seeing each project in its context and understanding how it contributes to the overall picture". Similar findings appear in the works of following authors: Alexashin and Blenkinsopp (2005); Kluchevskii (1990); May, Young and Ledgerwood (1998). Using rational-analytical methods to explain the data with emphasis on explicit frameworks shall facilitate the transfer of originally tacit and actionable knowledge to Russia (May, Puffer & McCarthy 2005).

Pre-existing knowledge and experiences. An individual's ability to appreciate new knowledge is a function of their individual pre-existing knowledge (Hutchings & Michailova 2006). As Russian employees' individual experiences of working in a market economy are limited, therefore they frequently lack cognitive frames of reference, which help absorb new (implicit) knowledge schemes. The existing knowledge gap among Russian employees refers mostly to tacit knowledge about market economy (Engelhard & Nägele 2003).

Managers with experience in state-owned enterprises possess prejudices from their past including avoiding risk and accountability, mistrusting others, and lacking initiative. They find it difficult to change their mentality, accept new ideas, and adapt to new work systems. Most of the managerial values, attitudes and behaviors developed during the Soviet period are antithetical to Western management practices therefore are potential roadblocks to successful transferring of Western management knowledge. Although, the research conducted by Rayter Group found some Western knowledge and practices can be successfully build upon existing knowledge foundation. Moreover, emerging values of Russian young managers can also facilitate knowledge transfer (May, Puffer & McCarthy 2005).

Chauvinism or perceived self-superiority was an explanation of knowledge recipients' resistance to change that Russians as well as Western expatriate managers provided in the survey conducted by Camiah and Hollinshead (2003). Quoted from an interviewed Russian employee "We (Russians) are chauvinistic. We were taught that we are the best and I think that deep down we still want to believe this story" (Camiah & Hollinshead 2003: 256). Holden et al. (1998) and Zhelvis (2001) also found Russians exhibited attitude of their superiority to other nationalities impeded effective communication. Presumably, the more chauvinistic and proud of themselves as a nation Russians are, the less they want to learn from other countries' nationals. Consequently, the motivation to learn is positively related to degree of chauvinism possessed by a recipient. Suggesting Russians are chauvinistic, the characteristic suppose to hinder knowledge transfer.

Prior status of Russian language refers to preference of communication in own language and disregard to other languages. Holden and his colleagues (1998) found Russians showed exceptional pride of their language reinforced by the great literary tradition and ongoing propaganda through national media. On the other hand, Russians may neglect virtues of foreign languages due to their poor language skills. Engelhard and Nägele (2003) mention the lack of fluent language skills and local communication patterns of Western expatriates were impeding knowledge sharing between them and Russian employees. Russians are less motivated to interact with employees who are incapable of speaking Russian fluently and have limited understanding of the local

norms and conditions. The characteristic influences knowledge transfer depending on senders' fluency in Russian and their awareness of the host context. On the contrary, Ardichvili et al. (2006) surveying online communities of practice at Caterpillar discovered that Russian employees were less (than it was presupposed) concerned about the language issue: even those with less than perfect knowledge of English were comfortable posting rather lengthy messages or questions if it helped them learn better. The authors point a possible explanation for the results is the strong corporate culture of Caterpillar that promotes free and open communication. The present research assumes poor Russian language skills and lack of the local expertise among knowledge transmitters would restrain Russians' motivation to learn regardless their fluency in foreign languages.

Stoicism refers to patience, ability to endure hardship and survive under adverse conditions. The characteristic was developed under dire climate conditions, frequent invasions by neighboring countries, and dictatorship of the state Russians endured since ancient times (Kluchevskii 1990; Kets de Vries 2000; Zhelvis 2001). Moreover, the idea of suffering as a virtue and a way to attain salvation was traditionally supported by the Orthodox Church. Russians are accustomed to deal with difficulties while performing their duties in a long run (Ardichvili et al. 2006; Zhelvis 2001; Puffer 1994). The illustration of the quality is a common situation at Russian companies when employees continue working after several months' delays in salary payments. Alexashin and Blenkinsopp (2005) add Russians tend to stay calm and find creative solutions in situations that would lead to the crisis for an average American. The characteristic may help to overcome confusions related to unknown, complicated concepts while learning and adapting. Furthermore, original learning ability of Russian employees remains unaffected by surrounding pressures. Presumably, recipient's stoicism is positively related to knowledge transfer by maintaining their normal learning ability under various pressures.

Table 1.

The theoretical part of the study framework.

<i>Authors</i>	<i>Characteristic (What RQ 1)</i>	<i>Theory (How RQ 2)</i>
Michailova & Husted (2003); May, Puffer & McCarthy (2005); Jonsson & Elg (2006)	The high respect for hierarchy and formal power	Russians disregard knowledge received from the same or lower organizational hierarchical level due to the high score on power distance cultural dimension.
Michailova & Husted (2003); Engelhard & Nägele (2003); May, Puffer & McCarthy (2005)	Highly negative attitude towards mistakes	Culturally embedded characteristic further reinforced through institutional settings of the Soviet regime impedes critical thinking and learning abilities.
Michailova & Husted (2003); Camiah & Hollinshead (2003)	Lack of reflection at work	The characteristic was developed under institutional pressures during communist era. Avoidance of discussion on problematic issues and performing of critical thinking limits knowledge acquisition and its further application.
Michailova & Husted (2003); Engelhard & Nägele (2003)	Strong focus on procedures and regulations	The institutional theory provides an explanation for the high emphasis on formal rules and regulations at work. Russian people lack ability and motivation to question imposed procedures and improve performance, thus their learning is restricted when guidance is limited.
May, Puffer & McCarthy (2005); Zhelvis (2001)	Disrespect to formal rules and laws	Originated from inefficient established regulations disrespect to rules among Russians thrived during Soviet times. The characteristic was developed as a result of adaptation to existing institutional norms. It may impede knowledge transfer when recipient simulate learning process.
Michailova & Husted (2003); Camiah & Hollinshead (2003)	Not-Invented-Here syndrome	The characteristic was not clearly connected to cultural neither institutional theory. The denial to accept knowledge originated elsewhere was found hindering transfer of Western knowledge to Russia. On the other hand, if the content is modified according to the host conditions it may increase recipients' motivation to learn.
Camiah & Hollinshead (2003); Holden <i>et al.</i> (1998); Zhelvis (2001)	Self-uniqueness	As well as the previous characteristic self-uniqueness attitude is not attributed to institutional or cultural theory. The attitude may be common among other nations, as everybody inside the group tend to perceive the members are heterogeneous and outsiders homogeneous (Hofstede 2001). Hence, motivation to learn foreign concepts diminishes when a degree of perceived self-uniqueness increases.
Michailova & Husted (2003); Ardichvili, Maurer, Li, Wentling & Stuedemann (2006); Engelhard & Nägele (2003)	Strong group affiliation	The characteristic is attributed to Russian high score on collectivist cultural dimension. It has potential to hinder knowledge transfer when sender is an outsider, otherwise facilitate the process. The positive influence may be possible when a sender is accepted to a group recipient belongs to.

<i>Authors</i>	<i>Characteristic (What RQ 1)</i>	<i>Theory (How RQ 2)</i>
May, Puffer & McCarthy (2005); Engelhard & Nägele (2003)	Trust	The characteristic was developed under poor formal institutional regulations. It is related to suspicion to foreigners and group affiliation characteristics discussed earlier. Similarly, trust can facilitate and hinder knowledge transfer.
Michailova & Husted (2003); May, Puffer & McCarthy (2005); Hutchings & Michailova (2006)	Preserving stability	The characteristic was not clearly connected to cultural either institutional influences. Its origin might be rooted in high score on uncertainty avoidance cultural scale (Hofstede 2001). The denial to acquire new ideas to preserve an existing order of things apparently hinders knowledge transfer.
Michailova & Husted (2003); May, Puffer & McCarthy (2005); Camiah&Hollinshead (2003); Engelhard & Nägele (2003)	Departmental thinking	Planning directives from Soviet government and highly fragmented tasks assigned to organizations, units and individuals (institutional pressures) caused a lack of proper understanding of interconnections and interdependencies existing among business processes. Russian employees need to spend additional time and effort to organize transferred knowledge into comprehensive framework and put it in use.
May, Puffer & McCarthy (2005); Hutchings & Michailova (2006); May <i>et al.</i> (1998); Engelhard & Nägele (2003)	Pre-existing knowledge and experience	In line with the previous characteristic, recipients' ability to learn depends on knowledge and experience they possess. The knowledge and experience of Russians are very different and sometimes contradictory to Western business logic and ethics that may impede proper acquisition. Although, some authors claim some of Russians' pre-existing knowledge and experiences may help the transfer. Institutional theory explains the formation of distinctive (from Western) business logic and norms among Russians.
Camiah & Hollinshead (2003); Holden <i>et al.</i> (1998); Zhelvis (2001)	Chauvinism (self-superiority)	The attitude was empowered through state policy to enlighten and praise national advances comparatively to other countries. Unfavorable for Russia comparisons were neglected. Thus, Russian chauvinism was nourished by institutional arrangements. The characteristic restrains knowledge transfer by affecting the motivation to learn from countries historically perceived as 'less advanced'.

<i>Authors</i>	<i>Characteristic (What RQ 1)</i>	<i>Theory (How RQ 2)</i>
Holden <i>et al.</i> (1998); Camiah & Hollinshead (2003); Zhelvis (2001)	Prior status of Russian language	Presumably, institutional pressures in the form of national propaganda enabled the attitude. The Soviet educational system put more stress on scientific and engineering subjects than on foreign languages. The latter was considered less valuable skill as international contacts were limited under the communist rule. The result is poor language skills and overestimated status of the national language that may cause difficulties in communication while acquiring Western knowledge. On the other hand, senders' ability to speak Russian fluently and recognition of its virtues may facilitate the process.
Ardichvili <i>et al.</i> (2006); Kluhevskii (1990); Kets de Vries (2000); Zhelvis (2001); Alexashin <i>et al.</i> (2005); Puffer (1994)	Stoicism	Culturally incorporated through historical conditions Russian patience and endurance may facilitate knowledge transfer. In the volatile environment as Russia is the characteristic that let learning under unfavorable conditions is especially important to the success of knowledge transfer. While learning takes place under stressful circumstances, the characteristic is assumed to help the process.

The following characteristics from the table were taken as ground for hypotheses development, because they were not empirically tested by their authors.

- Disrespect to formal rules and laws;
- Departmental thinking;
- Self-uniqueness;
- Chauvinism;
- Prior status of Russian language;
- Stoicism.

Dana Minbaeva (2007) along with Szulanski (1996) notes recipients influence on cross-border knowledge transfer through their ability and motivation to learn. Inability and lack of motivation to acquire knowledge hinder the process, whilst good motivation and ability facilitate it. Recipient's ability and motivation to learn are equally important necessities for successful knowledge transfer. The six characteristics chosen for empirical test were organized in groups corresponding to Russians' ability, motivation and others (characteristics not clearly attributed to the previous two). Consequently, hypotheses related to each characteristic are presented in three groups to bring the structure to the empirical part of the research.

The first group consists of hypotheses regarding characteristics related to recipients' motivation to learn. The first hypothesis is built upon Russians' belief that they were unique people, distinctive especially from Western nations. This belief was not attributed to cultural neither institutional theory and is considered a characteristic that was not developed during the period of the communist rule, in other words non-Soviet characteristic. Convinced of being unique nation, Russians often reject to learn concepts when they originate from other countries in a belief of inapplicability of imported knowledge, especially from Western society.

Hypothesis 1: Perceived **national uniqueness** among Russians influences cross-border knowledge transfer.

Russians possess national chauvinism especially towards Western countries due to their historical opposition. Formed in the tsarist periods of Russian great empire the characteristic was reinforced by the Soviet propaganda of national invincibility and aggressive opposition to the Western capitalistic countries. The institutional theory describes and explains formation and development of the characteristic. Because of national chauvinism, Russians are not motivated to learn from other countries especially from traditionally disregarded Western society members. Consequently, recipients may reject knowledge transferred from Western countries.

Hypothesis 2: Russian **chauvinism** influences cross-border knowledge transfer.

Russians are proud of their language beauty and convenience comparatively to the other languages. As previously discussed characteristic, the prior status of Russian language was reinforced during Soviet era by the government policies. The formation of disregard to other than national languages among Russians is described and explained by institutional theory. Russian recipients are not motivated to learn from a sender who lacks fluency in Russian. On the other hand, Russians are willing to learn if a sender speaks their language well. Consequently, the characteristic influences knowledge transfer depending on sender's ability to speak recipient's national language.

Hypothesis 3: **Prior status of Russian language** among Russians influences cross-border knowledge transfer.

The second group consists of hypotheses regarding characteristics related to recipients' ability to learn. The characteristic departmental thinking refers to inability to relate business operation areas and fragmented approach to tasks. Russians lack the understanding of the value of knowledge received from different departments and organizational levels. Institutional theory explains how the Soviet government directives formed and facilitate the development of the characteristic. Russians' inability to recognize the value of knowledge transferred from other units and departments causes rejection to acquire this knowledge because they (recipients) see the source or the content irrelevant to their functions.

*Hypothesis 4: **Departmental thinking** among Russians (inability to relate business operation areas and fragmented approach to tasks) influences cross-border knowledge transfer.*

Historically Russians are used to deal with adverse conditions. Cultural theorists called the characteristic Russian stoicism. The ability to deal calmly with difficulties at work helps recipients to learn under unfavorable conditions. For example, Russians can overcome stress and confusion related to comprehension of complicated and unfamiliar concepts. Consequently, recipients' stoicism facilitates learning of unknown Western knowledge.

*Hypothesis 5: **Stoicism** of Russian recipients influences cross-border knowledge transfer, especially when learning takes place under unfavorable conditions.*

The third group compound the hypothesis regarding the characteristic, which was not clearly related to recipient's ability neither motivation to acquire knowledge. Traditionally inflexible and ineffective formal regulations in Russia provoked disrespect to formal rules and laws among Russians. During the Soviet times, the action of breaking established rules became socially admirable behavior encouraging development of the characteristic. Another aspect of characteristic is circumventing rules in underhanded ways. Recipients avoid following instructions and hide it. This behavior is known as façade legitimacy (Lang & Steger 2002), which restricts

knowledge transfer because instead of learning and integrating knowledge recipients create an appearance of doing so.

Hypothesis 6: Disrespect to formal rules among Russians influences cross-border knowledge transfer.

Besides testing above-stated hypotheses, the empirical research explores other characteristics that may influence cross-border knowledge transfer to Russia. The findings on hypotheses testing as well as explorative part of the research are reported in the fourth chapter. The next chapter dedicated to empirical research. It describes the study design, data collection and analysis methods.

3. RESEARCH METHODOLOGY

3.1. Research Design

Several approaches are available for a researcher to develop an appropriate study design. Single methods, or their combination, can create research structure. The present paper is designed using multi-method approach. The first part of the work presented in the previous chapter followed the logic of a structured scientific approach. The research question ‘what’ corresponds to the scientific view. The developed framework drew pre-understanding of results sought that refers to structured design techniques. Whereas the empirical part along with scientific logic applies some elements of ethnographic perspective. Exploration of yet undiscovered characteristics influential on knowledge transfer is ethnographic in matter (Maylor & Blackmon 2005.)

The study aims to test and extend the theoretically developed framework. Accordingly, purposes of the empirical research include testing formulated hypotheses and exploring undiscovered characteristics influential on cross-border knowledge transfer to Russia not embraced by the framework. Thereby, the study is descriptive and explorative, which is common for the research answering ‘what’ questions (Maylor & Blackmon 2005). The underlying research logic is rather deductive. The study moves from the general theory on cross-border knowledge transfer to the exploration of host characteristics of the particular context influential on the process. Host context characteristics and their influence on cross-border knowledge transfer, investigated during the study, are factors of qualitative nature. Consequently, methods chosen for data gathering and analysis are qualitative.

3.2. Data Collection

The data collection method is interviewing. Respondent’s experiences of learning from their Western colleagues are discussed during interview sessions. The developed interview guide (Appendix 1) helps the researcher to structure the interview process.

The guide is divided into six sections. The first section called ‘Communication’ clears up the terms of the study. During this stage, the interviewer finds common language with an interviewee through detecting the words familiar to a respondent that correspond to situations when knowledge transfer occurs. Training activities, experience exchanges, instructions, advices, guidelines, ideas, and recommendations provided by Western colleagues are examples of the terms that refer to learning at the workplace. Consequently, none of the academic terms appears during discussion to avoid confusions and misinterpretations. When the vocabulary is established and cleared up the interview progresses to the second stage. The second section named ‘Effectiveness’ carries out an exploration of factors defining learning experience as successful or failure. Each interviewee provides their insight on how successful was their learning and possible reasons of failure to learn. Moreover, interviewees are asked to provide examples of gained knowledge application to test the reliability of their opinion. The sections from third to sixth narrow down the discussion to six characteristics and related hypotheses. Three sections discuss motivational, ability related and other characteristics influential on cross-border knowledge transfer accordingly. The sections aim to track if interviewee possesses investigated characteristics and detect how these characteristics influenced on knowledge acquisition by exploring experiences of each respondent.

In order to avoid possible drawbacks of limited proficiency in English the interviews are conducted in native language of interviewees and the interviewer - Russian. Consequently, prior the data collection, the interview guide was interpreted into Russian. The accurate verification of associations attributed to used words was applied during translation to transfer the meaning of each concept as precisely as possible.

At the stage of drafting interview questions, the researcher was aware of potential pitfalls. Asking ‘why’ questions may lead to answers containing subjective personal opinions and misinterpretation of facts. To avoid this bias the researcher completes the guide mostly with ‘what’ and ‘how’ questions. Collecting the answers for ‘whats’ and ‘hows’ makes it is possible to find explanations for ‘whys’ during an analysis stage (Gubrium & Holstein 2000). Another common drawback of interviewing is asking leading questions. This kind of question includes one possible answer and an

interviewee is tempted to agree providing one-word reply. One-word answers deteriorate value of research data. The interviewer shall minimize the possibility of receiving this type of replies already while formulating the questions and during interview sessions by asking additional clarification. The interview guide was completed with majority of open-ended questions asking interviewees to provide examples of particular situations from their experiences. Open-ended questions enrich tested characteristics with new details and let new characteristics emerge during discussions (Maylor & Blackmon 2005).

Prior to the research data collection, two pilot sessions were conducted to challenge the drawn interview guide for consistency. The revision resulted in minor changes of wording and structure. The pilot interviews were an important start up for the empirical research, as the author did not have previous interviewing experience. Along with eliminating possible mistakes of the interview guide, pilot sessions helped the researcher to familiarize with interviewing techniques in practice.

The data collection stage shall go on until the point of theoretical saturation, when additional data no longer brings extra information to the research (Maylor & Blackmon 2005). After conducting eight interviews the similar patterns of the data collected were clearly identifiable. Moreover, two pilot interviews appeared to be almost as productive as the following eight sessions and were included in the research data. The data from ten interviews showed a satisfactory level of theoretical saturation and the collection stage ended.

The interviews were conducted in May 2008. The average duration of each session was 50 minutes and was audio recorded. Audio files were transcribed the same day the conversation took place. The transcriptions include the whole dialogue and additional notes made by the interviewer (Maylor & Blackmon 2005). The notes contained comments on emotional background of given responses. This information is helpful to draw comprehensive conclusions based on both emotional and rational reactions of interviewees.

The study sample includes Russians

- On average 25 years old (to minimize Soviet influence to their character formation discussed in the previous chapter);
- Employed by Western companies in Russia for one year or longer and keeping up frequent contacts with their Western colleagues.

Potential interviewees were reached through convenience and snowball sampling techniques (Maylor & Blackmon 2005). Each respondent was first or second level connection of the researcher's personal network. This approach was evidenced to have a positive effect on the quality of data collected when conducting research on Russians (Hitt, Ahlstrom, Dacin, Levitas & Svobodina 2004). Knowing that non-probability sampling could cause generalization biases and validation inconsistency (Maylor & Blackmon 2005), people with diverse backgrounds was approached. Ten respondents represent seven different occupation fields. Their companies are headquartered in eight various Western countries and belong to ten distinctive industries. The majority of the interviewees work in Saint Petersburg, although most of them grew up in other Russian cities. Interviewees' profiles are summarized in Table 2.

Table 2.

Profiles of interviewees.

<i>Nº</i>	<i>Occupation</i>	<i>Gender</i>	<i>Age</i>	<i>Level</i>	<i>Industry</i>	<i>Headquarter</i>	<i>Local unit</i>
1	Research	Female	25	Non-Manager	Education	Denmark	S-Petersburg
2	Training	Female	26	Non-Manager	Consulting	Netherlands	S-Petersburg
3	Customer Service	Female	22	Non-Manager	Hospitality	USA	Samara
4	HR	Female	26	Manager	Shipping	Norway	S-Petersburg
5	Production	Male	25	Manager	Machinery	Switzerland	Moscow
6	IT	Male	24	Non-Manager	Software	Sweden	S-Petersburg
7	HR	Female	24	Manager	Wholesale	Germany	S-Petersburg
8	Marketing	Female	26	Manager	Retail	France	S-Petersburg
9	Research	Male	25	Non-Manager	Mobile Techs	USA	S-Petersburg
10	IT	Male	29	Non-Manager	Banking	Denmark	S-Petersburg

Conclusively, the data for the empirical research is obtained through series of interviews, conducted via telephone and using the interview guide (Appendix 1).

According to terminology offered by Richardson, Dohrenwend and Klein (1965) in their book 'Interviewing: its forms and functions:'

- The interview was *Standardized* and *Scheduled*, the same questions (interview guide) were asked homogeneous respondents (sample);
- The questions were *Narrow-open* type organized in themes, each aims to discover particular situations' examples from interviewee's experience; and *Subjective* – ask descriptions of interviewees' opinions, feelings, places and events.

3.3. Data Analysis

The analysis performed in the study followed a deductive strategy also called enumerative or conceptual that starts with preliminary casual network⁹ embodied in the study framework.

A hundred pages of raw material in Russian language came out of the data collection. Structured analysis techniques were applied to process the data. In the beginning, the transcripts were carefully re-read; common patterns were pointed applying codes and key words. The next step was elimination of non-informative for the research purposes data (Rapley 2004). The revision resulted into two to three pages data out of each interview. Short phone calls (duration of five to ten minutes) were made to each interviewee to verify the transcribed data was put down as they meant it. Few corrections were made upon the remarks received. The method of 'phone verification' helped to save time for both interviewer (awaiting the answers if transcripts were sent by e-mail) and interviewees who otherwise needed to type their comments. In case of 'e-mail verification,' the interviewer never finds out if the interviewee did not have comments or did not want to spend time typing them. This 'win-win' approach also contributed to the research quality. Respondents were thankful their answers were interpreted correctly and appreciated the time saving scheme applied. Their comments

⁹ Casual network - reflection of the most important dependant and independent variables and relations between them (Miles & Huberman 1984).

were a valuable complement to the data collected. The verified data was translated into English.

As Miles and Huberman (1984) point out, narrative text alone is an extremely weak and cumbersome way of displaying data in qualitative analysis. Accordingly, quotations from the interviewees were summarized into conceptually clustered matrix (Miles & Huberman 1984), which was found the most suitable way of displaying the material. In matrices, interviewees' quotations are linked six raised assumptions and emerged characteristics. To avoid monolithism and blurring data among emerged characteristics, 'splitting variables' technique was applied (Miles & Huberman 1984). Complex characteristics that arise during the exploration stage were split in two when it was applicable. The number of interviewees supporting each characteristic related hypothesis from deductive part as well as the number mentioned emerging characteristics from explorative part of the research are summarized in Table 3 in the next chapter.

3.4. Reliability and Validity

The reliability and validity of data collected are frequently questioned in qualitative research (Seale, Gobo, Gubrium & Silverman 2004). A number of steps were taken to avoid common mistakes and biases. Some of those were already mentioned in the previous section. This part presents detailed discussion on research quality issues.

Reliability refers to repeatability of the study, when using the same methods again brings similar results (Maylor and Blackmon 2004). The method of the study is a semi-structured interview. Asking questions and getting answers is a much harder task than it may seem at first. Researcher's competences and preparedness to interviewing influence the reliability of the study significantly (Fontana & Frey 2000). When researchers decide to collect data through personal conversation they need to:

- Access the setting (find ways to get in);
- Understand the language and the culture of the respondents;
- Decide on how to present oneself;

- Locate an informant;
- Gain trust.

Inaccurate implementation of any step may cause researcher's bias that impedes repeatability. Especially being an inexperienced interviewer, the author of the study prepared to the sessions very carefully.

Convenience and snowball sampling strategies helped to eliminate some of possible research biases. The participants were reached through personal contacts. Consequently, building trust and getting their proper involvement during the interviews was not difficult. Understanding the language and culture was not an issue as the interviewees and the interviewee were the same nationality. However, the latter has negative aspect of increasing subjectivity of the research findings and conclusions. Various sources originated from different cultures and points of view were applied throughout the study to reduce a bias of the researcher's subjectivity.

Another common researcher's bias in interview analysis is dismissing contradictory data without explanation. The researcher has a great influence on what part of data will be reported and how it will be reported (Fontana & Frey 2000). Controversies may appear during the research and to make the results smoother a researcher is tempted to conceal them. The literature review of this study presents a number of controversies that academicians had encountered studying cultural aspects of Russian context and cross-border knowledge transfer, thus establishing a basis for explanation of confusing or unclear evidence.

The use of specific terms may decrease reliability of collected data when interviewees do not clearly understand these concepts. Informants may interpret asked questions differently and give unrelated answers that negatively affect reliability of the whole research (Fontana & Frey 2000). Accordingly, special terms like knowledge transfer were avoided during the interviews. Knowledge transfer concept was described with familiar words a respondent attributed to learning situations. These familiar to each interviewee words were detected during 'Communication' section. The meaning of successful learning and failure to learn is defined in 'Effectiveness' section.

The type of the interviewing selected, the techniques used and the ways of information recording all come to bear on the results of the study (Fontana & Frey 2000: 660). The quality of research methods is called instrumental validity. A detailed description of the study method completed with the materials used during the research ensures the instrumental validity of this study.

Internal validity of the study is achieved through an atmosphere of trust and confidentiality during the interviews. Respondents' and companies' names do not appear in the paper. The sample of individuals with diverse backgrounds discussed in the data collection section also increases the internal validity. The use of triangulation techniques described by Maylor and Blackmon (2004) helps to strengthen internal validity of the study. Triangulation was achieved through application of:

- Multiple sources of data (books, articles, interviews);
- Multiple viewpoints (managerial, cultural, psychological, historical, political literature; different nationalities of authors; various dates of publication from 1960 to 2008).

External validity is transferability of the study results to a larger sample also regarded as generalization of results, where generalizability is connected to sample representativeness. According to Gobo (2004: 453), representativeness is about sampling, it is variance of the phenomenon under study. Whereas, generalizability in qualitative research concerns general structures rather than single social practices, which are only an example of this structure. Thus, the researcher does not generalize event, one case or another that cannot recur, but its main structural aspects that can be noticed in other cases or events of the same kind of class. Besides, to small samples of qualitative studies, the researcher can apply theoretical instead of statistical generalization techniques (Yin 1989). The replication logic theoretical generalization uses let generalizing from one case to another based on variety of the study sample. Meaning that the researcher selects not only cases where one might expect that results obtained in a previously conducted study are repeated and thus affirmed, but also cases where one might expect the research results to contradict the previously affirmed

substantive hypothesis (Smaling 2003). Maximizing the variety of interviewees' backgrounds, at the extent the researcher's resource limitations let it, was applied to enable theoretical generalization at the analysis stage.

The subject of the study brings additional concerns to research reliability and validity. Cultural characteristics might be confused with individual interviewees' traits. Therefore, emerged characteristics appeared during the empirical research were challenged to be a national characteristic potentially influential on cross-border knowledge transfer through extensive literature review. Linking qualitative research results to previous theories and findings also helped to extend the research creditability.

4. RESULTS

The chapter presents results of the empirical research. Two sections draw findings on hypotheses testing and explorative part of the research. The results are completed with quotations from interview sessions and short explanations. Aggregated findings and are summarized in the conclusive section.

4.1. Findings Regarding Hypotheses

This section draws findings on the hypotheses based on six characteristics from the study framework.

Hypothesis 1: Five interviewees showed perceived **self-uniqueness** affected their motivation to acquire knowledge. Consequently, the characteristic influenced cross-border knowledge transfer. The participants were not willing to learn about specific business areas because they considered the Western colleagues had limited knowledge about Russia and were incapable of understanding nuances of unique Russian context. Quoted from one interviewee:

“They (Western superiors) do not understand very well our culture, mentality and have a limited view on the local conditions. In a matter of fact, they cannot understand us because they are not Russian. They cannot operate well contextually bonded issues”

Another participant words were:

“My Western superiors can hardly understand how things work here in Russia. Hence, I try to avoid discussing issues and following recommendations related to this unknown for them area.”

In line with the hypothesis, the prejudice of self-uniqueness results in ignorance of knowledge related to perceivably unique areas of business operations. An example mentioned by three interviewees was dealing with the authorities. Russians considered

bribing in many cases was the only way to pull a project through and gain necessary authorizations whereas according to the Western code of conduct the measure was unacceptable. The Western headquarters failed to transfer this knowledge, because Russian employees strongly doubted its applicability to Russian context.

Interviewees who possessed discussed characteristic also showed a lack of rational arguments to support their belief of Russian uniqueness. The following quotation is an example:

“They (Westerners) can never understand us simply because they are not Russian.”

According the participants, there was a lack of content adaptation of transferred knowledge due to senders’ poor Russian expertise. The opinion of recipients is subjective and reflect unwillingness to admit that some Western knowledge are compatible and applicable to Russian conditions meaning, they (Russians) are not as unique as they thought they were. Holden et al. (1998) explains Russians enjoy feeling unique. Thus, the resistance to acquire ‘inapplicable’ Western knowledge may be inflexible and persistent. Couple of interviewees, who did not support the hypothesis, mentioned Western knowledge such as HR practices and financial models was applicable to Russian context and definitely worth to acquire.

Hypothesis 2: Three participants expressed **chauvinism** towards Western countries that clearly hindered their motivation to learn from Western colleagues. Consequently, the characteristic influenced cross-border knowledge transfer. Two interviewees mentioned poor educational background of their Western superiors that decreased their motivation to learn from these people. The one put it as follows:

“I saw very few bright people among Western expatriates working in Russia. What a person with a limited experience and a mediocre bachelor degree can teach me – an experienced and well-educated expert?”

Another interviewee expressed negative motivation to participate in a corporate training with words:

“These trainings would probably be useful for some American, but for us (Russians) this knowledge is elementary! I do not want waste my time attending these trainings and try to skip them when possible.”

Among the interviewees who did not support the hypothesis, one commented on the attitudes persistent among her Russian colleagues:

“A common belief among Russians: we are the smartest nation. However, the quality of Russian basic education is lowering and business schools are still far behind their Western counterparts. There are still many things to learn from the West.”

Two more interviewees pointed they tended to overestimate their educational background before they found it was not sufficient to fulfill some tasks and additional training was needed.

Hypothesis 3: Three of the interviewees experienced communication problems that restricted their learning when working language was not Russian, which influenced cross-border knowledge transfer. Common reasons were poor Russian language skills among Western colleagues and lack of foreign language fluency among Russian employees (the latter caused by historically **prior status of Russian language** and consequently less attention to foreign languages in the public education system). One of the interviewees explained:

“I can freely discuss problems and nuances related to my work in Russian, whereas in English I would likely speak less detail as I simply cannot express myself so well.”

Another participant points emotional discomfort she experienced due to lack of proficiency in a foreign language:

“I do not ask questions or require additional comments about the work due to my poor English, in the same situation with Russian superior I would ask.”

Causes of communication consequently learning problems mostly were recipient's foreign or sender's Russian poor language skills and fear of confusion in case of failure to express properly. The latter originates from highly negative attitude to mistakes (Husted & Michailova 2003), which refers to 'lack of reflection' characteristic from the study framework. The rest of the interviewees did not express any preference of using Russian language in work related discussions. Three of them stated they preferred using a company working language for any conversations occurring at the work place.

Hypothesis 4: Majority of the participants exhibited inability to relate acquired knowledge to their work if interconnection was indirect (**departmental thinking**) that negatively affected their motivation to learn this knowledge. Consequently, the characteristic influenced cross-border knowledge transfer. An example is one interviewee's experience of resistance to gain knowledge from Western colleagues working in the other business units:

“I do not want to get recommendations from other departments' employees. I consider this activity is a waste of time and it makes me feel irritated.”

Another participant working at the customer service department similarly notes:

“I was annoyed attending marketing training as considered it useless (unrelated to my responsibilities) and would rather spend time working on my current tasks.”

The rest of the interviewees also showed reluctance to deal with knowledge coming from ‘unrelated’ to their area of operations sources. Hence, lack of understanding of interconnection between all business areas impeded knowledge transfer. Another aspect of the characteristic is a lack of personal planning skill among Russian employees. Benefits of individual planning are not recognized because the skill is often seen attributed to managerial responsibilities. One participant explained:

“I do not need to plan my activities as it is a responsibility of my superiors. They have a ‘helicopter view’ on the whole business and can better allocate individual tasks.”

Apparently, the individual planning in this example is mixed up with strategic business planning – managerial activity. The lack of pre-existing knowledge about business operations noted in the study framework may cause misinterpretation of the terms and lead to wrong perceptions.

Hypothesis 5: Stoicism of Russian employees did not appear significantly connected to cross-border knowledge transfer process. Although, all the participants clearly exhibited the characteristic, its influence on cross-border knowledge transfer was evidenced only from the experiences of two interviewees. Quoted from one of them:

“When I am assigned new tasks or given additional responsibilities I have to learn quite a lot to perform them well. During office hours, I do not always have time to find all the answers to my questions. Hence, some evenings I stay longer at work to clear up all the details.”

Another interviewee who works at the US-based company was also willing to stay at work late in order to communicate with his American colleagues via video conference calls. He explained it was more convenient and efficient to discuss issues and ask questions interactively than via e-mail communication. Consequently, both interviewees accepted longer working hours in order to get more knowledge and improve the quality of learning.

Hypothesis 6: Over a half of the interviewed employees exhibited **disrespect to formal rules** by disregarding standard procedures related to knowledge acquisition activities. Consequently, the characteristic influenced cross-border knowledge transfer. One respondent confessed:

“I used to skip obligatory trainings organized by our Western headquarter. Russian managers in charge of participation control agreed the trainings were useless and let me do it.”

An interviewee from banking industry who did not support the assumption by his own experience commented on behaviors of his Russian colleagues:

“In our industry, there are many formal rules that from the first sight are quite stupid, but they provide required level of security. Western employees follow all the rules. Whereas, Russians tend to break those they consider of less or no importance.”

From these examples, the characteristic is connected to the previously discussed ‘departmental thinking’. When Russian employees cannot relate a piece of received knowledge to their work directly, they tend to ignore it.

4.2. Findings Regarding Explorative Part of the Research

Four characteristics appeared during exploration stage of the research. Two of them were already listed in the study framework. Another two characteristics were not previously connected to cross-border knowledge transfer. The empirical evidence on four characteristics’ influence on recipients’ learning is stated below.

The aspect of informal relationships orientation related to the **strong group affiliation** characteristic came up during explorative part in the six interview sessions. Over a half of the participants stated their communication with Western colleagues was rather informal due to less hierarchical and open organizational cultures of their companies.

Russian employees' informal relationships orientation helped establish closer contacts that let knowledge flow freely within emerged networks. Consequently, the characteristic influenced cross-border knowledge transfer. One interviewee shared:

“Building long-term contacts with Western colleagues and informal manner of communication they encourage help me learn many important things related to my work. Thanks to closer connections we have established, now we understand each other very well.”

The rest of the interviewees also mentioned an informal communication style of their Western colleagues encouraged learning at the workplace. Accordingly, Western companies' flat organizational structures and friendly cultures helped their employees to get accepted to 'in-group' level by Russian colleagues. This acceptance positively influenced knowledge transfer from Western companies to their Russian employees.

A few interviewees appeared **suspicious of foreigners** claiming that Western people tend to abuse and accuse Russians as a nation. This characteristic of Russian recipients hampered cross-border knowledge transfer. The interviewee who did not support this finding herself pointed the attitude persistent among some of her older colleagues:

“Many Russians ridiculously reckon that knowledge the West transfers aims to weaken Russia's competitiveness, because of their historical rivalry.”

Due to an old perception that Western countries were hostile towards Russia, some people are still very cautious and look for hidden motives of Western companies in Russia (Puffer & McCarthy 1995; Holden *et al.* 1998). An interviewee who holds managerial position while discussing characteristics of Russian national context that possibly restrict acquiring of Western knowledge replied:

“There are no such characteristics that impede learning among Russians. Westerners imagined and promoted existence of these characteristics to place themselves superior to Russians.”

The interviewee lacked rational argumentation when was asked to provide further explanation of his opinion. The quotation rather exhibits a general suspicion that Western countries consider Russia is an underdeveloped society than a personal experience of being abused by Westerners.

Four interviewees independently showed **willingness to ask questions** and discuss problematic issues that helped their learning. Consequently, the characteristic facilitated cross-border knowledge transfer. The following quotations show Russians do not hesitate to ask an advice from Western colleagues when needed.

“When facing difficult issues first I consult colleagues who may have already dealt with similar problem and can share the solution.”

“I was promoted for a higher position there were many things to learn related to the new tasks and responsibilities. My Norwegian colleagues helped me a lot answering my questions and providing important details. ”

This finding contradicts to some of the study frameworks' statements. According to Husted and Michailova (2003), Camiah and Hollinshead (2003) Russian employees tend to avoid discussing on problematic issues at work. However, Ardichvili et. al (2006) found Russian employees at Caterpillar were prone to ask work related questions and comment on their experiences. Different age groups of interviewed people and times of data collection may cause divergence of the results gained by these researchers. The sample average age of this study was 25 years.

Two interviewees demonstrated their emotional attitudes dominated rational decision-making during knowledge acquisition. Thus, **emotionality** of Russian recipients influenced cross-border knowledge transfer. As an example, one participant preferred learning from Italian colleagues because of his personal affiliation and their common behavior patterns. Although, he admitted Swedes possessed more knowledge and their sharing activities were organized better. His motivation to learn was personally and

emotionally bonded. Consequently, cross-border knowledge transfer was facilitated when emotional bonds among senders and the interviewee existed, otherwise transfer was impeded. Another interviewee also showed emotional bonds established with some of his Western colleagues caused frequented contacts and helped him “*find out many work related details and improve the quality of the tasks [they] perform together*”.

Kets de Vries (2001), Camiah and Hollinshead (2003), Zhelvis (2001) found Russians were emotional people compare to a number of Western nations. Fons Trompenaars (1993) ranked Russia high on his affective relationships dimension, which corresponds to

- Nonverbal and verbal display of thoughts and feelings
- Transparency and expressiveness in release of tensions
- Easy flow of emotions sometimes effusively, vehemently and without inhibition
- The admiration and display of heated, vital, animated expressions
- Fluent and dramatic delivery of statements.

Emotionality of Russians may hinder knowledge transfer from Western countries defined as Neutral relationship according to Trompenaars’ dimensions. On the other hand, those countries ranked as affective relationships oriented may be more successful in transferring knowledge to Russia.

4.3. Summary of the Results

The number of interviewees who supported each hypothesis and characteristic is summarized in Table 3. The research detected ten Russian context characteristics influential on cross-border knowledge transfer. All the characteristics were found influential by the experiences of at least two interviewees. Due to qualitative nature of analysis and the small study sample, results for each assumption and characteristic are not stated significant or insignificant.

According to the findings, departmental thinking, disrespect to formal rules, and group affiliation were the most common characteristics connected to knowledge transfer

(marked with grey fields). All of them were formed during Soviet period and their influence on knowledge transfer was described by institutional theory. Considering shared by interviewees' experiences the first two characteristics impeded learning. Whereas, group affiliation attributed to Russian employees helped them learn better thanks to establishing closer contacts with knowledge senders. The least common characteristics influential on cross-border knowledge transfer among participants were stoicism, suspicion of foreigners, and emotionality. All of these characteristics were historically formed in Russia prior the Soviet period. Cultural theory explains the influence of these characteristics on cross-border knowledge transfer. Suspicion of foreigners and 'emotionality were results of the explorative part of the research and need further investigation for more accurate conclusions.

The majority of the investigated during empirical research host context characteristics impeded cross-border transfer of knowledge. Two characteristics were facilitating recipients' learning and one facilitated and impeded the process depending on senders' characteristics. Nevertheless, it is important to understand that every characteristic has a potential to influence the process in both ways depending on conditions. The thorough investigation of each characteristic under different circumstances is needed to unveil all the aspects of its influence on cross-border knowledge transfer.

Table 3.

Aggregated empirical results from ten interviews.

Source	Theory	Formation	Characteristic Influential on Knowledge Transfer	Supported	Detected Influence
<i>results of Hypotheses testing</i>					
<i>Hypothesis 1</i>	None	<i>Non-Soviet</i>	Self-uniqueness	5	Negative
<i>Hypothesis 2</i>	Institutional	<i>Partly Soviet</i>	Chauvinism	3	Negative
<i>Hypothesis 3</i>	Institutional	<i>Partly Soviet</i>	Prior status of Russian language	3	Negative
<i>Hypothesis 4</i>	Institutional	<i>Soviet</i>	Departmental thinking	9	Negative
<i>Hypothesis 5</i>	Cultural	<i>Non-Soviet</i>	Stoicism	2	Positive
<i>Hypothesis 6</i>	Institutional	<i>Soviet</i>	Disrespect to formal rules and laws	6	Negative
<i>results of the Explorative part of the research</i>					
<i>Study Framework</i>	Institutional	<i>Soviet</i>	Group affiliation	6	Positive
<i>Study Framework</i>	Cultural	<i>Non-Soviet</i>	Suspicion of foreigners	2	Negative
<i>Empirical Exploration</i>					
<i>Empirical Exploration</i>	None	<i>Non-Soviet</i>	Not confused to ask questions	4	Positive
<i>Empirical Exploration</i>	Cultural	<i>Non-Soviet</i>	Emotionality	2	Positive / Negative

5. CONCLUSION

5.1. Discussion on the Findings

The section contains further discussion on the findings reported in the previous chapter. Explanations on the results and controversies that appeared in the results are provided.

The research found that Russian employees considered some areas of business operations unique and others relatively universal. Knowledge related to unique areas was ignored in many cases. According to the findings, the characteristic was related to perceived knowledge applicability discussed in the literature review chapter. People naturally resist change and tend to see new things as inapplicable. That is why proper communication and explanation of benefits the new knowledge brings is so important to its successful transfer and incorporation. None of the interviewees mentioned that the knowledge was accompanied with such a discussion. The main priority of the senders is the practical transfer of the content without additional clarification (Lang & Steger 2002). Consequently, one possible explanation is Russians' perceived self-uniqueness is reinforced by senders' poor commitment to cross-border knowledge transfer. On the other hand, once established opinion of national uniqueness can be inflexible and die-hard (Holden et. al 1998). Accordingly, even when the content of transferred knowledge is adapted to local conditions Russians may persist with their resistance to learn.

Russian chauvinism was another characteristic that restricted employees' motivation to learn. In line with Camiah and Hollinshead (2003) findings, the attitude of self-superiority to other nations common among the participants of the research appeared inflexible. Feeling superior to other countries is an issue of national pride, which is very important for Russian people (Zhelvis 2001). Besides, a limited availability of reliable information about foreign countries in Russian media narrows the perceptions people develop in their minds. Consequently, one way to overcome the characteristic as a hindrance to knowledge transfer is to encouraging employees to expand their perspective by advising them to use reliable information from various sources.

However, the process of one's mindset change might be long and not necessarily successful.

Senders' lack of fluency in Russian language impeded knowledge transfer, which was the case when interviewees did not speak a language used at work fluently. On the other hand, Russian employees who spoke a foreign language fluently did not experience any motivational problems due to poor Russian of their Western colleagues. The characteristic - prior status of national language originates from low priority of foreign languages in public education and lack of foreign media broadcasting on national level. Although at personal level, the research participants preferred using Russian language for communication only because of their poor foreign language skills.

The most common characteristic among interviewees impeding learning was the lack of understanding the big picture or departmental thinking. Participants holding managerial positions were among others lacking clear understanding of interconnections between business operations. The subordinates cannot learn to relate pieces of business operations if their superior is incapable of doing so. Hence, the higher organizational level of Russian units is important element for knowledge transfer to Russia. Senders should consider Russian managerial level employees at the first place when trying to diminish negative influence of the characteristic.

The influence of Russian stoicism on knowledge transfer did not come up in the experiences of many participants. The characteristic that only appears under unfavorable conditions might be hard to detect. Not every recipient had experienced adverse conditions while learning even though they possess the characteristic. A research exploring recipient behavioral patterns during particular circumstances should be conducted in order to describe the characteristic in detail.

Disrespect to formal rules and laws among Russians impeded proper knowledge acquisition in experiences of interviewed people. However, the characteristic may also be a source of innovation. In the context of knowledge transfer, it entails abandonment of formal and informal rules attributed to learning process. This action may lead to

alternative outcomes. On the one hand, breaking of procedures established to let transmission of knowledge hinders the process. On the other hand, going beyond the limits could mean developing new approaches or improving existing ones.

The performance improvement is possible through ‘sustaining technologies’ that implicate marginal process improvements within an existing framework. The other way is improvement through ‘disruptive innovation’ that is a venture with high failure rate, though the positive outcome significantly rewards its holder (Christensen & Raynor 2003). However, to grasp benefits of potential innovation occurring at the recipient side two-way knowledge transfer should be enabled. A separate research considering two-way transfer and investigating this characteristic may help to identify its possible facilitating influence on cross-border knowledge transfer to Russia.

Nevertheless some authors found strong group affiliation among Russians to have negative effect on cross-border knowledge transfer (Husted & Michailova 2003), the results of this research showed that Russian employees’ affiliation to their work teams, departments and companies motivated them to learn from the Western colleagues belonging to these groups. Consequently, informal relationship orientation attributed to collectivistic cultures including Russia helps companies with open and friendly organizational cultures to motivate their Russian employees to learn more from colleagues.

The attitudes developed during Soviet times such as suspicion towards foreigners were found persistent among young Russians. The political relationships between Russia and many Western countries are still quite tense. The countries still cannot come to terms on many issues. Russian media often illuminates the events favoring Kremlin’s actions. Thus, Russians who use only local sources of information maintain a Soviet former perception that Western countries in many ways are hostile to Russia and its people.

A contradictory finding that came out during explorative research was that Russians are not confused to ask questions and engage into discussions on problematic issues at their work. The previous findings state Russian employees avoided such discussions (Husted & Michailova 2003; Camiah & Hollinshead 2003). The characteristic could have

changed thanks to a strong group affiliation discussed earlier. As Russians established informal relationships with their colleagues, asking questions and admitting their mistakes was not an issue anymore within an inner circle of people.

The countries that have many context characteristics in common and shorter cultural, geographical, and linguistic distance potentially have smoother knowledge transfer between them (Ambos & Ambos 2009). Although, it was also found that the most distinctive countries have greater potential for business synergies and mutual learning. The present research found the motivation to learn was dependant on countries' proximity. Russians people were prone to emotional guidance rather than rationale when choosing the sender they would like to learn from.

The common pattern of combined findings is that Russians are poor cosmopolitans. The limited number of foreigners in the country, subjective local media, poor availability of global media sources and infrequent travelling among Russians may explain this relative narrow-mindedness of the people. Although, all the participants of the research had daily contacts with Western colleagues and most of them traveled abroad frequently, still the attitude pertains. Meaning those Russians who have limited or no opportunity to communicate with other cultures may exhibit lower awareness and thus even less loyal attitudes towards other countries.

According to the research findings, the gap between Soviet and Post Soviet generations is not very clear. The study investigated young generation of Russians presumably less exposed to Soviet influences on their character than older people. Notwithstanding, the three most supported (by empirical evidence) characteristics influential on cross-border knowledge transfer were attributed to Soviet heritage (see Table 3). This result may be coincidence due amount of characteristics included in the research. On the other hand, Russian context characteristics such as departmental thinking can be found among other nationals as well.

Regarding the theoretical approach applied in the study, institutional theory describes Russian host characteristics, which were formed during the Soviet period. The theory

provides explanations on origins of these characteristics and their influence on cross-border knowledge transfer. This information helps to develop recommendations on how to diminish negative and enhance positive influence these characteristics have on cross-border knowledge transfer. Most of the characteristics developed in pre-Soviet and ancient Russia, and their influence on cross-border knowledge transfer are embraced by cultural theory. Although, due to relatively weak explanative power of cultural approach, mentioned in the literature review chapter, its descriptions lacks connections from results to causes. Hence, from the researcher point of view, the cultural theory is less powerful instrument for developing firm conclusions and recommendations than institutional theory. However, their combination allows studying broader time frame (pre-Soviet, Soviet and post Soviet Russia) and verifying gained results through two approaches that increases validity of the research. Consequently, regarding knowledge transfers and Russia research, a suitable theory may be chosen depending on the period a scholar intends to study and applicability of theory's logic and methods for the planned investigation (see Figure 4).

5.2. Limitations of the Study

The study has a number of limitations. The subject of the research limits application of the findings as follows. The study refers Western countries to all the developed world population. The empirical part explored knowledge transfer from eight Western countries to Russia. Wider variety of developed countries should be studied in order to confirm the findings. A separate investigation of each country would provide more precise recommendations for the managers who face the problem of transferring knowledge to their Russian units from a particular country. Common patterns of CEE countries' and Russia's national contexts were applied in the literature review section. However, the extrapolation of the findings to CEE countries is not possible without further investigation. The similarities among the countries were bonded to their shared communistic past. Whereas the study discovered that the Soviet influences on national characteristics are weakening compared to the results reported by earlier research papers.

The research did not distinguish tacit and explicit knowledge. Consequently, the findings cannot be extrapolated to any of knowledge type particularly without further investigation. The influence of national context characteristics on one-way cross-border knowledge transfer was studied. Consequently, the findings of the research do not apply to two-way cross-border knowledge transfer. To ensure and describe studied characteristics' influence on two-way process additional research is needed.

The research design and methodology impose following limitations. Due to the small study sample of ten interviewees, theoretical instead of statistical generalization was applied. However, the concept of theoretical or theory-carrying generalization has its drawbacks. The point of the theoretical saturation is hard to define and reach. Besides, using theory-carrying generalization presumably leads to developing a new theory whereas to build it firm and consistent is not always possible (Smaling 2003: 6). To advance the present research findings to a theory additional exploration and hypotheses testing are needed.

The study sample puts following limitations on the findings. All the interviewees were Russians. The discussion section raised the question some of their characteristics influential on cross-border knowledge transfer may be found among other countries nationals. To ensure each characteristic belongs exclusively to Russian national context or is universal, the study sample should include a number of different nationalities.

Most of the research participants were working in the two biggest Russian cities (Moscow and St-Petersburg). Considering the size of Russia the extension of the results to other smaller cities needs additional research with broader geography.

The interviewees that participated in the study were younger than thirty years, and had been working for a foreign company for one year and longer. These people communicated with their Western colleagues daily and most of them travelled abroad frequently. The majority of Russian people who have less foreign contacts may exhibit different attitudes.

5.3. Theoretical Implications

The study developed a new perspective on knowledge transfer to Russia by constructing hypotheses that were not previously tested. Cultural and institutional theories application to cross-border knowledge transfer was discussed and challenged for consistency. The institutional theory better describes recently developed characteristics and their influence on cross-border knowledge transfer starting from Soviet period. Whereas cultural theory provides explanations and descriptions for characteristics formed during the broader period, back to ancient Russia. Besides, some characteristics that appeared in the research were not explained by neither institutional nor cultural theory. Consequently, neither of the two approaches alone was found good enough for the research on cross-border knowledge transfer and national context characteristics. The combination of two theories was applied to build the theoretical framework of the study.

The empirical study discovered that some Russian host context characteristics influential on cross-border knowledge transfer have changed since they were investigated previously. Descriptions of the characteristics and explanations of their influence on cross-border knowledge transfer were extended and enriched with new evidence. The study framework contributed to knowledge transfer theory by gathering all the Russian national host context characteristics influential on cross-border knowledge transfer ever mentioned in the literature. The framework provides many opportunities for further research and investigation. The characteristics from the framework can be further explored in Russia as well as in other countries. Attitudes such as departmental thinking, self-uniqueness, chauvinism towards other countries (Holden et al. 1998) and prior status of national language can possibly be found among other countries host context characteristics.

Additional research opportunity is enlarging the study sample by embracing greater number of people, industries, occupation fields and locations. A researcher interested in the topic also may investigate the changes that Russian national context characteristics influential on cross-border knowledge transfer have undergone lately, find out explanations and reasons for these changes, and draw the patterns for future changes.

Ways to extend this study include investigating two ways knowledge transfer; narrowing down the exploration to one particular type of knowledge both provide interesting perspectives for future research. The study findings could be enriched by including opinions and experiences of expatriates in Russia and their view on the host context characteristics. New aspects of the findings may also appear if a non-Russian researcher repeats the study. The innovation potential of the characteristic called disrespect to formal rules and laws discussed in the previous sections may become an independent research topic for the scholar interested in innovation management in Russia.

5.4. Managerial Implications

Based on the findings and the discussion of the results a number of recommendations to managers from Western countries and Russian employees engaging in cross-border knowledge transfer activities are developed. Knowledge senders should keep in mind the characteristics of the national context influential on cross-border knowledge transfer. The study has investigated Russian context and found out a number of influential factors worth consideration. Following advices were developed for foreign managers and employees to help effective knowledge transmission across borders.

To eliminate possible rejection by Russian recipients the benefits of transferred knowledge and its application should be cleared up and continuously communicated. Two-way knowledge transfer is another solution, which benefits were discussed in the literature review chapter. Russian employees as senders can contribute with knowledge of their behavioral patterns and ways they learn. Moreover, acting as knowledge senders Russian employees learn they are a valuable asset for their organization. This helps to clear up negative prejudices and attitudes Russians traditionally have towards Western countries.

Russian unit employees' fluency in a working language is an important factor if the level of Russian language skills among knowledge senders is low. The solution might be to hire people who can speak the company's working language fluently.

Organization of corporate training or other incentives to learn the language may help if the first option is not available. Helping and encouraging employees to develop their language skills through various exchange programs and business trips abroad also broaden their horizons. The latter helps to overcome prejudices Russian people have about Western countries.

Russian employees lack the understanding of interconnections existing between business units and operations. It is necessary to explain these issues to ensure the acceptance of knowledge coming from different departments and operational levels. Using explicit and literal explanations is important because Russians tend to comprehend them better than implicit ones. To ensure proper learning knowledge acquiring activities need monitoring to prevent failure due to the disrespect to formal rules among Russians. A discussion on negative effect of the rules breaking behavior should also help to decrease hindering influence the characteristic possesses on cross-border knowledge transfer.

Russian employees may stress harder at work than others nationals without additional incentives. Communication and learning activities on work issues may also occur beyond working hours. This behavior could be encouraged by developing informal communication between Russian and other units' employees. Maintaining established ties and relationships among the employees through open and friendly organizational culture is a good way to facilitate knowledge flow from senders to Russian recipients.

Western people engaged in knowledge transfer to Russia should be aware of people's emotionality. They express their feelings freely and favor people who do the same. Hence, their choice of communication partner will be rather based on emotional attitude to a person than rationale. Assigning employees possessing emotionality as knowledge senders to Russian unit should benefit to the transfer through smooth communication thanks to their common behavioral patterns.

These were recommendations and ideas for Western companies that need to transfer knowledge to their Russian branches. In addition, the paper contains an advice for

Russian knowledge recipients. Reading about the host context characteristics detected during research, they may reflect on their behavior and improve working performance. Conclusively, knowing the host context characteristics that are influential on knowledge transfer is important for senders as well as recipients. Nevertheless, the research was focused on the characteristics of the Russian host context; companies transmitting knowledge to other countries may also find common patterns and new ideas to develop the process.

REFERENCES

- Agrote, L. & Ingram, P (2000). Knowledge Transfer: A Basis for Competitive Advantage in Firms, *Organizational Behavior and Human Decision Processes*, 82(1): 150-169.
- Agrote, L., McEvily, B. & Reagans, R. (2003). Managing Knowledge in Organizations: An Integrative Framework and Review of Emerging Themes, *Management Science*, 49(4): 571-582.
- Alas, M. & Vadi, M. (2004). The Impact of Organisational Culture on Attitudes Concerning Change in Post-Soviet Organisations, *Journal for East European Management Studies*, 9(1): 20-39.
- Alexashin, Y. & Blenkinsopp, J. (2005). Changes in Russian Managerial Values: a Test of the Convergence Hypotheses. *International Journal of Human Resource Management*, 16(3): 427-44.
- Ambos, T.S. & Ambos, B. (2009). The Impact of the Distance Transfer Effectiveness in Multinational Corporations, *Journal of International Management*, 15(1): 1-14.
- Ardichvili, A., Maurer, M.; Li, W., Wentling, T. & Stuedemann, R. (2006). Cultural Influences on Knowledge Sharing through Online Communities of Practice, *Journal of Knowledge Management*, 10(1): 94-107.
- Auerbach, P. and Stone, M. (1991). Developing the new capitalism in Eastern Europe: how the West can help, *Long Range Planning* 24(3): 58–65.
- Barner-Rasmussen, W. (2003). Knowledge Sharing in Multinational Corporations: A Social Capital Perspective, Helsinki: Yliopistopaino.
- Bedward, D., Jankowicz, D. & Rexworthy, C. (2003). East Meets West: A Case Example of Knowledge Ttransfer. *Human Resource Development International*, 6(4): 527-45.
- Bhagat, R., Kedia, B., Harveston, P.& Triandis, H. (2002). Cultural Variations in the Cross-Border Transfer of Organizational Knowledge: an Integrative Framework, *Academy of Management Review*, 27(2): 204-221.
- Bollinger, D. (1994). The Four Cornerstones and Three Pillars in the House of Russia. *The Journal of Management Development*, 13(2): 49-54.

- Boyd, R. & Richerson, P.J. (1985). *Culture and the Evolutionary Process*, Chicago: University of Chicago Press.
- Bradley, T.L. (1999). Cultural Dimensions of Russia: Implications for International Companies, *Thunderbird International Business Review*, 41: 49-67.
- Breu, K. (2001). The Role and Relevance of Management Culture in the Organizational Transformation, *International Studies of Management and Organization*, 31(2): 28-47.
- Buck, T. (2003). Modern Russian Corporate Governance: Convergent Forces or Product or Russia's History? *Journal of World Business*, 38(4): 299-313.
- Camiah, N. & Hollinshead, G. (2003). Assessing the Potential for Effective Cross-Cultural Working between "New" Russian Managers and Western Expatriates. *Journal of World Business*, 38(3): 245-61.
- Chhokar, J., Brodbeck, F. & House, R. (2004). *GLOBE: Societal Culture and Leadership in 27 Countries*. Thousand Oaks: Sage.
- Child, J. & Czegledy, A.P. (1996). Managerial Learning in the Transformation of Eastern Europe: Some Key Issues, *Organization Studies*, 17(2): 167-179.
- Christensen, C. M. & Raynor, M. E. (2003). *The Innovator's Solution: Creating and Sustaining Successful Growth*, Harvard Business School: Boston.
- Clark, E. & Geppert, M. (2002). Management Learning and Knowledge Transfer in Transforming Societies: Approaches, Issues and Future Directions, *Human Resource Development International*, 5(3): 263-277.
- Clark, E. & Geppert, M. (2003). Knowledge and learning in transnational ventures: an actor-centred approach, *Management Decision*, 41(5): 433-442.
- Clark, E. & Soulsby, A. (1999). The Adoption of the Multi-Divisional Form in Large Czech Enterprises: The Role of Economic, Institutional and Strategic Choice Factors, *Journal of Management Studies*, 36 (4): 535-559.
- Cohen, W. & Levinthal, D. (1990) Absorptive Capacity: A New Perspective on Learning and Innovation, *Administrative Science Quarterly*, 35(1): 128-152.
- Czeglédy, A. (1996). New Directions for Organizational Learning in Eastern Europe, *Organization Studies*, 17(2): 327-341.
- Czinkota, M.R. (1997). Russia's Transition to a Market Economy: Learning about Business. *Journal of International Marketing*, 5(4): 73-93.

- Dallago, B. (1999). Privatization: The Teaching of Western Experiences, in Mayor, I. (ed.) *Privatization and Economic Performance in Central and Eastern Europe*, Cheltenham: Edward Elgar: 1-42.
- Davenport, T. H. & Prusak, L. (1998). *Working knowledge: how organizations manage what they know*, Boston: Harvard Business School Press.
- Desouza, K. & Evaristo, R. (2003). Global Knowledge Management Strategies, *European Management Journal*, 21(1): 62-67.
- Dhanaraj, C. Lyles, M.A., Steensma, H.K. & Tihanyi, L. (2004). Managing Tacit and Explicit Knowledge Transfer in IJVs: The Role of Relational Embeddedness and the Impact on Performance, *Journal of International Business Studies*, 35(5): 428-442.
- Dyer J. & Nobeoka, K. (2000). Creating and Managing a High-Performance Knowledge-Sharing Network: The Toyota Case, *Strategic Management Journal*, 21(3): 345-367.
- Elenkov, D.S. (1997). Differences and Similarities in Managerial Values between U.S. and Russian managers. *International Studies of Management and Organization*, 27(1): 85-106.
- El-Sayed, A-Z. (2005). A culturally aware model of inter-organizational knowledge Transfer, *Knowledge Management Research & Practice*, 3: 146-155.
- Engelhard, J. & Nägele, J. (2003). Organizational Learning in Subsidiaries of Multinational companies in Russia. *Journal of World Business*, 38(3): 262-77.
- Engeström, Y. (1987). *Learning by expanding an activity-theoretical approach to developmental research*, Helsinki: Orienta-Konsultit Oy.
- Feichtinger, C. & Fink, G. (1998). The Collective Culture Shock in Transition Countries – Theoretical and Empirical Implications, *Leadership and Organization Development Journal*, 19(6): 302-310.
- Fey, C.F. & Björkman, I. (2001). The Effect of Human Resource Management Practices on MNC Performance in Russia. *Journal of International Business Studies*, 32(1): 59-75.
- Fey, C.F. & Denison, D.R. (2003). Organizational Culture and Effectiveness: Can American Theory be applied in Russia? *Organization Science*, 14(6): 686-706.

- Fey, C.F., Nordahl, C. & Zätterström, H. (1999). Organizational Culture in Russia: The Secret to Success. *Business Horizons*, 42(6): 47-55.
- Fey, C.F., Pavlovskaya, A. & Tang, N. (2004). Does One Shoe Fit Everyone? A Comparison of Human Resource Management in Russia, China, and Finland. *Organizational Dynamics*, 33(1): 79-97.
- Fine, C.R.(1999). Strike Law and ADR in Hungary: A Model for Labor Movements in Central and Eastern Europe? *Labor Studies Journal*, 24(2): 29-44.
- Fontana, A. & Frey, J. (2000). The Interview: From Structured Questions to Negotiated Text, in Norman, D. & Lincoln, Y. *Handbook of Qualitative Research*, 2nd edition, London: Sage Publications Ltd.
- Foss, N. and Mahnke, V. (2003). Knowledge Management: What Can Organizational Economics Contribute?, in M. Easterby-Smith & Lyles (eds.). *Blackwell Handbook of Organizational Learning and Knowledge Management*, Blackwell: Oxford, UK, pp. 78-103.
- Geppert, M. & Clark, E. (2003). Knowledge and Learning in Transnational Ventures: An Actor Centered Approach, *Management Decision*, 41(5): 433-442.
- Gherardi, S. (2000). Practice-based theorizing on learning and knowing in organizations, *Organization*, 7: 211–23.
- Gherardi, S. (2001). From organizational learning to practice-based knowing, *Human Relations*, 54: 131–9.
- GMAC Global Relocation Services (2004). Ten Years of Global Relocation Trends: 1993-2004, XX. GMAC Global Relocation Services.
- Gobo, J. (2004). Sampling, Representativeness and Generalizability, in Seale, C., Gobo, G., Gubrium, J. & Silverman, D. (eds.) *Qualitative Research Practice*, 2nd edition, London: Sage
- Gourlay, S. (2006). Conceptualizing Knowledge Creation: A Critique of Nonaka's Theory, *Journal of Management Studies*, 43(7): 1415-1436.
- Grachev, M. (2003). Cultural Attributes of Russian Management, *Advances in International Management*, 15: 159-178.
- Gubrium, J. & Holstein, J. (2000). Analyzing Interpretive Practice, in Norman, D. & Lincoln, Y. *Handbook of Qualitative Research*, 2nd edition, London: Sage Publications Ltd.

- Gupta, A. & Govindarajan, V. (1991). Knowledge flows and the structure of control within multinational corporations, *Academy of Management Review*, 16(4): 768-792.
- Gupta, A. & Govindarajan, V. (2000). Knowledge Flows within Multinational Corporations, *Strategic Management Journal*, 21: 473-496.
- Hall, E. T. (1977). *Beyond culture*. Anchor Press: New York.
- Hansen, M. (2002). Knowledge Networks: Explaining Effective Knowledge Sharing in Multiunit Companies, *Organization Science*, 13(3): 232-248.
- Helmstadter, E. (2003). The Institutional Economics of Knowledge Sharing: Basic Issues. In Helmstadter, E. (ed.) *The Economics of Knowledge Sharing: A New Institutional Approach*. Cheltenham & Northampton, M.A.: Edward Elgar: 11-38.
- Hitt, M.A., Ahlstrom, D., Dacin, M.T., Levitas, E. & Svobodina, L. (2004). The Institutional Effects on Strategic Alliance Partner Selection in Transition Economies: China vs. Russia. *Organization Science*, 15(2): 173-85.
- Hofstede, G, Van Deusen, C., Mueller, C, Charles, T. & The Business Goals Network. (2002). What Goals Do Business Leaders Pursue? *JIBS*, 33: 785-803.
- Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations*, California: Sage Publications, Inc.
- Holden, N. (2004). Why Marketers Need a New Concept of Culture for the Global Knowledge Economy, *International Marketing Review*, 21(6): 563-572.
- Holden, N., Cooper, C. & Carr, J. (1998). *Dealing with the new Russia: Management Cultures in Collision*, Chichester: Wiley.
- Holden, N.J. (2002). *Cross-cultural Management: A Knowledge Management Perspective*, Financial Times/Prentice-Hall, Harlow.
- Hoskisson, R.E., Eden, L., Lau, C-M., & Wright, M. (2000). Strategy in Emerging Economies, *Academy of Management Journal*, 43(3): 249-267.
- Huber, G. P. (1991). Organizational Learning: The Contributing Processes and the Literatures, *Organization Science*, 2(1): 88-115.
- Hurt, M. & Hurt, S. (2005). Transfer of Managerial Practices by French Food Retailers to Operations in Poland, *Academy of Management Executive*, 9(2):36-51.

- Husted, K. & Michailova, S. (2002). Diagnosing and Fighting Knowledge-Sharing Hostility, *Organizational Dynamics* 31(1): 60-73.
- Husted, K. & Michailova, S. (2002). Knowledge Sharing in Russian Companies with Western Participation. *International Management Review*, 6(2): 17-28.
- Husted, K. & Michailova, S. (2003). Knowledge Sharing Hostility in Russian Firms, *California Management Review*, 45(3): 59-77.
- Hutchings, K. & Michailova, S. (2004). Facilitating Knowledge Sharing in Russian and Chinese Subsidiaries: The Role of Personal Networks and Group Membership. *Journal of Knowledge Management*, 8(2): 84-94.
- Hyman, R. (1996). *Institutional Transfer: Industrial Relations in Eastern Germany*, Discussion Paper FS I 96, Berlin: WZB.
- Ingram, P. & Silverman, B. (2002). Introduction, in Ingram, P. & Silverman, B. (eds.) *The New Institutionalism in Strategic Management*, Elsevier: Amsterdam, pp.1-30.
- Jankowicz, A.D. (2001). Limits to Knowledge Transfer: What They Already Know in the Post-commanded Economies, *Journal of East-West Business*, 7(2): 37-59.
- Jansson, H. (2007). *International Business Strategy in Emerging Country Markets: The Institutional Network Approach*, Cheltenham, UK Northampton, MA Edward Elgar.
- "Jonsson, A. & Elg, U. (2006). Knowledge and Knowledge Sharing in Retail Internationalization: IKEA's Entry into Russia, *International Review of Retail, Distribution and Consumer Research*, 16(2): 239-256."
- Kalling, T. & Styhre, A. (2003). *Knowledge Sharing in Organizations*, Copenhagen Business School Press, Malmö, Liber.
- Karhunen, P. (2007). *Field-level Change in Institutional Transformation: Strategic Responses to Post-Socialism in St-Petersburg Hotel Enterprises*, Helsinki School of Economics and Business Administration, Helsinki: HSEBA Publications, A-298.
- Katz, R. & Allen, T. (1982). Investigating the Not Invented Here (NIH) Syndrome: A Look at the Performance, Tenure and Communication Patterns of 50 R&D Project Groups, *R&D Management*, 12(1): 7-19.

- Kets de Vries, M.R.F. (2000). A Journey into the "Wild East": Leadership Style and Organizational Practices in Russia. *Organizational Dynamics*, 28(4): 67-81.
- Kets de Vries, M.R.F. (2001) The Anarchist within: Clinical Reflections on Russian Character and Leadership Style. *Human Relations*, 54(5): 585-627
- Kluchevskii, V.O. (1990). Kluchevskii's Collected Works, Mysl: Moskow
- Kogut, B. & Zander, U. (1993). Knowledge of the Firm and the Evolutionary Theory of the Multinational Corporation, *Journal of International Business Studies* 35(6): 625-45.
- Kogut, B. & Zander, U. (1995). Knowledge and the speed of the transfer and imitation of organizational capabilities: An empirical test, *Organization Science* 6(1): 76-92.
- Lang, R. & Steger, T. (2002). The Odyssey of Management Knowledge to Transforming Societies: A Critical Review of a Theoretical Alternative, *Human Resource Development International*, 5(3): 279-294.
- Lazarova, M. & Tarique, I. (2005). Knowledge Transfer upon Repatriation, *Journal of World Business*, 40: 361-373.
- Longenecker, C.O. (2001). Why Managers Fail in Post-Soviet Russia: Causes and Lessons. *European Business Review*, 13(2): 101-08.
- Luthans, F., Luthans, K.W., Hodgetts, R.M. & Luthans, B.C. (2000). Can High Performance Work Practices Help the Former Soviet Union? *Business Horizons*, 43(5): 53-60.
- Mäkelä, K. (2006). Essays on interpersonal level knowledge sharing within the multinational corporation, Helsinki School of Economics and Business Administration, Helsinki: HSEBA Publications, A-277.
- Martin, R. (1999). *Transforming Management in Central and Eastern Europe*, Oxford University Press Oxford, Oxford-New-York.
- Matveev, A.V. & Nelson, P.E. (2004). Cross Cultural Communication Competence and Multicultural Team Performance. *International Journal of Cross Cultural Management*, 4(2): 253-270.
- May, R., Young, C.B. & Ledgerwood, D. (1998). Lessons from Russian Human Resource Management Experience. *European Management Journal*, 16(4): 447-59.

- Maylor, H. & Blackmon, K. (2005). *Researching Business and Management*, New York: Palgrave Macmillan.
- McCarthy, D., Puffer, S., Vikhanski, O. & Naumov, A. (2005). Russian Managers in New Europe: Need for a New Management Style, *Organizational Dynamics*, 34 (3): 231-246.
- McCarthy, D.J., Puffer, S.M. & Naumov, A.I. (2000). Russia's Retreat to Statization and the Implications for Business. *Journal of World Business*, 35(3): 256-74.
- Merizow, J (1990). *Fostering Critical Reflection in Adulthood: Guide to Transformative and Emansipatory Learning*, Jossey-Bass Publishers.
- Meyer, J.W., Boli, J. & Thomas G.M. (1994). Ontology and Rationalization in the Western Cultural Account, in Scott, R.W., Meyer, J.W. & Associates, *Institutional Environments and Organizations: Structural Complexity and Individualism*, Thousand Oaks (Calif.) Sage.
- Meyer, K. & Peng, M. (2005). Probing Theoretically into Central and Eastern Europe: Transactions, Resources and Institutions, *Journal of International Business Studies*, 36(6): 600-621.
- Michailova, S. & Anisimova, A. (1999). Russian Voices from a Danish Company. *Business Strategy Review*, 10(4): 65-78.
- Michailova, S. & Husted K. (2004). Decision Making in Organisations Hostile to Knowledge Sharing. *Journal for East European Management Studies*, 9(1): 7-19.
- Michailova, S. & Husted, K. (2003). Knowledge-Sharing Hostility in Russian Firms. *California Management Review*, 43(3): 59-77.
- Michailova, S. & Worm, V. (2003). Personal Networking in Russian and China: Blat and Guanxi. *European Management Journal*, 21(4): 509-19.
- Michailova, S. (2000). Contrasts in Culture: Russian and Western Perspectives on Organizational Change. *The Academy of Management Executive*, 14(4): 99-112.
- Michailova, S. (2002). When Common Sense Becomes Uncommon: Participation and Empowerment in Russian companies with Western Participation. *Journal of World Business*, 37(3): 180-87.
- Mikl-Horke, G. (2004). Globalization, transformation and the diffusion of management innovations, *Journal for East European Management Studies*, 9(2): 98-122.

- Miles, M. B. & Huberman, A.M. (1984). *Qualitative Data Analysis: A Source Book of New Methods*, Newbury Park: Sage Publications, Inc.
- Minbaeva, D. (2005). *HRM Practices and Knowledge Transfer in Multinational Corporations*. PH.D. Dissertation, Copenhagen Business School.
- Minbaeva, D. (2007). Knowledge Transfer in Multinational Corporations, *Management International Review*, 47(4): 567-594.
- Minbaeva, D., Pedersen, T., Bjorkman, I., Fey, C.F., & Park, H.J. (2003). MNC knowledge transfer, subsidiary absorptive capacity, and HRM, *Journal of International Business Studies*, 34(6): 586.
- Moerel, H. (1997). Ösliche und westliche Arbeitsbeziehungen, in Dittrich, E.J., Fürstenberg & Schmidt, G. (eds) *Kontinuität im Wandel*, München and Mering: Hampp: 155-67.
- Mowrer, H. (1966). *Learning theory and the symbolic processes*, New York: John Wiley & Sons Inc.
- Nelson, R.R. & Winter, S.G. (1982). *An Evolutionary Theory of Economic Change*, Belknap Press: Cambridge, MA.
- Newman, K. (2000). Organizational Transformation During Institutional Upheaval, *Academy of Management Review*, 25(3): 602-619.
- Nonaka, I. & Takeuchi, H. (1995). *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*, Oxford University Press: New York.
- North, D.C. (1990). *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press.
- North, D.C. (2005). *Understanding the Process of Economic Change*, Princeton, NJ: Princeton University Press.
- Noth, D. (1990). *Institutions, Institutional Change and Economic Performance*, New York: Norton.
- Pearce, J., Branyiczki, I. & Bigley, G. (2000). Insufficient Bureaucracy: Trust and Commitment in Particularistic Organizations, *Organizational Science*, 11: 148-162.
- Peng, M. (2003). Institutional Transitions and Strategic Choices, *Academy of Management Review*, 28(2): 275-296.

- Peng, M. (2006). *Global Strategy*, South-Western Thomson: Cincinnati.
- Perrin, A., Rolland, N. & Stanley, T. (2006). *Mechanisms of Knowledge Transfer Across Boundaries and Cultures: The case of a global travel technology firm*. CERAM Sophia Antipolis. Working Papers 2006 vol. 1.
- Polanyi, M. (1966). *The Tacit Dimension*, Doubleday and Co: Garden City, NY.
- Puffer, S. M. (1993). A riddle wrapped in an enigma: Demystifying Russian managerial motivation. *European Management Journal*, 11(4): 473–480.
- Puffer, S. M., & McCarthy, D. J. (1995). Finding the common ground in Russian and American business ethics, *California Management Review*, 37(2): 29–46.
- Puffer, S.M. (1994). Understanding the Bear: A Portrait of Russian Business Leaders. *The Academy of Management Executive*, 8(1): 41-54.
- Puffer, S.M., McCarthy, D.J. & Zhuplev, A.V. (1998). Doing Business in Russia: Lessons from Early Entrants, *Thunderbird International Business Review*, 40(5): 461-84.
- Raiser, M. (1999). *Trust in transition*, European Bank for Reconstruction and Development: London.
- Rakitov, A. I. (1992). Tsivilizatsia, kul'tura, tekhnologii i rynek, *Voprosy filosofii*, 5: 3-15.
- Rapley, T. (2004). Interviews, in Seale, C., Gobo, G., Gubrium, J. & Silverman, D. (eds.) *Qualitative Research Practice*, London: Sage
- Renzl, B. (2008). Trust in management and knowledge sharing: The mediating effects of fear and knowledge documentation, *Omega: The International Journal of Management Science*, 36: 206-220.
- Richardson, S.A., Dohrenwend, B.S. & Klein, D. (1965). *Interviewing: Its Forms and Functions*. New York: Basic Books.
- Ringberg, T. & Reihlen, M. (2008). Towards a Socio-Cognitive Approach to Knowledge Transfer, *Journal of Management Studies*, Online Early Articles, Published article online: 21-Feb-2008.
- Riusala, K. & Suutari, V. (2004). International knowledge transfers through expatriates: a qualitative analysis of internal stickiness factors. *Thunderbird International Review* 46:6, 743-70.

- Rivera, S.W. (2004). Elites and the Diffusion of Foreign Models in Russia, *Political Studies*, 52: 43–62.
- Saint-Onge, H. (1999). Tacit Knowledge: The Key to the Strategic Alignment of Intellectual Capital, In: *Knowledge and Strategy*, 231-250. (Ed.) Michael H. Zack. Boston: Butterworth-Heinemann.
- Salk, J. & Brannen, M. (2000). National Culture, Networks and Individual Influence, in a Multinational Management Team.
- Salmi, A. (1995). Institutionally Changing Business Networks, PhD Dissertation, Helsinki School of Economics and Business Administration, Helsinki: HSEBA Publications, A-106.
- Schrage, C. (2001). Wisdom Cannot be Dispensed in 15 Minutes, in *Succeeding in Business in Central and Eastern Europe: A Guide to Cultures, Markets and Practices*, Boston, Butterworth-Heinemann, pp. 58-59.
- Scott, R.W. & Meyer, J.W. (1994). Developments in Institutional Theory, in Scott, R.W., Meyer, J.W. & Associates, *Institutional Environments and Organizations: Structural Complexity and Individualism*, Thousand Oaks (Calif.) Sage.
- Scott, W.R. (1995). *Institutions and Organizations*, Thousand Oaks, CA: Sage Publishing.
- Seale, C., Gobo, G., Gubrium, J. & Silverman, D. (2004). *Qualitative Research Practice*, 2nd edition, London: Sage
- Sears, W.H. & Tamulionyte-Lentz, A (2001). *Succeeding in Business in Central and Eastern Europe: A Guide to Cultures, Markets and Practices*, Boston, Butterworth-Heinemann.
- Shekshina, S. (1998). Western Multinationals' Human Resource Practices in Russia. *European Management Journal*, 16(4): 460-65.
- Siljak, A. (2001). Between East and West: Hegel and the Origins of the Russian Dilemma, *Journal of the History of Ideas*, 62(2): 335-358.
- Smale, A. & Suutari, V. (2007). Hospitable or Hostile? Knowledge Transfer into the Russian Host Environment, in *Human Resource Management in Russia* (eds.) Domsch, M.E. & Lidokhover, T., Hampshire, England: Ashgate Publishing Limited.

- Smaling, A. (2003). Inductive, analogical, and communicative generalization, *International Journal of Qualitative Methods*, 2(1).
- Spender, J.-C. (1999). Organizational knowledge, collective practice and Penrose rents, In: *Knowledge and Strategy*: 117-132. (Ed.) Michael H. Zack. Boston: Butterworth Heinemann.
- Stata, R. (1989). Organizational Learning – The Key to Management Innovation, *Sloan Management Review*, 30(3): 63-74.
- Strang, D. & Mayer, J.W. (1994) Institutional Conditions for Diffusion, in Scott, R.W., Meyer, J.W. & Associates, *Institutional Environments and Organizations: Structural Complexity and Individualism*, Thousand Oaks (Calif.) Sage.
- Szulanski, G. & Cappetta, R. (2003). Stickiness: Conceptualizing, Measuring, and Predicting Difficulties in the Transfer of Knowledge within Organizations. In: *The Blackwell Handbook of Organizational Learning and Knowledge Management*, 513-534. Ed. Mark Easterby-Smith and Marjorie A. Lyles. Malden, MA Oxford: Blackwell Publishing Ltd.
- Szulanski, G. & Winter S. (2002). Getting it Right the Second Time. *Harvard Business Review*, 80(1): 62-69.
- Szulanski, G. (1996). Exploring internal stickiness: Impediments to the transfer of best practice within the firm, *Strategic Management Journal* 17 (Winter Special Issue), 27- 43.
- The Economist (1998). Emerging Country Market Indicators, The Prince of Wales Business Leaders Forum, Responsible Business in the Global Economy, Financial Times Guide Number One. (strange reference better not to use).
- Thelen, K. & Turner, L. (1998). Codetermination in Comparative Perspective, *Die Mitbestimmung*, 44(1): 16-19.
- Thomas-Hunt, M., Ogden, T. & Neale, M. (2003). Who's Really Sharing? Effects of Social and Expert Status on Knowledge Exchange Within Groups, *Management Science* 49(4): 464-477.
- Tihanyi, L. & Roath, A.S. (2002). Technology Transfer and Institutional Development in Central and Eastern Europe. *Journal of Business*, 37(3): 188-98.
- Trompenaars, F. (1993). *Riding the Waves of Culture: Understanding Cultural Diversity in Business*, Brealey: London.

- Tsoukas, H. & Vladimirou, E. (2001). What Is Organizational Knowledge? *Journal of Management Studies*, 38(7): 973-993
- Tsoukas, H. & Vladimirou, E. (2001). What Is Organizational Knowledge? *Journal of Management Studies*, 38(7): 973-993.
- Tsoukas, H. (2005). *Complex Knowledge: Studies in Organizational Epistemology*, Oxford: Oxford University Press.
- Vesalainen, J. & Strömmer, R. (1999). From Individual Learning to Network Learning, in Alasoini, T. & Halme, P. (eds.) *Learning Organizations*, Learning Society, Helsinki.
- Vlachoutsicos, C. & Lawrence, P.R. (1996). How Managerial Learning can Assist Economic Transformation in Russia, *Organization Studies*, 17(2): 311-326
- Vlachoutsicos, C. (1996). Russian Collective Value System, in Holden, N., Cooper, C. & Carr, J. (1998). *Dealing with the new Russia: Management Cultures in Collision*, Chichester: Wiley.
- Vlachoutsicos, C. (2000). Russian Communitarism: An Invisible Fist in the Transformation Process of Russia, in D. Denison (ed.) *Managing Organizational Change in Transition Economies*, Lawrence Erlbaum Associates: Mahway, NJ.
- Warner, M., Denezhkina, E. & Campbell, A. (1994). How Russian Managers Learn, *Journal of General Management*, 19: 69-88
- Weik, E. (2001). Myths in Transformation Processes: Theoretical Interpretation and Empirical Data, *International Studies of Management and Organization*, 31(2): 9-27.
- Williamson, O.E. (2000). The New Institutional Economics: Taking Stock, Looking Ahead, *Journal of Economics Literature*, 38: 595-613.
- Wilson, L. & Wilson, H. (1998). *Play to Win: Choosing Growth Over Fear in Work and Life*, Austin, TX: Bard Press, Inc.
- Yakhlef, A. (2007). Knowledge Transfer as the Transformation of Context, *The Journal of Technology Management Research*, 18: 43-57.
- Yin, R. K. (1989). *Case Study Research: Design and Methods*, Sage Publications: Newbury Park.
- Zhelvis, V. (2001). *The Xenophobe's Guide to the Russians: The Xenophobe's Guides Series*, Oval Books: London.

APPENDIX 1. Interview Guide

Background of respondent

Name
 Job Title
 Organizational Level
 Duties
 How long working for a foreign company
 Working foreign language level
 Date

Communication, knowledge receiving occasions

- Are there any training programs you participate at your company? What kind of trainings?
- How often do you communicate with your Western colleagues, personally/impersonally?
- What are the most common reasons of communication with your Western colleagues?
- Do you get some ideas, advices, recommendations from your Western colleagues? What?

Effectiveness of knowledge transfer

- Are these training/ideas/advices/recommendations useful for you, for you work? Why?* (Example)
- How do you use those in your work?

Motivation/Demotivation

- Why are you interested/not interested in training/ideas/advices/recommendations Western colleagues can provide to you?*
- In what language do you communicate with your Western colleagues?
- Do some of them speak Russian fluently?
- With whom do you communicate more frequently, those who speak Russian fluently/poorly/do not speak? (2)
- Do you communicate more frequently with your Russian or Western colleagues? Why?
- What is the difference for you between communication with your Russian and Western colleagues? (1)

Ability/Disability

- When you thought you got some irrelevant training/ideas/advices/recommendations, did it happen that finally this information was useful? Example (4)

- Describe any conflicts/controversies between you and Western colleagues/teachers, on the grounds of misuse or incomprehension of the information, they provide you?
- How did you feel facing new, totally opposite to what you knew before, or somehow shocking information? What emotions? (5)
- What did you do when facing complex, not easy to comprehend information to learn? What actions? (6)

Other

- What kind of rules do you have to follow during receiving training/ideas/advices/recommendations from your Western colleagues? (3)
- Did you ever break these rules? What was the result for your learning? Did it enhance or slow down?(3)
- In your opinion, what (are the qualities that) helped or impeded your learning from Western colleagues' training/ideas/advices/recommendations? (7)

COMMENTS (provide to respondents in the introduction section)

Notes on meaning of some words used in the questionnaire

Western colleagues – all the personnel located in Western countries, normally Western countries nationals at respondent's and upper organizational levels.

Training – any formal or informal teaching activities received from respondents' Western colleagues

Information – sometimes used to generalize Ideas/Advices/Recommendations and has the same meaning.

Notes on questions

Provide examples of answers if respondent confused with a question and do not know what to answer, thus make unstructured questions structures. To avoid leading examples use a range of different answers.