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Transferring Financial Work to India: Strengthening the Challenger Mindset of Personnel

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ABSTRACT

The target of this Master´s thesis was to strengthen the challenger mindset of the Nokia Financial Services Indian personnel. The purpose of this study was to develop, describe and document work transfer process from Finland to India and analyse the cultural differences between India and Finland. This thesis study has been made for the Nokia Financial Services Record to Report organization, which transferred work from Finland to a new India service centre. The objective of the study was to understand how to train and coach Chennai-based Record to Report team members to use global financial processes, practices and ways of working, thus strengthening the Nokia challenger mindset among Indian employees. The target was to establish true excellence in reporting to the Nokia Financial Services Chennai site. One of Nokia´s four values 'challenge & innovate', was the key focus of the thesis and implementation.

The main deliverables of this study were behavioural changes to the challenger mindset in the organization, related to working practices, creating awareness of cultural differences between Finland and India as well as documentation of the work transfer process. The aim of the study was to develop organizations' awareness and understanding of cultural differences between Finland and Indian personnel, emphasizing cultural differences which should be considered when transferring work to India.

The methodological approach of this thesis was an action research, which the researcher carried out mainly while working at India Chennai site from July to December 2013, in a role of a coach for the India FS R2R personnel. Action research has been done during the whole work transition process and cultural difference observed mainly during working and living in Chennai. The theoretical background of this thesis includes Geert Hofstede´s cultural dimensions theory, Philippe Rosinski' s coaching across cultures theories, literature of Indian culture and Kaizen methodologies.

Keywords	challenger mindset, cultural differences, cultural dimensions, coaching, kaizen

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TIIVISTELMÄ

Opinnäytetyön kohdeorganisaationa oli Nokian taloushallinnon palveluja tuottava Financial Services Record-To-Report (FS R2R) yksikkö joka siirsi työtä Suomesta Intiaan. Yksi Nokian neljästä arvosta, "haastaa ja innovoida", oli tämän opinnäytetyön kehityshankkeen keskeinen painopiste. Opinnäytetyön tavoitteena oli vahvistaa Intian FS R2R henkilöstön haastaja –ajattelutapaa, jotta he oppisivat toimimaan itsenäisemmin, proatiivisemmin ja haastamaan asioiden nykytilan.

Opinnäytetyön tarkoituksena oli myös analysoida Suomen ja Intian välisiä kulttuurieroja sekä kuvata työnsiirtoprosessi Suomesta Intiaan. Tarkoituksena oli myös kouluttaa ja valmentaa Intian Chennaissa olevaa FS R2R yksikön henkilöstöä käyttämään globaaleja prosesseja, systeemejä ja toimintatapoja. FS R2R tavoitteena oli luoda Intiaan raportoinnin huippuosaamisen keskus.

Tämän toimintatutkimuksen keskeisimpänä tuotoksena oli kohdeorganisaation käyttäytymisen ja toimintatapojen muuttuminen kohti ajattelutapaa jossa haastetaan asioiden nykytila. Opinnäytetyön tavoitteena oli lisätä organisaation ymmärrystä ja tietoisuutta Suomen ja Intian välisistä kulttuuri eroista. Tässä opinnäytetyössä on käsitelty erityisesti eroja jotka tulisi huomioida siirrettäessä työtä Intiaan ja työskennellessä Intialaisten parissa.

Tutkimusmenetelmänä oli toimintatutkimus, jota tutkija suoritti pääosin työskennellessään Chennaissa Intian FS R2R tiimin tukena heinäkuusta joulukuuhun vuonna 2013. Muutoshankkeen menetelminä käytettiin valmentavaa otetta sekä Lean ja Kaizen jatkuvan kehityksen metodologioita. Toimintatutkimusta on tehty työnsiirtoprosessin eri vaiheiden aikana ja kulttuurierojen havainnointia on tehty pääosin tutkijan työskennellessä ja asuessa Intiassa. Opinnäytetyön teoreettinen viitekehys pohjautuu pääosiltaan Geert Hofsteden teoriaan kansallisten kulttuurien ulottuvuuksista ja mielen ohjelmoinnista, Philippe Rosinskin valmentamiseen monikulttuurisessa ympäristössä sekä kirjallisuuteen Intian kulttuurista.

Avainsanat	haastaja -ajattelutapa, kulttuurierot, kulttuurien ulottuvuudet, valmennus, kaizen

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1   Introduction

> We are now part of a larger organization, Microsoft. It also is a company that has connected and empowered generations of people with its initial vision of placing a PC in every home and on every desk. Together, we can build on our passion and our initial success to continue delivering a family of devices that connect people to everyone and everything in their life. But we can also bring our way of working to Microsoft. The challenger mindset has enabled us to grow and compete during remarkably challenging times. Additionally, when I joined the company in 2010, it was clear that this team "Does Good" in the world. Our commitment to helping people and communities is part of who we are. As we begin our transition, please continue to embrace both the challenger mindset and global stewardship that have defined our team. (Elop 2014)

This thesis is a study of how to implement a challenger mindset within Indian work culture in the context of transferring financial services work from Finland to India. This thesis is an action research of transferring financial services work from Finland to India. Target is to study what kind of differences there are between Finland and India culture and what challenges those cultural differences bring to the work transfer and leadership.

The thesis action research study case is the Nokia Financial Services organization's Record to Report (R2R) unit which has recently transferred financial accounting & reporting work from Finland to India. The target of this thesis is to analyse the main differences between Finnish and Indian work culture and what kind of challenges, issues and conflicts can be faced when working in Indian culture. In addition this thesis addresses accounting & reporting competences, the challenger mindset and lean methodology in India, with a view to strengthening Nokia´s corporate values within India Financial Services Record to Report teams. As a result of this action research, is to provide fact based information of how work transfer process from different country and culture to another can be done and what to consider when working with Indians. Addition to work transfer objective is to build stronger accounting & reporting competences, challenger mind-set and lean culture in India.

Figure 1: Thesis Summary

Figure 1 represents the summary of this thesis. Methods of building the challenger mind-set were based on coaching, role modelling and training during the six months short term interim transfer (STIT) in India.

This thesis theoretical background is based on literature and publications on action re-search, leadership styles, coaching, Indian culture, organizational behavior, cross-cul-tural work environments, problem-solving skills and continuous development.

1.1   Target & Objective

The target of this thesis was to strengthen the challenger mindset of Indian personnel. During the particular six months assignment in India target was to coach the Chennai-based Financial Services (FS) Record to Report (R2R) organization employees to use global processes, practices and role model challenger mindset according to Nokia val-ues. Purpose was also help and support FS R2R local team leads to establish a true centre of excellence. Above all, this thesis builds an understanding and awareness of differences between Finnish and Indian way of working and thinking. In this thesis Finan-cial Services unit is shortened as 'FS' in later and Record to Report is 'R2R'.

1.2 Introduction of Target Organization

The Nokia Devices and Services Finance organization consists of Financial Services, Corporate Controlling, Corporate Tax, Internal Controls & Audit and several Business Controlling teams supporting the Mobile Phones and Smart Devices Divisions as well as support functions such as Design, Sales & Marketing, corporate functions including Human Resources, Finance, Workplace Resources and Operations including IT. Financial Services consist of four main global accounting processes: Order to Cash, Purchase to Pay, Record to Report and Local Compliance.

Figure 2: Nokia Financial Services is part of Devices & Services Finance & Control unit (2013)

The Order to Cash unit is responsible for revenue accounting, accounts receivable, intercompany invoicing, credit management and customer master data processes. The Purchase to Pay unit is responsible for processing indirect and direct cost purchase invoices, vendor master data maintenance, accounts payable and payment processing. Local compliance unit is taking care of local compliance of statutory accounting and reporting in over 125 Nokia legal entities.
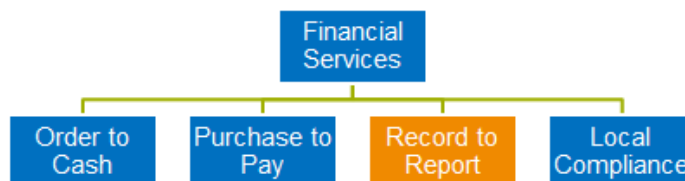
Figure 3: Record to Report is part of Nokia Financial Services (Nokia 2013)

The Financial Services Record to Report organization's current roles and responsibilities are related to accounting and reporting processes. Accounting processes include fixed asset accounting, general ledger accounting journal posting entries like accruals, global payroll journal entries, electronic bank statement postings, balance sheet verification, global chart of accounts and general ledger account master data maintenance. Reporting processes cover Profit & Loss and Balance Sheet statement, daily sales and revenue, sales order, cost of goods sold and operative expenses and related balance sheet forecast planning, reporting and analysis. Additionally FS R2R is responsible for monthly internal cost transfer postings, recharge postings, cost allocations, finance master data maintenance such as cost center, reporting hierarchies' maintenance and finance system access & authorization management and support. Financial Services Record to Report is responsible for global key user activities for Nokia finance planning, accounting and reporting systems including access maintenance and support together with IT organization.

Figure 4: Nokia Financial Services Record to Report organization (2013)

1.3 Background

This chapter describes the background and explains reasons why work was transferred from Finland to India.

1.3.1 Restructuring and the new finance organization

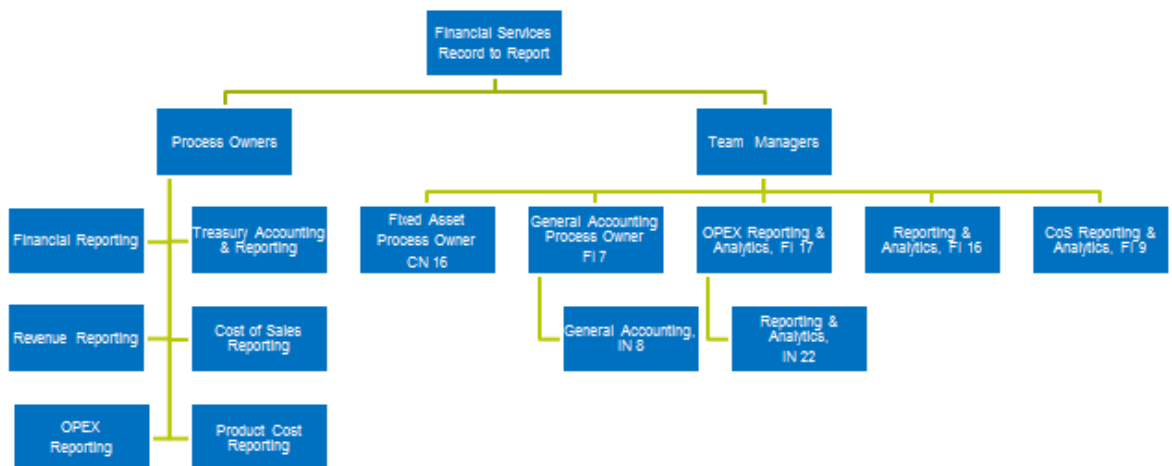Until October 2012 Nokia Devices & Services Finance organization consisted of two main units; Shared Accounting Services and Finance & Control. Due to changed market situation and increased need to reduce its operating expenses, Nokia started statutory co-operations negotiations in different organizations during the years 2011-2012. Nokia finance started to plan how new organization can support Devices & Services business with reduced resources compared to before. As a result of co-operation negotiations at June 2012, Nokia finance personnel reductions were announced in August 2012. Additionally it was announced that a new Financial Services Centre will be established to the city of Chennai, located on the southern-eastern coast of India. This new India service centre was Nokia´s fourth financial services centre, offering financial accounting and reporting services globally to all Nokia legal entities in over one hundred countries. Previously financial operations had been transferred from Finland to Hungary and China.

Organization restructuring was announced in September 2012, presenting a new Nokia Finance organization consisting of three main units:
1. Financial Services
2. Corporate Controlling
3. Business Controlling.

Nokia finance leadership team communicated that the new Financial Services organization is established by merging the old Shared Accounting Services unit and parts of the business controlling unit beginning as of September 2012. The principle was that Financial Services would be responsible for rule based work such as statutory accounting and reporting according to country specific accounting and tax regulations and Nokia´s global IFRS principle-based accounting & reporting. Business controlling teams are responsible for judgment-based work and focusing their analysis towards forecasting the future impact of business activities. The Financial Services Record to Report Unit reports and analyses more local and global accounting standards-based changes such as employee-related costs or changes in accounting and reporting principles. The Corporate Controlling Unit´s focus is Nokia group accounting & reporting based upon International Financial Reporting Standards (IFRS).

As a result of statutory co-operation negotiations in Finland, Nokia´s Finance employees were reduced to two of thirds of the existing number of personnel. The 'ramp-up' planning

phase of an India Financial Services Centre started as a result of a need to reduce the Nokia finance department operating expenses. The transfer of functions and expertise from Financial Services Record to Reporting teams in Finland and other Nokia D&S Finance units to India began in October 2012. Pressure to reduce Nokia's operating expenses while maintaining the same operational excellence was the driver for transferring work from Finland to India. Organizational change in Finance & Control resulted in all unit-specific Finance & Control teams narrowing to smaller business controlling teams. Unit´s business controlling teams were responsible for judgement based activities such as business analysis and support through financials. All rule-based financial activities such as statutory accounting and reporting were centralized to Financial Services.

1.3.2 Why India?

There are several reasons why Nokia Finance decided to transfer work from Finland to India, however cost effectiveness was clearly the main factor for the change. Reasoning for selecting Chennai as the financial services key site were

- Co-location between HR, F&C, Indirect Sourcing, IT and Operations Supply Chain
- Established shared services 'industry' in the area
- Access and cost of applicable competencies
- Nokia´s strong employer brand (Aaltonen, 2014.)

Figure 5: World map: India

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India is a more cost effective location than Finland or other European countries from staffing perspective. The local salary level for an average Indian engineer is approximately 30% of the Finnish engineer salary (Sajari, 2013.)

Nokia Financial Services prepared the business case with assumption the cost of Indian employee would be approximately five times less than a cost of Finnish employee. This business case calculation takes local salary level into consideration so that an Indian employee is based in India and a Finnish employee is based in Finland. The calculation and comparison does not take into account the employee's work experience, years of service and educational degree level.

India's population consist of young highly-educated people with good English language skills. Many of the young Indians have been studying in domestic and international universities abroad and have a good education level. Additionally, success stories from other companies transferring and centralizing financial accounting transaction-processing activities to India was a motivating factor for following other companies' example. In other hand Financial Services was also prepared that transfer would not be easy due to other stories and Nokia´s previous experience related to IT and HR work transfer.

India is also very competitive with China as regards cost and employee education level. Inflation in China has been causing an increase in Chinese employees' salaries to the point that China does not compete anymore with India. India´s benefit is also a shorter distance from Finland with direct flights and good English language skills.

India has easier business environment than China does not compete anymore with India. Working with Indians is easier than with Chinese people states Ängesvuo in article of Taloussanomat.

Nokia financial services had a rather easy business start-up in India because of an existing Nokia legal entity and infrastructure. Nokia had office premises and administration already in Chennai due to the previous presence of factory support services, Financial Services Purchase to Pay and a Human Resources central service centre. Since Nokia already had an existing legal entity in India, setting up a new service centre in India did not require any new legal entity establishment or business start-up activities in India. Although later it was learned that separate legal entity for shared services centre and

manufacturing unit would have been better solution to avoid unnecessary interruptions in financial services operations due to tax dispute related to manufacturing unit operating under same legal entity.

Figure 6: Map of India with Chennai

Historically, Nokia has been in Chennai India since 2006 when it established one of the biggest Nokia production facilities in the company´s history. In 2010 it received the Golden Peacock Award for its high standards of environment management. Nokia has been highly active in the community with projects ranging from a local library programme to village regeneration projects and possessed a very good reputation in the employment market in India.

1.4   Analysis of current state

On October 2013, Nokia´s Financial Services organization employed 150 employees in India of which 30 were working in the FS R2R unit. These 30 FS R2R employees are in scope of this thesis action research. All the originally planned rule- based work has been transferred from Financial Services Finland and from the Finance & Control global organization to India Financial Services Centre during 2013. Currently, Financial Services

teams in Finland are concentrating on developing the competences of India personnel, building more in-depth knowledge and understanding of financial accounting & reporting processes amongst India personnel. In addition, Financial Services Finland-based team members are supporting India-based teams with tasks and issues. Other Finance & Control business controlling teams are still waiting to obtain more evidence on previously transferred activities in terms of service level and quality before deciding to transfer more functions and responsibilities to India.

After transferring rule based work to India, it was decided that also some basic analysis work is transferred to India. Plan was to provide report packages with basic actual versus forecast analysis to business controlling teams. The expectation of the Financial Services leadership team is that India's Financial Services would become a true centre of excellence providing financial accounting, reporting and analytics services to units business controlling teams and units. Ultimately, expectation is that India personnel would become more independent and take true ownership and accountability of their own responsibilities. Indian personnel is expected to act according to Nokia values and challenge status quo by proactively finding possibilities to improve and continuously developing their own work-related processes and systems.

The FS R2R India team is working under the supervision and support by Finland-based FS R2R teams. Oversight ensures that basic activities are done successfully whereby tasks are executed according to standard process and situations where detailed instructions exists. The challenge is that not all tasks, issues and cases have written instructions. As a result, issue resolution and analysis work has been problematic within the India team. Basic trainings of Nokia processes, systems, practices and values have been arranged, but deeper understanding was still missing. One reason for the lack of deeper understanding was that during the rather short handovers Finnish persons did not have enough time to explain background and meaning of the activities. Usually handover concentrated to what and how part instead of why part. During the interviews FS R2R India team members mentioned that they would like attain better end-to-end understanding of their activities.

1.4.1 Identified challenges

Financial Services Record to Record have currently identified the following challenges when transferring work to India. Despite very wide experience mentioned in resume´s presented in work interview´s, previous background of similar work or system experience was not very clearly present and visible when Finnish people carried out the work hand-overs to new Indian colleagues. Indian colleagues were asking the same questions many times and requested confirmation before they were sure how to proceed. On the one hand Indian personnel wanted to perform activities correctly and therefore requested that Finland team members would check their work and give approval. Finnish colleagues felt that they will need to redo the Indian team work and India team requires continuous support. Overall feeling was that handover has not been successfully finalized until Indian personnel starts working independently.

To fix this issue I started to remind Indian team members to take written notes when only verbal instructions are given. When written instructions were given, work was done exactly according to instructions and to the letter. Finnish persons were frustrated that every activity needed to be explicitly instructed and they felt that Indian colleagues were not thinking at all for themselves. Indian personnel thought that they should follow very well given written instructions and because they were too afraid to make mistakes, they did not want to do something unless they were absolutely sure it would be correct. In conclusion we could state that if something is not mentioned in either written or verbal instructions, it will not be done by Indian personnel. One example is doing self-monitoring and checking own work results before forwarding them to counterparts.

1.4.2 Preliminary analysis

At the end of the year 2013 we collected feedback of the FS R2R India team performance from other Finance stakeholders who were working with Indian staff as their counterparts and as an internal customer. The feedback from Nokia business controlling counterparts was that they do not trust to the FS R2R India team. There were quality and time sched-ule issues with agreed deliverables. Data in reports was incorrect and agreed deadlines were not always kept. Business controlling counterparts wished in particular that the In-dia FS R2R team would show more proactivity and self-driven activities. When interview-ing Nokia Research & Development business controlling counterparts and Sales & Mar-keting business controlling counterparts, they explained that basic work is performed

well, but when there is something new or changes, India team does not have capability to act proactively to do the necessary activities independently. Business controlling counterparts expect Indian FS R2R team members to have more proactivity and independent self-driven way of working which they were used to getting when similar service was provided by Finnish personnel.

One example of the lack of proactivity and disappointment of expectations happened when Nokia Finance and Control updated it´s terminology. An instance of this change was that the term 'latest estimate' was changed to term 'forecast'. A memo was sent to all Finance personnel informing about new terminology and asking them to start using new terminology in all reports. The financial services team in India did not make any changes. When asked why they still use old terms in the reports and systems despite of communication letter, the answer was that they did not understand they were expected to perform some actions because nobody requested them specifically to do so. They continued using term latest estimate in the monthly reports which they are prepare until I asked them to update the term in the report, whereas Finnish team members automatically started to update their reports and systems terminology, once they received the memo without getting any request from their counterparts or line manager to do so.

As a result of analyzing the current state at Chennai, it can be concluded that FS R2R India team was lacking in capability and self-confidence partly through missing experience and social cultural background in order to work independently and proactively towards stakeholders. Also it was clear that both India and Finland personnel did not have enough awareness and knowledge of each other's cultural behavior and how that manifests itself in daily business practices.

Above all, it was clear that one development activity need would be to increase the awareness of cultural difference and understanding of both sides. In addition conclusion was that we needed to increase the India team´s proactivity and independence in order to reduce the time what Finland-based team members, process owners and business controlling counterparts needed to use to support India team members. In order to build a proactive, independent and self-driven way of working it was concluded that we needed to implement a stronger Nokia value of challenger mindset, continuous improvement and problem solving skills within India team.

1.5   The Research Problem and Questions

The thesis problem was the lack of challenger mindset within FS R2R India team and problems due to lack of awareness and understanding of the cultural differences between India and Finland.

The research questions without answers were:
- What are key success factors when transferring work from Finland to the India?
- What are cultural differences between India and Finland which should be considered, when transferring work to India?
- What kind of work can be successfully transferred to India?
- Does Indians have a challenger mindset with proactive and self-directive approach?
- What type of recognition motivates Indian personnel?
- What kind of leadership styles fit to Indian culture?

1.6   Thesis Deliverables

The main deliverable from this thesis is a documented guide of cultural differences between India and Finland for the company internal usage. One of the deliverables of this thesis is a better awareness of the differences between Finnish and Indian work culture among personnel. Awareness enables to understand differences of people who come from different in cultural backgrounds and provides better readiness to face the challenges when transferring work to India and working with Indians. Another thesis deliverable is the implementation of the Nokia challenger mindset values to FS R2R India personnel and successful transfer of FS R2R tasks to India.

Finally, this thesis aims to develop the operative expenses planning and reporting processes in Nokia Devices and Services Unit, by helping the India FS R2R team to build competences to respond to business controlling team´s constantly changing requirements.

1.7   Thesis definition

This thesis definition is to identify and understand the differences of Finnish and Indian culture and business practices. Also purpose is to share knowledge and increase awareness of cultural differences to both Finland and India teams to understand the differences background and how those influence daily business practices. Target is to enable successful and smooth interaction between Finland and Indian personnel.

Learning and growth of professional knowledge is a continuous process. In this thesis I have observed and analysed the development and change of the knowledge, competences and behaviour during the time period from October 2012 until May 2014. The scope of the thesis is work transfer from Finland-based FS R2R teams and business controlling units to FS R2R teams based in Chennai India. This thesis describes the work transfer process from hiring to handovers. It will identify critical factors for successful work transfer as well as identify and analyse possible challenges due to cultural differences and finally make proposals to mitigate risks when working with Indian teams.

Thesis' scope is a knowledge and competence transfer by strengthening challenger mindset competences to enable Indians to work more independently after work handovers. Its target is to increase Indian personnel's challenger mindset in order to enable proactive continuous improvement in their daily work. Thesis will provide an analysis and comparison of cultural differences between India and Finland, work transfer, practices and organisational behaviour according to Nokia corporate values. Finally this thesis provides a review of business benefit realization of the estimated cost savings after transferring work from Finland to India.

Culture differences between Finland and India affect:
- Work transfer
- Business practices
- Communication
- Leadership style and methods
- Recognization and motivation
- Trust between stakeholders

This thesis is not covering other Financial Services processes like Purchase to Pay, Order to Cash or Local Compliance unit related work transfer. Other Nokia Group companies related financial services, apart from Nokia Devices & Services, such as Here or Networks are not in scope of this thesis. This thesis scope is not covering the establishing of the company and business start-up in India, co-operation negotiations and personnel redundancies in Finland or culture differences between other countries than Finland and India.

2 Process of transferring work to India

After co-operation negotiations were announced during 2012, the Nokia Finance organization started to plan restructuring activities with a view to managing and surviving within the new business situation. At the same time as a new finance organisation was announced, it was also made public that the Financial Services organization will ramp up a new shared services centre to India and part of Finland service centre´s work will be transferred to India.

The process of transferring work to India consisted of six different phases: planning of work transfer, recruitment & hire, induction, trainings, handover and follow up & support. This thesis shortly describes this process and activities in different phases but the action-based research concentrates on challenges faced in different phases due to the cultural differences.

Figure 7: Hire to Handover process

2.1 Planning the work transfer from Finland to India

Financial Services Record to Report team leaders were requested to start planning which tasks could be transferred to India immediately during the months following September 2012. It was concluded that work transfer can be started with the tasks which have

enough of a mature state from competency and development perspective. It was concluded that it would be difficult to transfer work, which is related to processes and solutions under development. Selecting mature tasks ensured that Finland teams could commit to provide quite stable rule-based instructions, documentation and support for new India colleagues. Additionally, one of the key criteria for work transfer was that the task area includes comprehensive documentation on processes and systems involved, which provides immediate written instructions on the what, how and when. The update of process and work instruction documentation was highlighted as key success factor in the planning phase.

The Nokia Financial Services leadership team arranged training on Indian culture in the Autumn of 2012 for Finnish personnel. This consisted of training facilitated by an external party and it included two sessions on culture and specific features for Indian culture. Training was only arranged for Finnish team managers and process owners who had no previous experience of working with Indian staff and who were expected to work closely with new Indian personnel. No training was arranged to Indian personnel about Finnish or western culture.

2.2   Resource recruitment & hire

After the first work transfers were decided, planned and scheduled, FS R2R ramp-up started by Chennai recruitment activities. Special mass-recruitment events were arranged in Chennai during October 2013 and the recruitment process was coordinated together with Nokia´s Human Resources Department. This thesis studies and analyses more how recruitment process, application and curriculum vitae pre-screening and candidate selections were carried out and high lights specific aspects of cultural differences.

Job applications were pre-screened on site by local Human Resources and by Finnish FS R2R representatives. A FS R2R representative on site was present in interviews and was pre-screening candidates before sending candidate's applications and curriculum vitae via email to Finland for team leaders and process owners looking for suitable candidates for the positions which were to be transferred from Finland to India. Tiina Wright, Nokia´s Financial Services representative at Chennai, was present in all of the interviews and she reported that the interviews were short 20-minute events, in which the objective was to find out if the person's competences are suitable for the position and whether the candidate fits into Nokia´s work environment. Wright also highlighted the importance of

asking targeted questions to ensure that the candidates really have the competences and knowledge mentioned in the resumés. It later transpired that most of the CVs had been written by somebody other than the person in question. In India there are résumé service providers who help people to write curriculum vitae. Wright and the local HR representative used different interview techniques and more time with candidates who had applied for manager positions.

Indians resumés differ from Finnish resumés being longer and having more extensive content. Whereas a Finnish curriculum vitae is usually compact two-page summary, Indians curriculum vitae can be eight-page long list of person's previous work experience, replete with job descriptions, rewards and recognition. After reviewing resumés and interviewing people, it can be concluded that Indians resumés clearly promise more than an employee is really able to provide. If Indian résumé mentions that a person has been responsible for corporate financial planning and budgeting, it might mean that in practice the person have merely inserted financial numbers to the budget planning system but that any decision on the numbers and planning itself, has most probably been done by somebody else.

Indian curriculum vitae is very similar to American, it is full of superlatives and every degree, examination, membership, award and recognition which describes the candidate's excellence is mentioned. Persons used to Finnish short and modest resumés might overestimate the Indian candidate.

This kind of self-assertion is typical to masculine society. India and United States of America are closer to each other's in masculinity dimension than Finland and India. (Hofstede 1993, 118.)
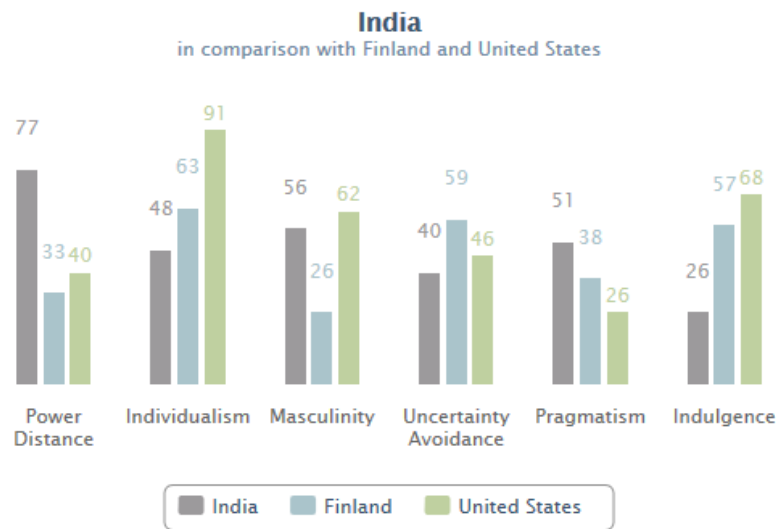
Figure 8: Hofstede´s cultural dimensions India in comparison with Finland and United States (The Hofstede Centre, 2014)

The first culture shock for Finnish personnel are Indian names, which can be very long, confusing and difficult to say. An Indian´s known name is often a shortened version from forename or surname and a surname can be just initials. Finnish person cannot interpret which one is the forename and which is the surname.

Indian´s résumés often includes also father´s name and possibly also father´s job title, which shows importance of family, status and caste. Caste and religion have influence over Indian names. Names in Southern India can reflect place, father´s family name and caste through occupation. Similarly in Finland, surnames can have historical meaning which reflects the place, father´s name or occupation (e.g. Järvenpää, Ala-Talo, Seppälä, Suutari, Pappi). Most of Finnish surnames are related to nature and reflect location (e.g. Virtanen, Järvinen, Koskinen, Mäkelä, Laine). In Finland there are surnames which reflects the historic class or caste with specific Latin endings with –aeus or –ius, such as Alopeaus or Chydenius as well as Swedish or German names.

The main difference with names is that the India the caste system is still very much alive in Indian society whereas in Finland, a social class inherited through family does not have any meaning anymore. Occupation and status through an inherited caste can be visible through a name and hold significance in Indians minds. The importance of the family, community and group consensus has an influence when an Indian national is

selecting another Indian national for a job position. If a Finnish person were to add their father's name and occupation to the resume, it would more likely to have negative effect. A Finnish interviewer would most likely think *"what does the father have to do with the job?"* and that this person is trying to ride on the merits of their father instead of their own merits. Hofstede´s cultural dimension of individualism and collectivism is visible also when comparing the recruitment decision on Finnish and Indian personnel. Finland as a highly individualist country considers that children are supposed to take care of themselves as soon as possible. In countries with low individualism, a family provides protection in exchange for lifelong loyalty. (Hofstede 2001, 236.)

Indians use often only initials besides their name, except when caste names are given more preference by certain families rather than the family name itself. The very first culture shock for Finnish person is the Indian names which can be very long and difficult to pronounce for Finnish people, such as *Chandramouli Balasubramanian* or *Akhilandeshwari Backiyanathan*. Indians are also using lot of initials in names and examples of using initials in name is *Surendhar Narayanan*, which was shortened to *Surendhar N.* Nokia was also using these shortened names in people's official email addresses. As a conclusion the caste system is alive in Indian society and Finns should take that into consideration in recruitment process. A recommendation would be to include a non-Indian person to the interview to ensure fairness in candidate selection and also Indian local managers might not share the same view of suitable candidates.

India is intermediate collectivistic society and in collectivistic society hiring and promotion decisions are often made based on relationships. In individualistic society like Finland, hiring and promotion decisions are supposed to be based on merit only. (The Hofstede Centre, 2014.)

2.3   Induction to Nokia

When a new employees starts at the Nokia they are provided with a Nokia identification badge, key card and necessary work equipment and tools as well as instructions how to use them. New Indian employees were given induction on Nokia basics by the Human Resources and Financial Services departments. Nokia induction included presentation of Nokia corporate organizations, values, policies, processes, systems and tools. Nokia has several ready-made e-learning trainings on basic topics such as corporate values, policies, code of conduct, information security, Sarbanes Oxley and internal controls.

Planned induction and trainings were slightly delayed due to the delivery of computers to employees being delayed. All new employees were requested to participate in these basic courses and additionally finance-specific eLearning materials were provided to the employees during their first month of employment.

2.3.1 Nokia Values

Nokia is committed to diversity and a set of core values that make company tick. Nokia have defined four core values that give guidance in everyday work. Implementation of Nokia values by the Financial Services India teams is one of the key targets. Especially it has been assumed that the value 'Challenge & Innovate' would be difficult to implement in Indian working culture where people are used to following explicitly instructions and are not allowed to challenge the status quo and given instructions. The purpose of this thesis action-research was to understand the reasons behind why challenger the mind-set and innovativeness is difficult to implement in Indian culture and what kind of actions are required to improve behaviour concerning this value.

Nokia core values during 2013 were:

Make it great for the customer.
Everyone in Nokia has a role to play in making it great for our customers. This involves listening and understanding before making the decisions that will provide a great customer experience. It's about taking accountability, and holding others accountable, for keeping commitments and getting things done on time.

Challenge and innovate.
Challenging the status quo is a prerequisite for change and innovation. Innovation is the lifeblood of our future success and the cornerstone of our product making. This is about not accepting "what is", but being curious and striving for "what could be". It involves asking big questions and then persevering to see great ideas all the way through to market. It's about believing in continuous improvement as well as taking risks in pursuit of Nokia's goals, sharing and applying what we learn from successes and failures. This will build our own, and Nokia's, mastery, as we challenge ourselves to renew along with our business".

Achieve together.

Results matter and we achieve more when we work together. This is about everyone at Nokia taking responsibility for achieving and collaborating across organizational or geographic boundaries to win. It's about having a diverse and inclusive environment that promotes individual expression.

Act with empathy and integrity.

Empathy and integrity are our guides for dealing with our customers and each other. It's about us being honest, transparent and doing the right thing. We inspire trust by speaking frankly and having the courage to call things out on what matters (Nokia values 2013).

This thesis will focus on strengthening the value of *challenge and innovate* among India Financial Services team. Its purpose is that Indian team members would not just perform transferred tasks and activities based on given instructions but also have a capability to challenge the way of working and promote new ideas to improve processes, systems and way of working. Another purpose is to implement a stronger collaborative work ethic across Finland and India teams, thus enabling efficient collaboration despite geographic or cultural differences between Finland and India.

2.3.2   Security of Information and Premises

"India has a culture of sharing information openly", mentioned one of the interviewees. KPCB have done a survey of how much different countries share online. The KPCB survey showed that India is ranked with second highest rate with over 50% of respondents indicating they share 'Everything' or 'Most Things' online. In the same survey only 15% of USA respondents and 10% of Sweden respondents indicated that they share 'Everything' or 'Most Things' online (Meeker 2013, 28).

One of the observations during the action research was lack of knowledge of company´s information security policy among Indian personnel. Nokia security policy needs to be introduced to the new employees when they join the company. Certain security principles which may be self-evident to new Finnish personnel were not clear even to old Indian personnel. During the action research several security policy contraventions and issues were observed. Nokia delivers an identification badge with employee's name, picture and Nokia identification number to all employees on the first day of employment.

Indian financial services personnel were not wearing visible Nokia Identification badge at office premises and neither were the workplace resource department at the reception checking whether people coming in and moving around at the office were wearing Nokia ID badge. Workplace resources personnel were checking that everybody entering the office opened the door with own their door key at the morning when most of the people arrived at the office. However Workplace Resources unit personnel were not checking whether people entering the office had a valid and own Nokia ID badge. Also this key control of holding own access key was performed only in the mornings but later in the afternoons there were no checks at the doors and it looked like whoever having an access key was able to enter the office.

Many of the Nokia India staff were moving around the office without having the Nokia ID badge visible. When they were asked about the badge, usually it was in their pocket. After monitoring this behaviour for the first few weeks, I took immediate actions to improve the Chennai city office premises security. I raised the issue with the local workplace security and the Financial Services leadership team who raised the issue immediately further to Workplace Resources APAC regional management who in turn sent "Wear it Visible" Nokia badge-usage reminders to all Chennai office employees. In addition, I personally reminded our FS R2R employees about security policy and principles and ask to behave as role models in this area. One of the main conclusions of this action research was that Finnish people should not assume anything to be a self-evident in India. A good example is information security principles.

Company provides laptop computers and mobile phones with domestic calls to Indian personnel to enable to work from home when needed, due to time zone differences between European and American counterparts. Indian personnel often share their laptop computers and mobile phones with other family members such as brothers or husbands.

One topic which cannot be over highlighted to Indians is the information confidentiality. Personnel responsible for producing reports to business-controlling units, do not necessarily know or understand that the data in reports is confidential unless it is clearly stated to them. Financial Services R2R team members were having access to confidential financial information and they were producing monthly report packages with this confidential information. Indian personnel were openly and proudly showing to other colleagues their work results and reports which they had produced without understanding that the colleague would not necessarily have authority to see these financial numbers.

I raised the topic of information security issue in one of the FS R2R weekly team meetings and explained to the team manager and team members what the purpose information security policy is by using examples of financial data. I shared Nokia´s employee security policy quick guide, provided a link to this document and requested every person in FS to familiarise themselves with the documented security principles. The Nokia employee security policy quick guide explains information classification into four different categories: secret, confidential, internal use only and public. Also it includes detailed information on how to work with passwords, network and end user device such as desktop and mobile device. Nokia´s employee security policy includes instructions for information security as well as onsite security.

After raising the concern of information and premises security to the management, Nokia's Security department arranged two sessions of Information Security at Chennai office during November 2013. The Information security trainings were organized to all Nokia Chennai office personnel and presentation was held by Nokia IMEA Senior Security Manager at Chennai office. These Information security trainings covered basic concepts of information security in daily work, information classification, handling, data privacy, mobile tools and security.

2.4   Trainings on finance processes and tools

Trainings on accounting & reporting systems such as SAP ECC6.0, SAP and Essbase reporting systems and various Nokia custom made solutions were arranged for Indian employees. Nokia Finland team members were keeping various trainings to Indian personnel and the eLearning materials were used when available. During the six months assignment in India my target was to arrange one training of the selected financial process or system topic every week. Later we also initiated that Indian team members could start to keep knowledge sharing sessions to each others of their own area of responsibility.

2.5   Work handovers from Finland to India

Financial Services Finland team members provided instructions on how to handle specific work assignments and tasks. Specific financial accounting and reporting tasks were

handed over to Indian employees after a thorough two months instruction and training period.

Gesteland proposes that Western companies bring Indian employees to western head-quarters for training and orientation. The benefit of bringing Indian employees to a western work environment and exposure abroad is to enable total immersion in western business and corporate culture. A trip abroad serves also as an effective incentive for Indians as training and exposure abroad will also make Indian employees more attractive in job markets. (Gesteland & Gesteland 2010, 78.)
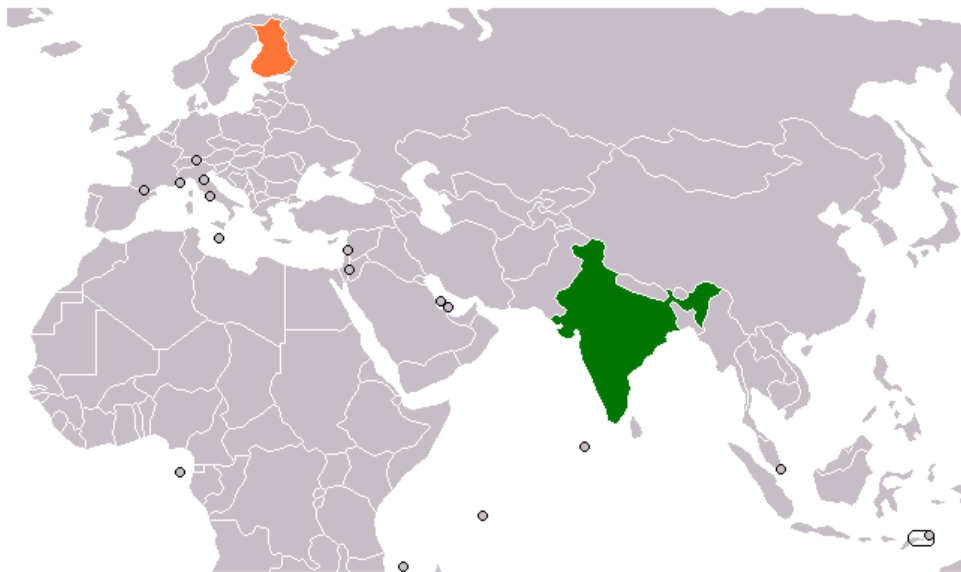
Figure 9: India & Finland

Most of the Indian Financial Services R2R personnel were totally new to the company and their training period started with induction to Nokia and continued with finance tools and systems. Handovers were started with two people who moved internally and changed their position from the India Indirect Sourcing finance team to the India Financial Services Record to Report team. These two persons already had few years' Nokia finance experience, which enabled us to start handovers immediately during October 2012 when most of the recruitment was still in progress.

We decided to invite one of these Indian employees to Finland for a two-week intensive handover session. This decision was extremely successful and for Finnish employees it was their first real working relationship with an Indian culture person. It was an important breakthrough mentally for Finnish employees and a positive experience for all parties.

This first training and handover was very successful and after the staff member went back to India with new tasks along, everyone felt really confident about the successful work transfer. Above all, the first positive experience of Indian personnel's capabilities was extremely important mentally to Financial Services Finnish employees, who previously had strong prejudices against Indians and doubted the success of the work transfer to India. They were very doubtful about whether Indian´s would have the capabilities to take over their old tasks or tasks which had previously been handled by their Finnish colleagues. Finnish personnel initially had negative feelings about work transfer to India. Mainly they felt sad and angry because their old work colleagues needed to leave the company and their work was given to somebody else. After the Nokia finance employee negotiation consultations ended, part of the Finnish personnel were released from their work obligation with short notice periods but some employees had agreed to handover tasks to India before leaving the company. The work transfer from Finland to India was mentally challenging to both Finnish team members and team leaders due to emotions related to work redundancies and sadness on behalf of colleagues leaving the company.

This particular Indian employee had been travelling to Finland a couple of times before in a former position so Finland was not a big culture shock anymore. Later we noticed that Indian employees travelling for the first time to Finland or even abroad from India were having trouble concentrating effectively in the training sessions and work transfers due to culture shock. Some of the Indian personnel had never travelled by airplane or outside of India. Similar challenges were noticed by Finnish staff who were travelling for the first time to India, the Indian and Finland environments are so different that first time it requires time to adjust before a person's senses and mind can concentrate and focus on work. In conclusion we learned that people travelling for the first time to India or to Finland require some extra days to adjust and transition to new environment before effective training should start.

Financial Services finnish trainers held tests after the handover. Examination tests were proven to be a quite successful way of validating whether a person had understood the topic and what topics need to be repeated and rehearsed more. Observation during the training and handover was that a very good way was to first show, explain and then ask the person to do it him or herself by offering help and support.

Indian communication style is very different than a Finnish direct style and Indian is not probably answering negatively if you ask if they understood. Indian way to say *"no"* might

be a loud silence or postponing the response *"Can I get back to you?"* Never accept the word "*yes*" by itself for an answer, but listen what the person says next. (Storti 2007, 76-77).

2.6 Follow- up & support

The Finland-based team arranged follow-up meetings on-line and provided support to India colleagues with various issues. The challenge were how to ensure Indian team members take accountability of their own tasks and work assignments. Furthermore, how to ensure they can learn through their mistakes and trial-and-error without causing major issues for their daily business. Indian employees tend to readily contact directly their Finnish colleagues with their questions when they feel uncertain about what to do. Work transfer was very successful with tasks where there were clear instructions how to handle work assignments. Nonetheless, there were issues taking responsibility and accountability of tasks where we were not able to provide clear instructions on all situations. Issue resolution and error handling seem to be very challenging due to lack of previous knowledge, competences and decision making capability and power.

2.7 Issues & challenges

Handovers to India mainly covered "what, how and when", but the "why" was often neglected. Explaining the reason, purpose and meaning of the task were missing mainly due to lack of time during the handover period however in some cases also the person making the handover simply could not explain the purpose of the task. During interviews with Indian FS R2R personnel, most of the employees highlighted themselves that now after practicing activities for several months, they would like to better understand the background and business behind their tasks and what is the purpose and meaning of their daily activities.

One of the issues, which surprised Finnish team leaders and process owners, were the Indians flexibility towards the working hours. Finance & Control department need to follow certain periodic, quarterly and yearly reporting schedules which require that work must be finalized within a very short timeframe. It often means that few days of the month require overtime which can be taken off later during the month as free time or compen-

sation depending upon contracts. Indian personnel have accepted this need for occasional overtime when it was told them at interview's, but we did not realize that we would be facing other such as logistical issues related to this fact. Nokia was offering a small bus and taxi service to employees working in 9.00-17.30 or 11.00-19.30 shifts. Employees working later than 19.30 needed to have their own car or bike and in practice this meant that working hours later than 19.30 was possible only for men who had their own transportation. One of the Nokia´s values is equality and acceptance of diversity, so we needed to consider alternative ways to enable employees, especially women, to work longer hours when required. In India, public transport is very weak and it is not safe for women to use public transportation at the night to go home.

Nokia Financial Services personnel in Finland have by default a home connection to enable working remotely when needed. We did not at first understand that India personnel would not have home a connection by default to work remotely when required. Our local India HR and other organizations with a longer history in India explained that it is very exceptional that Indian staff is provided with home connections to work remotely. They explained that people would be most likely misuse this opportunity and stop coming to work and it would cause some serious disruption at the office. This was part of problem which we have faced sometimes in Finland´s remote work. After spending some time at the India Chennai site I observed that working remotely is not only an issue of trust, but is more likely Indian infrastructure and social issue.

The internet and the power supply to private homes is hardly stable (Messner 2009, 93). There were no cable line connections to the villages and most of the houses where people were living so the only option was to use tele-operators' 3G connection through the internet sticks, which was not working in all areas of Chennai due to network capacity problems.

Nokia´s office has effective emergency power supply through a back-up generator which is automatically switched on during power outage. Many local Indian employees do not have similar backup power systems at their home. India´s electric power failures can prevent using a laptop when needed at home and power failures can last several hours if villages do not have an emergency power supply. During the six months assignment in India, I observed power cuts on a weekly basis during the evenings and nights, but my apartment complex backup generator usually started within half an hour so often delays were not long enough to run out of laptop battery.

Also one of the issues with the remote-working option in India is the fact that most of people in India are living without the same privacy that we are used to in Finland and in other western countries. People in India are living in small houses or apartments together with their relatives; mother, father, sisters, brothers and grandmother are usually living with their adult children. Men live with their parents, sisters and brothers and possibly even with brother's wife and children. When women get married, they usually move to live in their husband's home and with their husband's family. The privacy level that Finnish people are used to is quite different to that of Indian people due to different structure and meaning of family, style of living and housing habits.

"It is very hard to get Indians to change their work habits, and job-hopping makes this problem worse." (Gesteland & Gesteland 2010, 75.) Employee turnover was realized as a risk based on the experience from similar IT outsourcing activities. In India companies compete hard for an educated workforce and a proportion of employees are often changing often employers for better pay. Nokia Financial Services hired first at first at least two people for the same task, to mitigate the risk of high employee turnover which could have caused repeated issues in performing knowledge transfer, training and handovers. This issue of too high employee turnover did not realize itself in the end: the FS R2R personnel have had extremely low employee turnover. When I interviewed of couple of employees which have had a history of short employments in the past, they explained that they had now found economic security and stability in a company which they believe in and has values they respect and trust.

Expectations and requirements from other Nokia Finance & control were collected and presented to India FS R2R reporting & analysis team at August 2013. F&C counterparts expect Indian team to be more independent, proactive, self-started and committed towards their work. In addition they hope Indian FS to gain better understanding of their needs and business and needs. Quality, accuracy and accountability was mentioned as a success factors in the process of building the relationship of trust.

3   Culture and values

The theoretical framework of this thesis is founded upon Geert Hofstede´s five dimensions of national culture. Geert Hofstede is an international authority on cross-cultural social psychology and is a co-founder of the Institute for Research on Intercultural Co-

operation at Tilburg University in the Netherlands. Geert Hofstede´s five dimensions of national culture are power distance, uncertainty avoidance, individualism versus its opposite collectivism, masculinity versus its opposite femininity and long-term versus short-term orientation. The purpose here is to analyse, through these five different dimensions, daily working life at Nokia's international organization, through the lens of cultural differences between Finland and India.

"A group´s culture is the set of unique characteristics that distinguishes its members from another group." (Rosinski 2013, 20.) Culture covers behaviours and language which are visible and invisible norms, values, basic assumptions and beliefs.
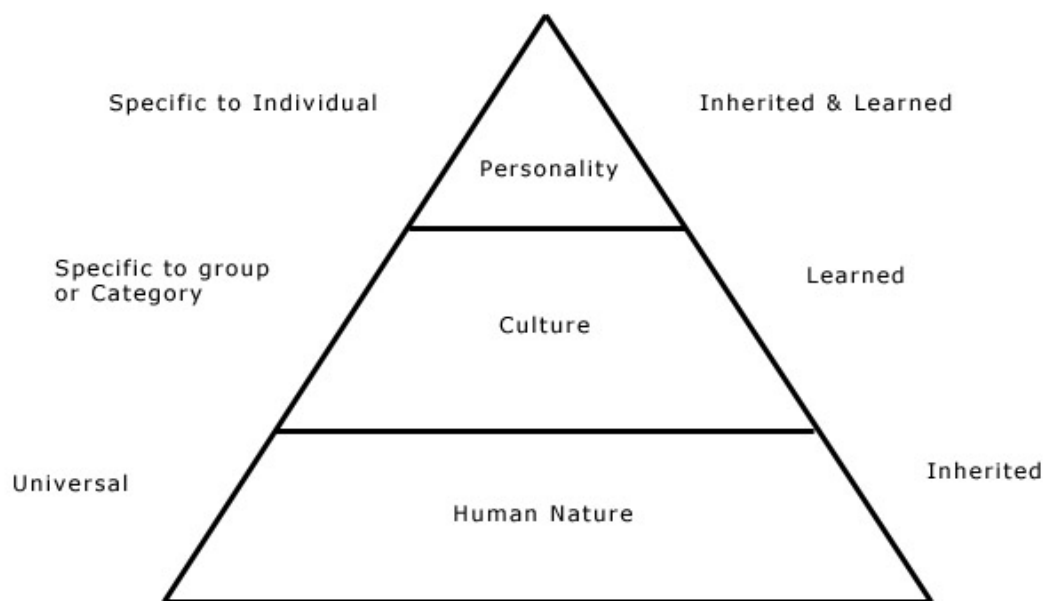
Figure 10: Three Levels of Uniqueness in Mental Programming (Hofstede 2010, 6)

Culture defines our fundamental beliefs about how the world works and forms ways in which we interact and communicate with others, develop and maintain relationships. Our definition of normal business practices and way of living and thinking can be very different from our colleague´s living in another country and culture. Sharing knowledge and increasing awareness of cultural differences on both sides before engaging in business is essential, because understanding differences between Indian and Finnish culture and business practices is the key for success.

People belong to multiple groups and nation is only one of the several groups to which they belong. Philippe Rosinski (2003, 21) categorizes culture groups into:
- Geography and nationality, region, religion, ethnicity

- Discipline: profession, education
- Organizations: industry, corporation, union, function
- Social life: family, friends, social class, clubs
- Gender and sexual orientation.
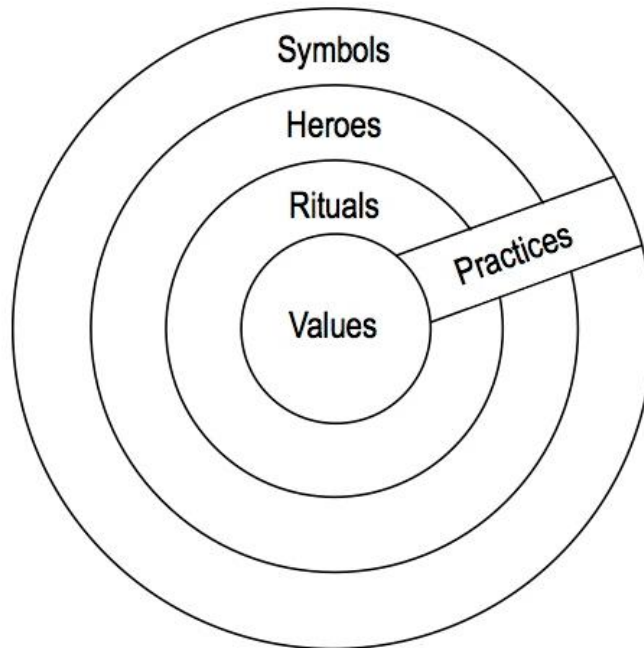
Figure 11: The "Onion": Manifestations of Culture at Different Levels of Depth (Hofstede 2010, 8)

Hofstede describes manifestations of culture through a Onion-model, where most super-ficial skin of onion is symbols and the deepest manifestation of culture is values, with rituals and heroes in between. Symbols are gestures, language, clothing's, words or ob-jects which carry a meaning which is recognized only by those who share the culture. Heroes are persons who hold highly prized characteristics and serve as models for be-haviour. Examples of heroes can be role models like parents or cultural heroes such as Gandhi or Bollywood starts at India, Mannerheim or Santa Claus in Finland, Robin Hood in Great Britain, Neil Armstrong or Barbie in the United States. Rituals are unnecessary to reach desired state but within a culture a considered socially essential. Examples of rituals are social and religious ceremonies. The core of culture is formed by values which are feelings with pairings such as evil versus good, abnormal versus normal, dirty versus clean, forbidden versus permitted, decent versus indecent. What is normal in India might be abnormal in Finland, what is considered as dirty in Finland might be clean in India,

shorts at the office might be decent in Finland but indecent in India. People acquire values and practices during their first ten or twelve years. This includes values but also symbols such as language, heroes such as parents, rituals such as table habits. (Hofstede 2010, 8-9.)

The Iceberg concept of culture demonstrates that the external culture, smaller part is visible and bigger part of culture is invisible.
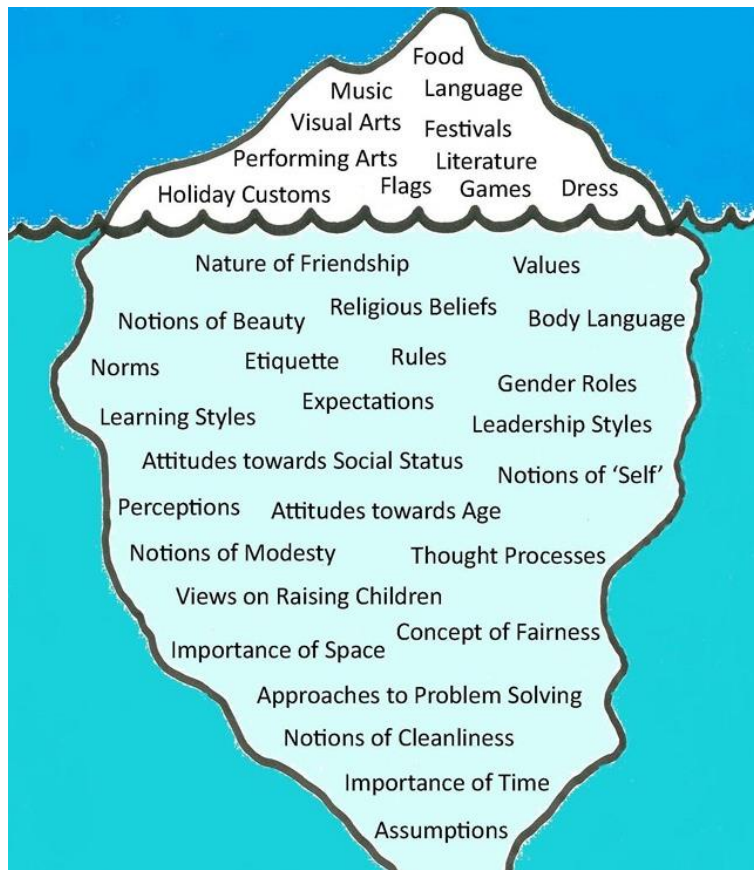
Figure 12: Edward T. Hall´s Cultural Iceberg (interculturalism BlogSpot 2011)

3.1   Cultural Dimensions

Hofstede has explored countries including Indian and Finland culture, through four main cultural dimensions. In the below figure 12, Hofstede´s cultural dimension index values have been compared between India and Finland. From this summary comparison it is evident that there is major differences between India and Finland, especially when analysing the dimensions of power distance and masculinity.

Table 1: Hofstede´s cultural dimensions and characteristics (The Hofstede Centre, 2014)

DIMENSION	LEVEL	Characteristics
Power Distance	High PD	Strong hierarchies, Face saving important, role of manager as expert
	Low PD	Flat organizations, Supervisors and employees considered almost as equals, role as facilitator
Individualism	High IDV	Individual decision making and reward systems, High valuation of individual, employees look after selves, universal values
	Low IDV	Collectivist, group consensus, look after employees, particularism
Masculinity	High MAS	Task focus, Performance, getting task done
	Low MAS	People focus, quality of Life, relationships are important
Uncertainty / Avoidance Index	High UAI	Formal, rules and policies, structure, avoid risk
	Low UAI	Flexible, informal, accepting change and risk
Long Term Orientation	High LTO	Family, parents and men have more authority than young people and women
	Low LTO	Equality, high creativity, treat others as you would like to be treated

Workplace values around the world can be analyzed through Hofstede´s cultural dimensions.
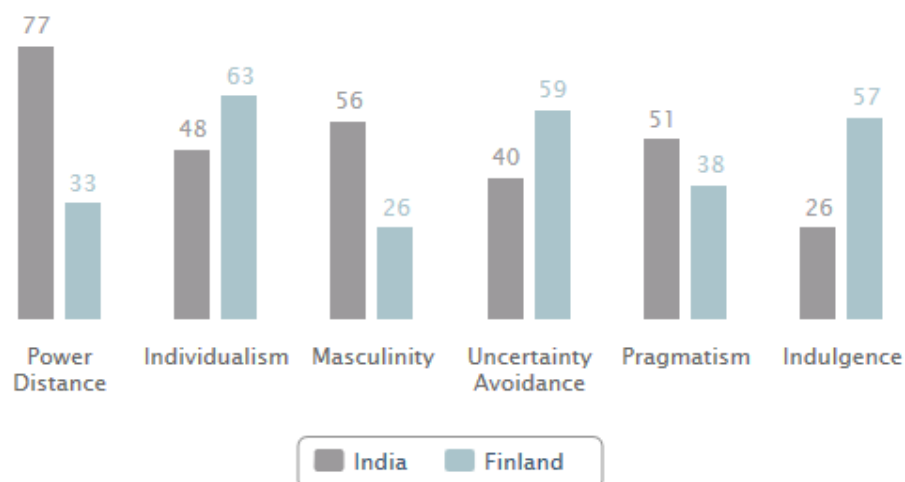

Figure 13: Hofstede´s dimensions: India in comparison with Finland (Geert Hofstede, The Hofstede Centre, 2014)

3.1.1 Power Distance

One of the five Hofstede´s national culture dimensions is power distance which is about human inequality. Power distance may appear in work and organizations through different levels of prestige and it is visible through line-manager-subordinate relationships. Power distance in work and organizations vary among countries and it correlates with geographic, economic and historic country indicators. (Hofstede 2001, 79.) Hofstede defines power distance as an extent to which the less powerful members of organizations within a country expect and accept that power is distributed unequally (Hofstede 2001, 98.) Organizational hierarchies usually represent the distribution of power. Power distance between line manager and subordinate depends on their mental programming; values, personalities and societal norms controlling behaviour. Earlier life experiences from parent and child and teacher and pupil relationship affect future sub-ordinate and manager relationship. Previously learned values and norms from family and school environment carry forward to work environments. (Hofstede 2001, 82.)

India´s power distance index (PDI) value 77 is high when Finland power distance index value 33 is rather low. (Hofstede 2001, 87.) In high power distance index countries like India inequality is accepted as the norm and power is a basic fact of society that antedates good or evil; its legitimacy is irrelevant. Subordinates consider superiors as being of a different kind of people and powerful people should try to look as powerful as possible. Older people are respected and feared and power holders are entitled to privileges. Dethroning those in power is the way to change a social system. In contrast, low power distance index countries such as Finland, are making efforts to increase social equality and the common thinking is that all should have equal rights. Subordinates think that superiors are people like them and powerful people try to look less powerful than they really are. In low power distance countries redistribution of power is the way to change a social system. (Hofstede 2001, 98.)

India high score of power distance indicates respect for a hierarchy and top-down structure in organizations. Indian employees expect to be directed clearly as to their functions and what is expected of them and they are dependent on the line manager for direction. Finland low score on power distance dimensions means that everybody are expected to have equal rights, hierarchy exist only for convenience, leaders are coaches and management style is facilitative end empowering. (The Hofstede Centre 2014).

Indian culture is hierarchical and the boss is a symbol of power and prestige. In India the manager makes all the decisions and it is difficult to get the personnel to challenge their manager and to express opposite opinions directly. Sub-ordinates just do as they´re told even if they would know that the manager is wrong, nobody will argue. They think that opposing viewpoints would be impolite towards a manager. An even bigger issue is that personnel may just go and do what they feel to be the correct thing to do, even if it is exactly the opposite of what was ordered. As a foreign manager you might not note that instructions were not followed until something goes wrong. Due to politeness Indians tend to tell you what they think you want to hear. Therefore it is important to look for the gestures and signs, i.e. what is the real *'Yes'* and when *'Yes'* actually means *'No'* or *'Maybe'* or just *'Ok, I hear what you say'*.

When working with Indians it is extremely difficult to get personnel to express their own real opinions, new ideas and out of the box thinking, especially if those differ from the manager or person who is more senior in the organization's hierarchy. At the same time a big challenge is that when Indians tend to silently stray from given instructions. Written instructions are the solution in these cases, because then people cannot say that they did not know such instructions exist. It is important to ensure that communication have been clear and there are no misunderstandings. As a solution you can explain the request and ask personnel to repeat what should be done or you can ask confirmation questions to be confident that they understood. In addition to clear verbal communication, all requests, orders and decisions should be provided to Indians in written format (Kolanad 2012, 256-257.)

Observation during the process at Chennai was that in India the leader, line manager or coach is expected to provide all the solutions, take charge and give explicit and direct instructions to sub-ordinates, whereas in Finland there is the concept of a leader stepping back, facilitating the process and assuming the sub-ordinate to take initiative for the action. There is evident conflict of expectations of Finnish manager and Indian sub-ordinate unless both are aware of these cultural differences and adjust their behaviour closer to each other's.

3.1.2   Individualism and Collectivism

Individualism dimension index measures the degree of interdependence a society main-
tains among its members. It indicates how much people´s self-image is defined in terms
of *"I"* or *"We"*. India´s individualism score of 48 indicates that India is having both char-
acteristics of collectivistic and individualistic. Finland is individualistic society with score
of 63. (The Hofstede Centre 2014.)

Hofstede´s national culture dimension of individualism is the opposite of collectivism. The
relationship between individual and collectivism in human society is linked with societal
norms and it affects people´s mental programming (Hofstede 2001, 210.) Hofstede has
been measuring countries individualism through an individualism value index (IDV) and
Finland is has a higher individualism index value than India. Measurement of individual-
ism has been done through questions concerning importance of high earnings, own time
and usage of skills and abilities in work. Finland´s individualism index value is 63 when
India´s corresponding value is 48. (Hofstede 2001, 215.)

Individualism index correlates with the power distance index. Finland is an individualistic
small power distance country when India is a collectivistic large power distance country.
Finland is a high individualism society where everyone is expected to take care of
him/herself and her/his close family only. India as a collectivist society where people are
integrated into strong and cohesive in-groups, which follow people throughout their life-
time in exchange for unquestioning loyalty. Association related to low individualism index
value countries like India is "we" consciousness, whereas high individualism index value
countries like Finland associates with "I" consciousness.

Indian´s identity is based upon the social system whereas the identity of Finnish person
is based upon the individual. Indians consider interpersonal relations and membership
to a group a more important factor in their happiness than intrapersonal hedonism and
individual initiative and achievement. During the action research at Chennai I observed
differences between Indian and Finland individualism when we started to plan Financial
Services 1st year anniversary event. Local managers proposed that all employees would
be given a trophy as recognition, in order to maintain the group consensus. Finnish man-
agers thought that only selected individuals should be granted a trophy as recognition
and used the recognition as a method to raise role models from the work community, to
be examples to other employees.

Low individualism countries place more importance on personal development and use of competences in work, while high individualism countries consider freedom and work challenge more important. India as a low IDV country considers years of education as qualification for a job while Finland as a high IDV country values previous task performance as qualification for a job. (Hofstede 2001, 225-226.) The implication of this are shown when comparing Indian and Finnish candidate's resumes'. Indian candidate's resumes have longer lists of different kinds of trainings and courses, which might not be even relevant for the applied position, whereas Finnish candidate's resumés concentrates more on work experience.

The work of individualistic culture employees should be organized in such a way that self-interest and the interest of the employer coexist. Employers in collectivist cultures hire people who belong to an in-group and the employee will act according to the interest of this in-group (Hofstede 2001, 235.) In India this might show as lack of proactivity in developing the efficient processes. When a group's interest is to ensure everybody have some work, Indian employees does not necessary understand the employer's interest of trying to make processes efficient by centralizing tasks to one person instead of dividing tasks to several persons.

3.1.3   Masculinity and Femininity

India scores 56 on masculinity dimension and is considered a masculine society. Visual display of success and power is common in India. Finland is considered a feminine society with score of 26. Showing of status and wealth is not valued in feminine countries. Managers of feminine countries strive for consensus and decision making is achieved through involvement. Employees value equality and solidarity in work environment and expect manager to be supportive. (Hofstede Centre 2014.)

Initial observation of the Indian high masculinity and Finnish low masculinity index was visible in the recruitment process when reviewing Indian resumes'. While Finnish people are rather modest and resumes are as short as possible, Indian resumes are long lists of every possible details that a person has been involved in or think he or she has been responsible for. Indians boast in resumés with all possible detail, worded in such a way, that sometimes a false understanding of the persons previous work experience is given. Finns on the other hand are often too modest with their experience.

3.1.4 Uncertainty Avoidance

India have medium low score of 40 on the dimension for uncertainty avoidance. Uncertainty avoidance indicator reflects to which extent culture´s members have created beliefs that try to avoid feeling of threatened by ambiguous or unknown situations. There is acceptance of imperfection in India which means that Indian people think that nothing has to be perfect or need to go exactly as planned. Indians have high tolerance for the unexpected and they are usually patient. Indian people do not feel driven or obligated to take action-initiatives and are comfortable with routines without questioning established processes. Indian innovativeness shows when there is enough space and freedom to adjust and circumvent the rules. Indians might have innovative methods to bypass the system and finding a unique solutions to the problems. (Hofstede Centre 2014.)

Observation during the process at Chennai was that challenger mindset implementation to Indian work culture is difficult when people are too comfortable with routines and existing processes. Also own thinking seems to be sometimes totally mentally programmed off when Indian employees expect to get answers to the questions and direct instructions from the manager. Issue with Indian innovativeness and problem solving skills is that that usually efficiency aspect, rule and regulations have not been taken into consideration.

Uncertainty avoidance score for Finland is 59 which indicates high preference for avoiding uncertainty. In high uncertainty avoidance cultures, people tend to work hard and feel pressure to be busy, rules, punctuality, precision are respected and time is money. People with strong uncertainty avoidance are usually intolerant of unusual behaviour. (Hofstede Centre 2014.) In Finland this is often shown as intolerance towards unknown people and cultures.

3.1.5 Long and Short Term Orientation

Pragmatism dimensions describes how society maintains relationship with its own history while dealing with the challenges of the present and future. India has a score of 51

of the pragmatism dimension, which reflects for a pragmatic, long-term culture. Philosophical and religious thoughts are driven by the concept of "karma". India is a long term oriented society where people usually typically forgive a lack of punctuality, are comfortable with changes and common believe is that people follow the fated path instead of following to an exact plan. Finnish culture can be classified as normative with low pragmatism score of 38. Normative culture people´s focus is on achieving quick results instead of saving for the future. (Hofstede Centre 2014.)

3.1.6   Indulgence

Indulgence dimension indicates the extent to which people try to control their desires and impulses. People from restrained societies think that the social norms restrain their actions and they have a tendency to pessimism.

India culture is restraint with low score of 26. Finland is an indulgent country with relatively high score of 57. Indulgent cultures appreciate more leisure time and feel free to act as they please without control of society and indulgent culture people have tendency towards optimism. (Hofstede Centre 2014.)

3.2   Indian Communication & Gestures

The first cross-cultural communication conflict I faced during the knowledge transfer trainings at India on February 2013 was the Indian head gesture. I was keeping a training to three Indian employees and one of them was listening silently, looking serious and waggling the head from side to side during my talk. My instant reaction was that this person were having some issues against the training topic and did not agree with the message what I was trying to deliver. When taking the issue up later with my Finnish colleague who have spent already some months in India, she laughed and explained me that this Indian head wobble means just that "I´m listening" or "I understand what you´re saying". This head gesture is common especially in the southern half of the India. The gesture is a kind of head wobble or waggling motion, which looks very much like the way Westerns shake their head to indicate "no". When paying attention to this gesture you can notice that it is not a similar "no" gesture with waving the head on straight from side to side what we do in Finland.

One of the observations during the time at Chennai was that many Indian men were holding each other hands, walking holding hands, arm in arm. Even at the office, men can be walking with hands in another's shoulder. First interpretation of this behaviour was that how great is to see that India is a such an open-minded and modern society that couples with same gender can express their feelings so freely. Later I learned that most of the Indian men do not mean to send out any signals about homosexuality. Holding hands is a sign of friendship. Homosexuality is illegal in India. (Kolanad 2012, 87.) The gesture what you do not see at the office or streets of Chennai is that couples of the opposite gender, men and women, would be holding each other's hands or showing any intimate gestures like hugging or kissing. Only when you see men and women close to each other's is when they are driving together with scooter often with two kids and mother holding the baby in the arms. Emotions between women and men are not tolerated in public places in India. Advice for Finnish person is never to give a hug the Indian colleague when you meet, despite of how old and good colleagues you feel you are.

3.3   Characteristics of Finnish Work Culture

Finland has a rather egalitarian business culture which is visible through informality in communication and smaller differences in people's status. The management and leadership style is more collegial than authoritarian hierarchy culture. Especially in Nordic cultures, employees are empowered to work without close supervision.

People from equalitarian business culture are unaware of issues of 'face' which causes difficulty in conducting business successfully in hierarchical cultures such as India. The Scandinavian model of management is successful in egalitarian cultures, but it often conflicts with expectations of employees in hierarchical society. (Hofstede Centre 2014.)

3.4   Characteristics of Indian Work Culture

India requires "big heart" and patience. Jari Ängeslevä, a sales manager of a Mobile industry company Smartphone Solutions describes that there is big cultural differences between India and Finland and it requires a big heart to accept India as a whole. Asian countries like India value the seniority and age is benefit in India business culture. You have to keep on touch regularly to Indians, socialize, call and send emails enough often,

otherwise Indian thinks that you are not committed to them. India divides people to those who love India and those who don´t. (Ranta 2012.)

India business culture is extremely hierarchical. Characteristics of hierarchical business cultures are centralized decision making and micro-management. Managers make decisions and sub-ordinates follow the orders. Employees expect to be micro-managed in traditional Indian organizations. Matrix management might confuse Indian employees, for example if they have a project manager in Finland and local team manager in India. (Gesteland & Gesteland 2010, 43.)

In Nokia Financial Services employees often have matrix manager relationships. The local team manager is based in India, but process owners and project managers are usually located in Finland. Roles and responsibilities have been agreed so that local team managers are responsible for people management topics while process owners are responsible for managing operational processes and the development of process and systems.

Gesteland describes a situation where Indian employees are demonstrate lack of initiative and self-direction and a Danish manager starts to train them to be more independent instead for waiting for the manager to decide everything. When Indian sub-ordinates came to the Danish manager with questions and problems, the manager listened and tried to help them to solve the problem by themselves by asking questions. Danish manager listened to the problem and asked from the Indian employee "Ok, obviously you have thought a lot about this issue. So what do you propose to do in this situation?" Or he would ask, "What do you see as possible solution here?" The Indian employee would usually just stare at the manager, mumble something and walk away. Three months after the Danish manager took over, local senior employees had raised complaints about the new manager´s "incompetence and unwillingness to make decisions." Gesteland has analysed various alternative solutions and the solution that Indian subsidiary employees would adapt the Danish management style is impractical because it is easier to change a single experienced manager's behaviour than change dozens or hundreds of Indian employees' cultural mental programming, cultural assumptions and expectations. Gesteland sees that the best possible solutions are to use a local Indian manager or to induct the Western manager in Indian culture. (Gesteland & Gesteland 2010, 49-51.)

In the end, Gesteland did not have a solution to the original management problem in which Indian employees were expected to demonstrate a challenger mindset by being more independent and self-directed. Gesteland sees Indian´s lack of initiative and self-direction as a cultural feature which westerners should understand and accept and change their own leadership behaviour to meet Indian employees' expectations.

Messner although suggest to use powerful questions such as "what are the next steps you will take" to ensure message was understood. In face-to-face meetings the best way is to look at the Indian counterparts faces and rephrase and explain again in case you see confused or puzzled look.

Financial Services Chennai's ramp-up strategy was to hire young 25-35 year-old women and men. The average age of Financial Services India is 28 years. The strategy behind of recruiting young employees was a lower salary level than more experienced older Indians but also the open-mindedness towards new ways of working through not having too much experience from the Indian work environment. The young age level of personnel was shown at the office through behaviour that was more closely to what we in Finland are used to see in university studies. Male employees used to hang out with work colleagues after the work at the workplace recreation room as a social get-together. Women employees planned events like dancing shows or fashion shows. I was told that fashion shows, fun activities and different kind of competitions between companies are common in India work life. Indian employees often considered their colleagues as their 'work family'. When Indian gets engaged or married or a child is having 1st year birthday everybody at the office might be invited and especially managers are expected to participate in engagement or marriage events.

Long annual vacations are common in Finland and usually people take summer vacation in 2-4 weeks periods. Indians do not take long yearly vacations, but they use their vacations for different kinds of family events during the year; relatives or workmate's engagement events, marriage parties usually lasting at least two days, family funerals or birthdays.

The attitude towards time is different between Indian and Finnish employees. Following schedules and keeping to deadlines is more difficult for Indian than to Finnish employees. Observation during the time at Chennai was that people were always late from the meetings. Even there were visitors and external speakers, Indians came late to the meeting

room. They did not take any running steps on the way or apologise of being late. During the Kaizen workshop, Indian managers who had accepted invitation to the Kaizen workshop did not show at all. They did not inform the training facilitators and the whole workshop was almost an hour delayed when waiting people to join and then chasing after needed amount of participants due to no-shows. The Kaizen trainers told that they have never experienced anything similar behaviour in the other countries.

Respect for the hierarchies, low level of trust and competitiveness are features of the Indian mindset which can get in the way of effective teamwork. Change of mindset happens slowly through development of shared culture. Similarity in goals and shared language are key success factors in developing a shared culture in India. (Gesteland & Gesteland 2010, 83-85.)

3.4.1.1 Religion at work

Over 80% of Indian's population profess adherence to the Hindu religion. In India Hinduism is visible in the basics of everyday life: birth, work, health, relationships and death. Indians have a predominantly religious attitude to life, marked by clear authority structures and distinct social status lines. Hindus believe in cycle of death and rebirth and position in the society after rebirth depends on how individual lived the previous life. Hindus think that they are individually responsible for the impact the way of living will have upon their rebirth. (Hofstede Centre 2014.)

Hindu´s consider certain dates in their almanac as a 'good' or 'bad' time and this might mean that some business occasions are put on hold until an auspicious time is found. Even the most modern organizations have a religious ritual called 'puja' or 'pooja' before they start a new venture or use a new machine. Lakshmi puja is one of the most important rituals performed during the Hindu festival of Diwali. This ritual is performed to invite the Goddess Lakshmi into homes, offices and factories. Prayers are offered to the Goddess, so that the Hindu New Year is filled with peace, wealth and prosperity. Diwali Puja is celebrated on October 23rd and it is visible in the workplaces through decorations and religious rituals performed on different kinds of office machines.

At the Nokia Chennai office, religious tradition was performed on machines, such as fans, copy machines, doors, elevators, foam extinguishers and even the cross trainer at

the gym. A pujari draws a red-white yellow powder sign with the third right hand finger on the machines, the front door is decorated with banana leaves and there is fruits, flowers and food such as rice in front of the portrait of the goddess with a flower garland. India´s Hindu religious beliefs are visible in everyday life at the office. People are having statues of the elephant headed god Ganesha at their work desk and they often give these also as presents to the western visitors.

Karma and reincarnation is a common belief in India. The law of cause and effect is called as Karma and reincarnation is a result of karma. Future reincarnation is based on actions in this life. (Kolanad 2012, 58.) Indians believe in doing their best and leaving the rest to the fate. If things do not go exactly as planned, an average Indian would not lose sleep over and would see it as fate determined by deeds is a previous life. In working life Indians seems to appear often laid back without too much to stress about as the Karma gives the equanimity to accept things the way they are. Indians display great stress coping skills despite being emotionally volatile. Finnish colleagues might interpret Indians' calmness at first as insouciance and indifference and that Indian colleagues do not take work responsibilities seriously enough. Indians sometimes seems not to take enough accountability for the responsibilities given to them but on the other hand they are able to work calmly under pressure and in stressful situations.

3.4.1.2 *Caste system*

The Indian caste system is a classification of society based on caste. Although officially the caste system does not exist anymore, the caste system continues to be present in Indian daily life. The caste system in India historically separated communities into castes which can be are grouped as the following four: 'Brahmins', 'Kshatriyas', 'Vaishyas' and 'Shudras'. Groups known as 'Dalits' were excluded from the caste system and are also known as 'Untouchables'.

When working in India, western foreigners can be surprised to realize that the caste system continues to be still strongly present in India daily life. Western foreigners can first interpret Indians' behaviour as laziness, inefficiency, impoliteness towards other people and lack of social responsibility. Common assumption in India is that the low castes work with their bodies and high castes work with their heads. During field research, I did not observe any problems at the work due to the caste system, but it was

clearly visible at the office between Nokia employees and external resources taking care of cleaning and coffee areas. Employees seem to treat these people like invisible, without greeting or opening the door. The caste system seems to be a bit taboo in India but when interviewing Indian employees, many of them mentioned that their parents have also been working also in the field of finance.

A practical example from Finnish and Indian offices is making and taking coffee. In Finland everybody is expected to take the coffee by themselves, make more coffee in case they are the ones to take the last cup of coffee and return the coffee mug to the kitchen. In India, pantry boys or girls make the coffee or ensure it is available, they serve coffee to the top managers and collect coffee cups from everybody. I brought some paper-striped candies a couple of times to the office and was surprised to see how people were just dropping the trash on the floor at their workstation without taking the trash to the trash bins. I was surprised by this behaviour and interpreted this as laziness, but obviously the context is that they expect the cleaner to take care of the trash.

3.4.2   Recognition and motivation

In India companies should give promotions to key employees and top performers more often than in Western countries. Titles are much more important in India´s hierarchical society than in Northern Europe. A promotion can consist of a higher job title or promotion or a combination of these two. Emphasis on team incentives and rewards rather than individual recognition is important when the target is to improve team work in India. (Gesteland & Gesteland 2010, 77-83.)

In addition to basic salary compensation, Indian personnel appreciates different kinds of recognition from Finnish colleagues. Awards like "Best team player", "Best Performer of the month" were mentioned often in Indian resumes when I studied over 30 Indians' resumes and curriculum vitaes during the recruitment process. Job titles in particular are very important to Indian employees and titles represent the status and position within the organizational hierarchy. In India employers can use job titles to build a clear career path model for employees and a recognition process. In India a person's status in society is highly valued. Status plays a big role when people are seeking for a husband or wife. When Indian people get engaged and married, the degree, job title and even company is sometimes mentioned in the engagement and wedding invitations.

Nokia Financial Services harmonized job titles across processes during the establishment of the new Financial Services organization in October 2012. The decision to use the same job titles partly through different job grade positions was made without understanding the importance of the job titles in Indian work environments and employee retention. Also Finnish employees did not like that new junior employees in India were given same position title than employees with long working history in Finland. In a conclusion, we did not succeed very well when planning and deciding of the new job titles and could use job titles more efficiently as recognition.

Figure 14: Trophies as recognition are appreciated in India

Indians love trophies as recognition. A trophy is often an acrylic award which is engraved with the name of the employee. Financial Services Indian personnel were very proudly keeping these trophies at their work desk and showing those to the visitors. For a Finnish employee this kind of acrylic trophy as recognition and the related formal award ceremony might look ridiculous, but it is an extremely important and common way of sharing recognition in Indian working life.

When Nokia Financial Services India started to plan their 1st year anniversary in September 2013, trophies were one of the main discussions points because local managers and foreign expatriate managers held such different views about it. Local managers proposed sharing a trophy among all employees at Chennai in recognition of contribution to

the first year as a Nokia Financial Services employee. I as a representative of Finnish culture did not see the benefit of sharing a trophy kind of recognition among all 150 employees. I proposed that instead of distributing trophy´s to every employee, we would arrange voting for the most inspiring colleague in the team. Every team would vote for the most inspiring colleague from the team who demonstrates a challenger mind-set by proposing continuous improvements to daily work and processes. Local managers told me that this was the first time in their work history to have any this kind of democratic voting by employees and they suggested that team manager´s would have the right to make a final decision if they would disagree with the voting result.

3.4.3 Women and men in Indian working life

"There are proportionately more working women in India than in any other country." (Kolanad 2012, 71.) A wide range of variation exist among Indian women depending upon their caste, class, religion and geographical location in India. Southern India as in Chennai is more egalitarian than Northern India as in Mumbai or Delhi, which is more patriarchal. There are many highly educated, articulate and independent Indian women in urban cities. The infrastructure provided by Indian extended families or servants enables women to combine fulfilling and demanding careers with marriage and children. Women as mothers have unquestioned authority over her daughters-in-law who will gain the respect of their mother in law only after giving birth a son. (Kolanad, 2012, 71-74.)

The family in India is often described as "joint family" which brings together many generations under one common roof. There can be even two, three or four generations all living together. Family has an impact on business practices in India in through that an Indian person's primary loyalty and commitment is to their family instead of job or organization. Therefore, building loyalty to one's workplace or organization requires a communal corporate culture and nurturing leadership style. (Kumar 2005, 41.)

There are certain women-specific differences in Indian working life whose origins stern from Indian culture and society. Many well-educated Indian women remain working until they get married. The main reason for is that Indian women move in to live with husband after the wedding. If the husband is living in another city or in a location with too long a distance to work, women will terminate their employment relationship. Arranged marriages are common in India and many Indians have only seen their spouse once or twice

before marriage and their parents have identified suitable partners, sometimes considering wishes of their daughter or son.

Indian marriage brings along implications to companies when husbands ask their wives to stop working and stay at home. During interviews as part of this thesis, some women said that they stopped working after marriage because of the need to concentrate on their family. In practice after weddings women move in to live at their husband's home, which is usually the home of husband's parents, sisters and other relatives. Women are expected to take over the household tasks from a husband´s mother after the weddings. Some of the Indian women employees were often tired at work and they explained that they need to wake up early before coming to the work and stay awake late after the work to take care of the all the cleaning and cooking for the family. Maternity leave is short in India and usually women will come back to the office after three months parental leave or else stop working. In cases where women employees which return back to work after their parental leave have their families, often the women's' mother or mother-in-law is taking care of the children while their mothers are working. The Indian government does not organise public child care, however society is organised so that the families' elders take care of the children when women are working.

During 2013 Nokia had an internal "Show your Colours" -campaign whereby the company provided Lumia phones to all employees. One of the purposes of the campaign was to use Nokia's own employees as a marketing promoters in the field, by using their colourful phones in daily life. Employees were all participating in mandatory training on how to use smart phone applications and the idea was that all employees could have the capabilities and knowledge to present and market their colourful smart phones to their families and friends. After the campaign I was surprised to see many people, especially women, at the office still with their old mobile phones instead of new fancy colourful Lumia smart phones. When asked where their new phone was and why they do not use it at the office, the answer usually was that the new Lumia smart phone provided by Nokia had been given away to a husband or brother. In particular, women employees continued using their old mobile phone at the work after giving away the new phone provided by the company. After getting the same answer from many women employees I arranged a meeting with the whole FS R2R team in which I shared information on the purpose of show your colours campaign which delivered new Lumia to all employees. In addition I reminded them about the fact that the mobile phone was owned by a company and the purpose of providing it to employees is enable Nokia personnel to perform their

daily work more efficiently while after work advertising own company products outside work. It was not intended to be a gift to employees which could be given away or sold.

A similar kind of situation happened in China, where employees, both male and women, sold their new Lumia phones provided by the company and in some cases employees continued using competitor phones instead. Nevertheless in the Chinese case, the clear driver is the amount of money which they can get from the new phone when selling in on the open market, this being common for both women and men in China. In India, women gave the new phone away to their brothers or husbands, due to the fact that women were expected to share their earnings with the family and respect the authority in this case of the male member of the family.

4   Action research

The research strategy of this thesis is qualitative action research, which consists of four steps: planning, action, observation and reflection. Action research is described as a set of practices that responds to people´s desire to act creatively when they face practical and pressing issues in their organizations. Action research is about working towards practical outcomes, and also about creating new forms of understanding. Action is blind without understanding and reflection, just as theory is meaningless without action. Action research is participative research because aim is to search for practical knowledge and liberating ways of working with people in their everyday lives. (Reason & Bradbury 2008, 3-4.)

The Action research is a participatory process concerned with developing practical knowing in the pursuit of worthwhile human purposes. It seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to the issues of pressing concern to people, and more generally the flourishing of individual persons and their communities.
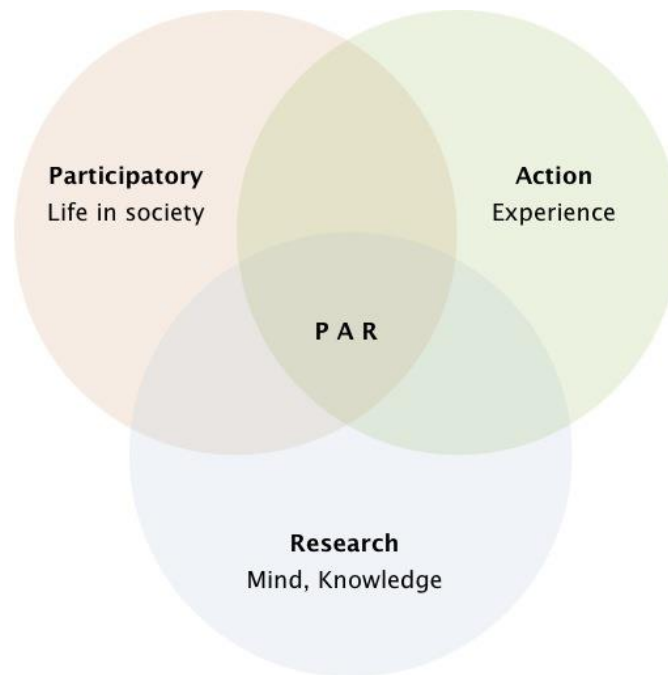
Figure 15: PAR - Participatory Action Research Diagram (Chevalier & Buckles 2013, Participatory Action Research: Theory and Methods for Engaged Inquiry)

4.1 Research and implementation methods

In this thesis, the target is to affect organizational improvement through action research. Data-gathering through observations of the work transfer process started in October 2012 when the India Chennai site ramp-down kicked off, while cultural differences data-gathering and observations started beginning in July 2013 at India. The thesis writer has participated in Nokia in-house training on Kaizen leader training between January and April 2013 and educational knowledge from this training is utilized as learned continuous improvement methodology in this work assignment implementation.

Action research is utilized as the research and implementation method in this thesis. Action research is a type of research whose target is to solve a problem. This thesis utilises participatory action research. Action research involves the process of actively participating in an organizational change and the aim is to improve practices and knowledge of the working environment. This action research starts with planning, preliminary diagnosis of the current state and data-gathering via observation. Analysis is done through observation and interview´s.

I have interviewed of target organization key stakeholders within Nokia Financial Services and counterparts in business controlling teams such as Sales & Marketing, Smart Devices, Mobile Phones and Operations business controlling teams.

4.2   Role of Action Researcher

In this chapter I will describe the implementation process and development tools for the strengthening the challenger mindset. The action researcher had various roles and activities in Finland and India. In the role of 'Planner', I was planning what kind of work and tasks are transferred from Finland team to India, how and when the training and handover of work is implemented as well as initiating necessary travel needs. I coordinated training material creation and on-line trainings which were held to Indian staff during the first months of Chennai ramp-up.

During the time of Chennai ramp-up and restructuring I was acting in a role of line manager of Finland-based financial reporting & systems team. I sent my Finnish team members to India to keep two week trainings and handover sessions during the November 2013. I was keeping several trainings related to financial planning and reporting processes & systems during the spring 2013. In beginning of May I changed roles with my colleague who returned from Chennai and took the line manager responsibilities of Finland team. I changed my role to OPEX reporting process owner and short-term interim transfer to Chennai was announced. FS R2R Director communicated the following announcement in Nokia internal announcement and communication portal:

> *"ANNOUNCEMENT IN F&C FINANCIAL SERVICES RECORD TO REPORT (R2R) TEAM*
> *I am happy to announce the following changes in FS Record to Report Leadership team effective 1st of May 2013*
>
> *@AnnukkaParmasuo – currently leading Reporting Systems & Investment Reporting team will take the role as Process Owner, Investment Planning & Reporting. Annukka will start six months Short Term International Transfer to Chennai, India in the end of June 2013. In Chennai site role Annukka will coach Chennai based R2R team members run global processes, practices and ways of working. She will help the local team leads establish a true center of excellence in reporting and will role model challenger mindset and mastery. Furthermore she will carry certain FS level assignments such as special audit coordination."*

At the end of June, I travelled to Chennai India for a six months short-term interim transfer assignment. In Chennai my main role was a coach and role model. My assignment was to act as a coach for the India staff and local team leaders in various financial services

process, system and way of working related practices and topics. In addition target was to role model the challenger mindset and mastery. The personal advice from Financial Services Vice President was "just sit there at the office and do what you do normally at work. Important is to show example of coming every day to the office and taking account-ability and responsibility of tasks".

Various financial process and system related trainings were organized to the India FS R2R team. I participated their weekly team meetings and shared information of the various monthly topics. Handovers and feedback from F&C business controlling counter-parts were facilitated from F&C business controlling teams to Indian staff during the time in Chennai.

Table 2: Roles of the action researcher

THE ACTION RESEARCHER ROLE	LOCATION	
ROLE ▼	Finland ▼	India ▼
Planner	X	
Initiator	X	
Line manager	X	
Coach	X	X
Trainer		X
Member of the team	X	X
Process owner, OPEX forecasting & reporting	X	X
Observer in the role of action researcher		X
Kaizen leader		X
Role model		X
Coordinator		X
Facilitator		X

4.3   Measures

Results of the action research are measured by observational method and key stake-holder interviews on their satisfaction to Financial Services Record to Report Service delivery, quality and efficiency before and after the development change implementation.

Work transfer business case realisation is measured by calculating the cost of employee in Finland and comparing that to the cost of an employee in India. Possible variables such as education and work experience are to be identified and effect-analysed.

- Observation of behavioral change in organization
  - o Continuous improvement mindset: active participation in development and change projects
  - o Proactive and independent way of working
  - o Proactivity: proposals to change status quo, development initiatives
- Quality:
  - o Number of errors (wrong data in reports)
  - o Timeliness (tasks not done according to agreed date/time or reports delivered after deadlines)
- Support need:
  - o Decreased number of support requests to FS R2R process owners and Finland team members (example: number of contacts to FS R2R Finland team via phone, email or chat requesting help)
- Customer satisfaction:
  - o Interviews with key stakeholder organizations
    - Business controlling units
    - Finland FS R2R team members and managers
    - FS R2R process owners
  - o measurable increase in level of trust
    - Quality: can trust that numbers are correct
    - Timeliness: keeping to schedules
    - Independence:
      - Level of support needed
      - Level of trust in quality: feeling the need to check if things are done according to agreed time schedules
- Self-evaluation of the skills & competences before and after activities
- Performance Reviews

4.4   Research validity, reliability and verification

This action research is reliable and it can be repeated under the same conditions. Naturally people and interactive situations are always unique, but cultural differences and work transfer challenges described in this thesis are visible also in other organizations. Observations during the action research are reflected to the

theories. Time period of action research have been intensive and long enough to enable to observe certain behavioral patterns and reflect those to the other similar situations and theories. Information and data used in this action research is correct and quality is adequate. Other than cultural variables causing difference when comparing behavior of Finland and India personnel have been identified. Experience and competences gained through the long working history and education is affecting the evaluation of the challenger mindset.

Business case benefit realization by comparing the salary level in India and Finland should be considered through other variables such as investment of work transfer process. Measuring only through numeric values is difficult due that the other investments such as planning, travelling, training by Finland personnel have not been tracked down with specific project. Measuring if the challenger mindset have truly strengthened during the action research is based on qualitative observations, interaction and various interviews with action research participants and key stakeholders and counterparts.

5   Strengthening the Challenger Mindset

5.1   Leadership Styles

A strategic choice is made on which style best addresses the demands of a particular situation:

1. Coercive style: "Do what I say"
2. Authoritative style: "Come with me"
3. Affiliative style: "People come first"
4. Democratic style: "Workers have voice in decisions"
5. Pacesetting style: "High performance standards as role modeling"
6. Coaching style: "Focus on personal development rather than task"

According to the findings of the Globe study survey, leadership attributes such as visionary, integrity, competence, performance orientation and inspirational score highest in In-

dia. For effective leadership in India, relationship orientation is more important than performance and task orientation. Face saving is important in Indian autocratic leadership and if serving a purpose even lying can be acceptable. (Storti 2007, 106.)

In India employees require and expect to get a detailed job description whereas in Western cultures, employees expect a management framework to guide then in their work without being micromanaged. Indians require constant monitoring and frequent feedback via email, chat or telephone to ensure the task is successfully completed. Motivating a team in India might be difficult through their mental programming; Indians have learnt to excel and be successful as individuals. Cooperating and delivering a project as a group is not part of the Indian competitive society. Due to the sheer number of people, Indian individuals need to stick out and prove their excellence. (Messner 2009, 110.)

5.2   Coaching across cultures

Rosinski defines coaching as "the art of facilitating the unleashing of people's potential to reach meaningful, important objectives." (Rosinski 2003, 4.) The role of coach is more like facilitator rather than telling people what to do. Coaches believe people have more potential than they are currently able to demonstrate. Coaches help people to unleash this hidden potential of people. Corporations and organizations have to achieve more output with fewer resources during this increased competition and changing conditions in economy. Corporations can no longer afford to waste their human talent, but need to develop, nurture and deploy their human capabilities. Coaches cannot ignore cultural components in communication. Every human activity has an impact of culture: how we think, consider time, relate to power, define our purpose and organize ourselves. (Rosinski 2003, xviii.)

The successful coach enables coaches to find their own solutions, discover new opportunities, and implement actions in the coaching process. Coaching can be applied to individuals and to teams. When coaching the team, the coach is helping the team to achieve synergy and helping separately each individual team member reach his personal objectives. A successful coach enables to help establish opportunities that exist at the intersection between team and individual needs, so called win-win solutions. (Rosinski 2003, 5.)

The passion pyramid of employee needs, leadership skills and outcomes shows the skills of coaching as a way to enable employee to learn and grow and as an outcome company will have more skilful and talented employees. First employee needs to be respected and this basic level of employee engagement requires building trust between leader and employee.

the
PASSION
PYRAMID™

LEADERSHIP SKILLS

Building a High Performance Team
Aligning Team with Purpose, Values and Vision
Being Inclusive
Coaching, Counseling & Mentoring Skills
People Skills to Build Trust

5 **TO BE ON A WINNING TEAM**
4 **TO DO MEANINGFUL WORK**
3 **TO BE AN "INSIDER"**
2 **TO LEARN & GROW**
1 **TO BE RESPECTED**

OUTCOMES

Passionate Employees
Increased Commitment & Engagement
Employees Feel Emotionally Connected
More Talented, Skillful Employees
Basic Level of Employee Engagement

EMPLOYEE NEEDS

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Figure 16: Coaching as part of the leadership skills (Learning Partners Int 2013)

Westerners, such as Finnish personnel can act as cultural coaches and explain their workplace norms and expectations to their colleagues in India. Finnish people can explain the way how they would like the Indians to communicate and how the Indian way to communicate is often misinterpreted by Westerns. (Storti 2007, 61.)

At the end of the short term interim transfer period at Chennai, in December 2013, we discussed together with the team about cultural differences between Indian and Finland team. I talked about my experiences and explained what kind of cultural differences I had observed during my six months stay in India. In addition Indian team members were able to ask questions and I asked them to describe how they feel and see the Finnish culture differing from the Indian culture. This was very open and humorous discussion of

the funny misunderstandings, wordings with two meanings and gestures which can be easily misunderstood. Everybody felt that they learned something new from each other's culture and they had fun, which is an important end to the week in India.

5.3 Kaizen and continuous improvement

This chapter explains what is the Kaizen methodology and process around Kaizen event. In addition it is described how we utilized Kaizen in India as tool to strengthen the challenger mindset.

The Kaizen is a rapid improvement event which proceeds in three phases: preparation, kaizen and post-event. Kaizen project leaders typically take from three to five days to prepare, depending on issue complexity, data availability and analysis of current state. Preparation starts with drafting a project charter, identifying primary measures and creating a value stream map. Kaizen leaders contact subject-matter experts as needed to complete the value stream map, which can be thought of a process map with the addition of high-level data including process step and cycle times, changeover times, error rates or other relevant data. Kaizen project leaders do an initial brainstorm and suggest hypotheses for future-state improvement based on review of the current-state process. The kaizen event is typically lasting three to five days. Participants are from a broader team of roughly eight to ten people, including operators running the process, as well as individuals involved in upstream and downstream activities. The final phase is post-event, when team members take a day or two to finalize solutions. Solutions are implemented as soon as possible, or within 30-60 days. (Davenport & Harris, 2006, 84)

5.3.1 Kaizen methodology

Kaizen philosophy is a tool for continuous improvement. The guiding principle of Kaizen is to analyse, identify and correct the root causes of process problems, work as a team, speak with data and manage by facts. Kaizen is fast structured improvement project for diagnosing the problem, creating and implementing a solution by applying key lean principles with dedicated cross-functional team. The outputs of Kaizen are continual, strategically-aligned, small and tactical improvements. Kaizen Flow is a tactical set of process improvement tools used to discover problems, determine answers and implement stand-

ardized solutions with structured approach in short period of time. Larger business process issues usually include several sub-processes which can be improved through continuous series of Kaizen events. (Kaizen leader class-room training, 2014.)

Figure 17: Kaizen continuous improvement (Kaizen Institute India 2014)

Kaizen philosophy is famously used by Japanese company Toyota on their manufacturing assembly lines where target was to encourage employees to point out issues and to suggest improvements. The Sino-Japanese word "kaizen" means good change. Typically the word kaizen is applied to measures for implementing continuous improvement. The purpose of Kaizen is to improve productivity, humanise the workplace through identifying and eliminating waste in the business processes. Successful implementation requires that workers participate the kaizen improvement. People from all organization levels participate in kaizen. Kaizen is usually recommended to be improvement within localities involving small group of people who are improving their own work environment and productivity. Kaizen's prime focus is on removing "Muda" – a Japanese word for waste. Business process waste "Muda" is also identified as elements of production that add time, effort and cost, but no value. Waste can be in the form of over production, non-essential transport, over inventory, needless waiting for parts and machines, over processing, rework and failure to fully utilize the time and talents of the employees. Profit is created more from lowering cost than by increasing price or volume. The idea is to remove excess cost from waste. Transfer of manual work to machines allows people to grow mentally. (Kaizen leader training, 2014.)

Figure 18: Types of Waste (Nokia Standard Lean Workshop presentation 2014)

Six Sigma is a business improvement concept that focuses on meeting precise customer requirements and eliminating defects from existing processes. It is a philosophy of doing business with a focus on eliminating defects through fundamental process knowledge. Six Sigma is a scientific method applied to the design and operation of management systems that removes process defects to the point where output is nearly perfect.
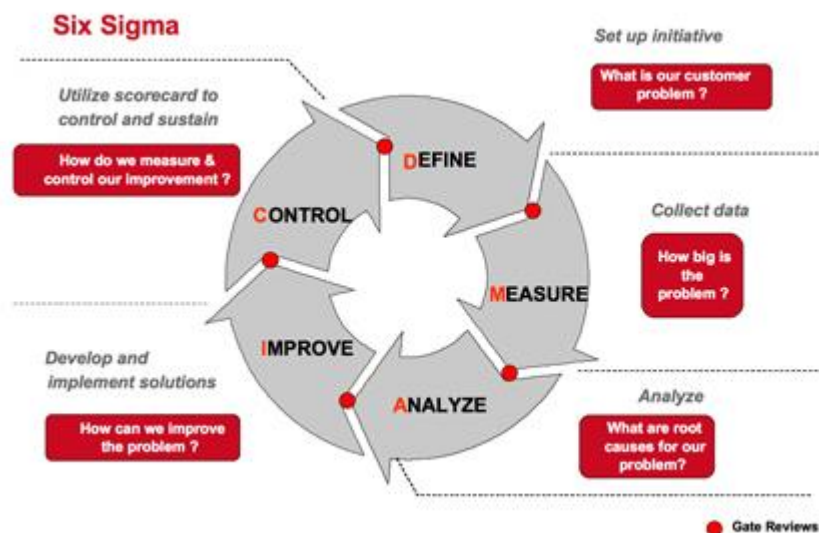

Figure 19: DMAIC model (What is six sigma 2014)

The DMAIC is the five step problem solving model which summarises the process of Kaizen event. The definition of DMAIC:

- Define (D) Define the scope and set objectives in project charter.
- Measure (M) Measure the current state process map such as process steps, process time, lead time, WIP (Work in Process) from the work place
- Analyze (A) Analyze current state, i.e. value and non-value added processes, bottleneck constraint and process efficiency.
- Improve (I) Improve process by designing a future state map.
- Control (C) Control and hold the gain with metrics to monitor results over time.
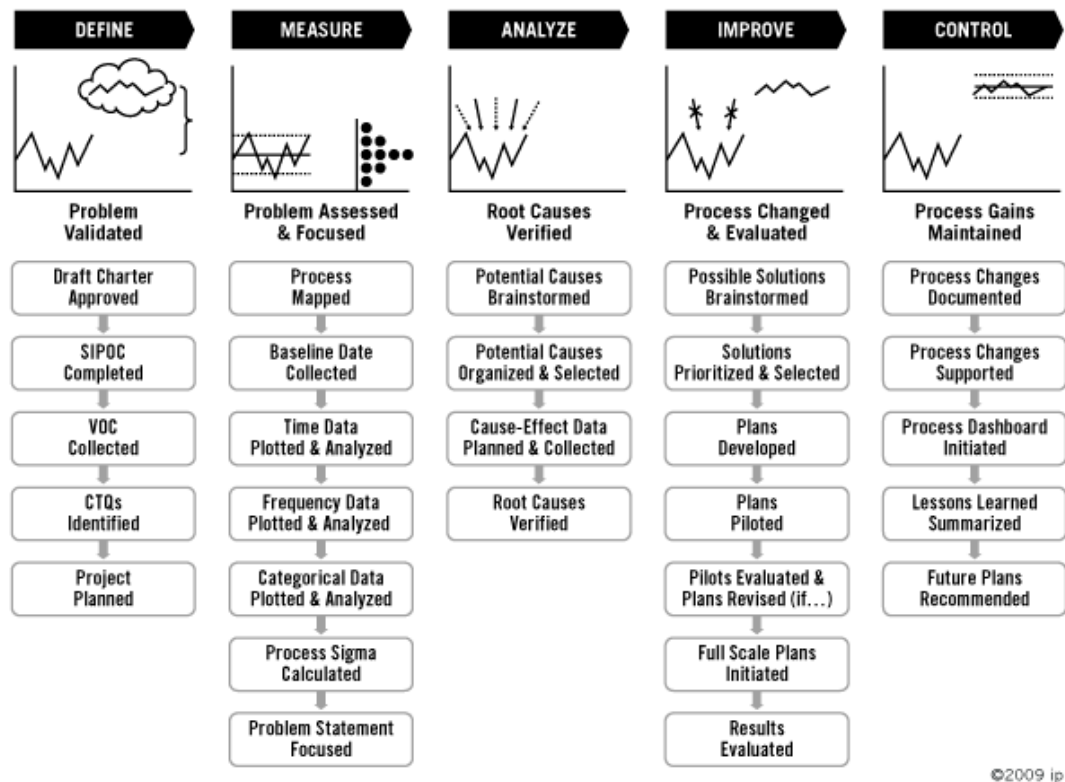

Figure 20: DMAIC project steps (iplgi 2009)

5.3.2 Continuous improvement & Kaizen trainings

Nokia continuous improvement program arranged a one-day Lean workshop at Chennai at the end of November 2013. This workshop was part of Nokia-wide movement to foster continuous improvement culture and end-to-end process management. The Lean workshop included an interactive Lean training session, with reality simulation and introduction to pragmatic methods for pragmatic methods for continuous improvement of pro-

cesses and Lean thinking. All India-based Financial Services team leaders and managers were invited to the session including FS R2R team leaders and undersigned. Due to several sudden no-shows at the beginning of the workshop, training facilitators asked to invite more people to the workshop on ad-hoc basis to enable to lean simulation called "Speedy Station".

Due to no-shows we were able to invite also a couple of our FS R2R team members to this lean workshop. The Lean workshop at Chennai was a great success. In the simulation the Indian staff was playing roles in a "real-life" business case. Participants were challenged to: define their process and problem, identify what is critical for their customers, analyse process value, flow, measures and root causes and finally develop and implement solutions. Lean workshop simulation was a fast and powerful way to give Indian personnel direct connection to what innovative, customer-driven business improvement was all about. (Lean workshop training, 2013.)

After I participated this lean workshop in the role of observer, I realized that there is a lot of challenger mindset potential among our Indian staff. We would just need to find suitable channels and methods to allow, courage and motivate them to take initiative and actions to challenge and improve our daily practices and processes. This workshop gave the first idea of utilizing Kaizen as a tool to strengthen the challenger mindset among Indian staff.

After starting Kaizen leader training in January 2014, I was more confident about decision to utilise Kaizen as a method to strengthen the challenger mindset among Indian personnel. During the May 2014 I organized a one-day Kaizen training for FS R2R Chennai team members. The target was to build awareness and understanding of Kaizen and continuous improvement methodology to the whole Indian team and especially among the persons who were invited to participate in planned Kaizen event during May 2014.

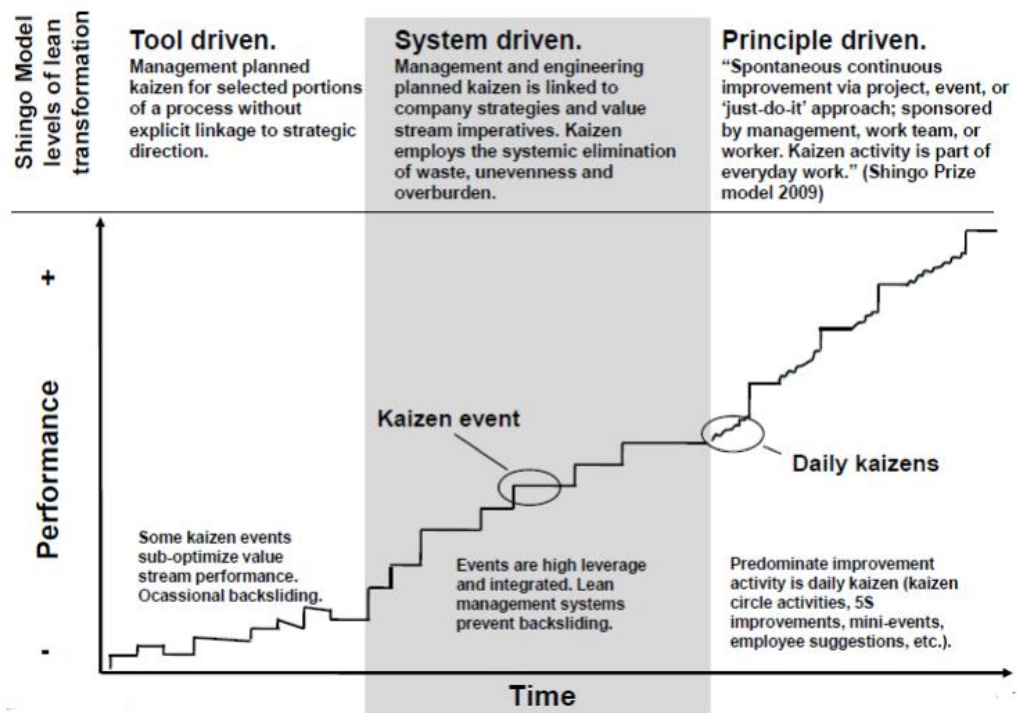## Levels of lean transformation – *kaizen perspective*

Figure 21: Kaizen perspective (Lean Enterprise Institute, 2014)

Ideally the long term target would be to have a Kaizen activity as a part of everyday work as a spontaneous continuous improvement via 'just-do-it' approach in financial services organization. As a short term objective in this development activity we were able accomplish and build understanding of Kaizen and the importance of continuous improvement and challenger mindset thinking among Indian personnel.

5.3.3 Kaizen project and event

A Kaizen is typically an intensive three-week project which includes defining, measuring, analysing, improving and controlling steps. Kaizen project participants are primarily the subject matter experts, users of the daily process who are involved in the procedures concerning data, information, systems or delivery to customers. A Kaizen project starts with preparation where the main step is to define a problem, scope, goals and stakeholder team. First week is used to collect data, understand and analyse current process performance and pain points. Process pain points can be that the process cycle time is too long or there is quality issues in the process outputs. During first week target is to search for the key factors that have the biggest impact on process performance and

determine the root causes. The second week is dedicated to Kaizen workshop, which is an event used to identify and develop a solution. Understanding of the current situation is verified and improvement solutions are developed for critical key factors. The week three is typically used to implement improvement activities, solution and control plan to reduce the pain in the process and sustain improvements. The final stage of the Kaizen process is control which mean follow up of process change value realization. (Kaizen training, 2014.)

As a part of Kaizen leader training, the task was to practice understandings from the training by acting as a Kaizen leader for the case selected from our own organization. I selected a Record-to-Report process with a 'pain' which involves our FS R2R Indian personnel. There had been issues in Sales & Marketing operative expenses reporting due to inconsistency in numbers when running reports from different systems. The different set of numbers in reports is a consequence of different set of master data and reporting hierarchies in different systems; SAP, Sales & Marketing operative expenses specific reporting system 'S&M DB' and S&M forecast planning system 'FLOW'.

FS R2R Indian team members are key users and responsible for finance master data and reporting hierarchy maintenance in the above mentioned systems. In addition the Indian team members are responsible for monthly Sales and Marketing operative expenses reporting package creation and they deliver the reports to S&M finance department. These various tasks had been transferred during the first quarter of the calendar year 2014 from Finland to India. After rather short handovers S&M finance department counterparts have complained that Indian key users are lacking in understanding, proactivity and ownership of their tasks. This was considered in Kaizen as a voice of the customer. I realized that through a Kaizen event with Indian personnel we could gain both better understanding of the process as well as the objective that Indian team members would take ownership of their own tasks. In addition the Kaizen would enable them to practice proactivity and challenger mindset through proposing a solutions to the issues and ideas how the process could be improved. Typically Kaizen solutions are simple and easy to implement.

After Kaizen training was held in May 2014, a three day Kaizen event was organized at the Nokia Chennai office. We documented together with the Indian team the finance master data and reporting system update process steps such as cost center and marketing campaign internal order creation and maintenance. Each process step was

marked with different colours representing a processing, inspection, transportation and storage step. After documenting the main processing steps and operational steps of the current process, team members were asked to estimate how much time were used for each step, what is the actual time to perform the step and what is the possible transportation or waiting time between the steps. In addition we marked the steps which team members consider that add value to the customer which in this case was the S&M Finance department. Estimating the time of the process step enabled to calculate process cycle time and customer value time. The process cycle efficiency is the customer value time (CVT) divided with process cycle time (PCT). This was an eye-opening rehearsal to Indian employees and they told that first time they were able to understand the full end-to-end process; what happens and by whom from the request to the execution.

Before this India team Kaizen event, we organized a Kaizen event with Finland R2R team related to financial period end closing process during March 2014. This enabled us to compare the participation behaviour of Indian and Finnish team in the Kaizen event. Observation was that Indian team members needed much more help from the Kaizen leader to identify process pain points; issues and waste in the process rather than Finnish team members. Naturally also other variables such as like Finland team members' several years of working experience gave more insight and confidence to see better possibilities for improvement. Especially when questioning if some tasks could be combined to eliminate the waste of delivery, storage and waiting time, it was very difficult for Indians to comment whether the colleague's task could be transferred to another person who was taking care of the previous step.

As a result of the Chennai Kaizen event we were able to identify several improvement possibilities and team members started to think of their own possible solution proposals. One key finding from the Kaizen event was that lot of waste is created mainly by missing input in the request and there was need to send emails back and forth to get the necessary data to create the master data and update hierarchies in all systems. Indian team was able to figure out with little help that a solution this issue would be a standard request form template for master data. In addition Indians proposed and implemented couple of new process controls to ensure all systems are in sync and reconciling.

The overall feedback of the Kaizen event was positive; Indian team members told that they felt that they were for the first time involved when developing processes and they

reported that they were feeling more accountable when they understood they can influence the process. Indian team members also felt that they now understood that they are allowed and even expected to challenge the status quo of the current processes and way of working. The Kaizen event was extremely meaningful mentally when strengthening the challenger mindset among Indian team.

6   Results and Conclusions

6.1   Evaluation of the action research

The target of this thesis was to strengthen the challenger mindset of Indian personnel. Purpose was to analyse the cultural differences between Indian and Finnish working styles and describe how those differences should be considered when transferring work from Finland to India.

The action research successfully related to an analysis of cultural differences and developing a challenger mindset among Indian personnel. First of all Indian personnel are now have a better understanding of the cultural differences between Finland and India compared to before the development task. In addition we now have a much better understanding how Indian culture manifests itself in daily work and it gives us better capabilities to avoid communication issues or other cultural conflicts.

The main challenges and issues during this action research were related to measures; how to measure how much the challenger mindset have increased during the action research and as a result of the actions taken during the assignments in Chennai. The measures of this thesis are based on the observations and interviews during and after the development.

6.2   Conclusions

Finland and India have cultural differences which are visible at work through behaviour, communication and ways of working. Both Finnish and Indian personnel should have understanding and awareness of each other's national mental programming and cultural differences to enable themselves to work efficiently and to avoid possible conflicts and

misunderstandings. It is not enough to train Finnish personnel about Indian culture: Indian personnel also needs to get training on Finnish and overall Western culture.

Observation after holding several training sessions at Chennai was that when team members were participating without their manager, they were much more openly and freely asking questions and commenting. As a conclusion it was evident that if Indian sub-ordinates are in the same training session with their team leader or other senior person they keep a lower profile. The solution to this issue is to hold separate training sessions to for team leaders and senior persons and more junior team members. Another proposal is to encourage Indians to ask and participate freely if they have some questions and try to get them to participate through a questions.

Several companies rush into India offshore deals to improve their economic position through cost savings. Urgently agreed offshore deals have a big risk of failure. Wolfgang Messner describes key reasons for failure when going in to the India market which are all related to lack of intercultural soft skills:
- The business case and cost savings could not be realized. Business case is calculated purely based on salary basis. Companies forget to include expenses associated with start-up and planning, training, traveling, infrastructure, governance, communication and cultural training.
- Efficiency has decreased due to lack of development, confusions due to process maturity, high personnel attrition rate and the need for more detailed specifications.
- Communication problems due to the cultural differences of two countries.
- Employees are not prepared for working together with colleagues from another culture. (Messner 2009, 26.)

Observations during the process at Chennai is that personnel at India were lacking of intercultural knowledge of Finnish or overall western style of working. Finnish counterpart's expectations related to proactivity and self-driven in developing way of working, daily tasks and processes were way beyond the level that Indian competences were at the beginning of Chennai ramp-up.

Observations during the action research at Chennai was that Indians were not comfortable taking initiative. They were not proactively suggesting improvement ideas to the practices and processes but acting only when something was specifically requested to

be done. For Finnish personnel, taking initiative means acting on one´s own, without specific guidance or direction, to solve a problem, improve a procedure or process, or try a new way of doing something. Our counterparts were disappointed because they were expecting the Indian team to act like they have used to work with the western people who have been doing the work before the transfer. In the interviews, many Finnish team members felt that India team´s competences, capabilities and independence have grown a lot within past two years and they feel that time spend to support India team have decreased a lot during past year. Naturally experience and practice month after month brings more certainty, but sure the leadership and coaching has its own impact of India team's progress.

Craig Storti states that Westerners will be probably disappointed, if they are expecting Indians to be proactive and assuming Indians to take more responsibility to be full partners. The Indian-style of taking initiative means that they could identify potential enhancements by their own, but they would not take action without informing their manager. (Storti 2007, 204.) During the process at Chennai we reviewed together the feedback from the F&C counterparts and discussed with the Indian team what does proactive and self-driven way of working means in practice. By explaining proactivity, taking initiative through practical examples was proven to be successful way to ensure Indians understand what Finnish culture people expect by being proactive and making improvement initiatives by their own. Examples used were related to updating reporting packages, continuously improving monthly report package layout, content and analysis. In addition we explained what kind of content and layout updates they are allowed to do without getting the request or approval first from the counterpart. The challenger mindset of the Indian personnel can be strengthened by coaching Indians to be more direct about suggesting a better way of doing something. Encouraging Indians to be more direct in questioning inaccurate or wrong instructions is efficient way also to strengthen the challenger mindset. Cultural communication differences are also reason why Indians seem to be lacking in challenger mindset.

Craig Storti explains that Indians are uncomfortable directly telling to their manager or other person with higher position in the organization hierarchy what is the better way to do things. If Indians do not agree, any absence of positive feedback is equivalent to negative feedback or they might ask in polite way "You think that will work then?" (Storti 2007, 103.)

Finnish personnel should be aware of Indian's indirect way of communicating to understand when Indians do not agree or have a better solution. Therefore training of cross-cultural communication to both Finnish and Indian counterparts is very important success factor when transferring work to India. Another observation during the action research at Chennai was that Indians seems to lack self-confidence and Indians do not seem to take ownership of their work. They do not necessarily tell openly about negative things like problems in the processes because they are afraid of losing their faces. This behaviour looks to Finnish persons like Indians would be hiding the problems and would be good to understand Indian communication style to be able to ask right questions.

Wolfgang Messner criticises the Indian education system and society's lacking of placing importance on independent out-of-the-box thinking and developing creativity. Many Indian universities are following the system of routine learning focusing on memorisation by repetition which avoids a deeper understanding of the subject. (Messner 2009, 58.)

Observation during the Kaizen workshop at Chennai was that Indian FS R2R personnel were having difficulty to demonstrate out-of-the-box thinking and that the process could be done in any other way than the current way of working. Despite asking them to think of alternative ways of doing things, they could not independently propose that some tasks could be left out, some procedures could be done in a different order or by different people to improve the process efficiency. When considering Hofstede´s cultural mental programming theory and the lack of applied learning techniques in India's educational system it explains why Indian personnel are lacking in independent and creative out-of-the-box thinking in working life. Solution to strengthen the challenger mindset among Indians would be promoting continuous improvement initiatives and implementations through more intensive recognition.

"As long as Indian sub-ordinates do what they're told, they can´t make a mistake." (Storti 2009, 99.) The fear of making mistakes can be an obstacle for the challenger mindset. The challenge is how to promote innovative improvement initiatives, offer an easy channel to speak up and empower Indian personnel to make decision of their work without jeopardizing the quality and process controls.

In the other hand, FS Purchase to Pay (P2P) organization which have more senior, several years more experienced and older Indian employees have noticed contrary behaviour. The Director of FS P2P mentioned in the interview that their FS P2P employees are

too proactive of taking actions and changing agreed processes and practices. It seems that the age, experience and some level also gender drives this proactivity and independence behaviour. Solution would be somewhere middle. The challenge is to set proper controls to ensure agreed processes and practices are followed, but at the same time to give feeling of authority to innovate and propose new better ways of working as well as promote and recognize independent and accountable working style. Environment with open and honest communication is pre-requirement when working with Indians.

As a final conclusion, based on the analysis, theory and action research of this thesis, it is extremely difficult to transfer judgement based work such as analysis to India, especially at least in the first phases of work transfer. Decision-making power, innovative and insightful mindset is not mentally programmed into mind of the person who has grown up in traditional Indian culture and society. After Indian personnel have gained years' experience, confidence, understanding and knowledge of the business process they can be expected to be more proactive, self-driven and demonstrating a challenger mindset. Although this requires also influence of western style of management and leadership instead of traditional Indian organization hierarchy with high power distance.

6.3   Proposals

Multinational companies go to India due to an abundance of cheap labour, however in most of the cases they face issues of quality and inefficacy. Managers must conduct regular quality controls, which must be concrete instead of leaving control steps as an abstract notion. The reason behind quality issues in India is that most of the Indians come from modest conditions where people's worries are related to the basic necessities of life.

Never take for granted that Indian employees have previous experience of a similar task regardless of what is mentioned in their resumés. Patience is undervalued when working with Indians. Be prepared to repeat and provide detailed written instructions on everything.

Finnish employees, line managers and coaches can act as a role models for Indians in many cases, by demonstrating an example. They can show willingness to do whatever needs to be done to accomplish certain work assignments and Indian employees will get

a powerful incentive to follow that example. One recommendation would be that if possible use your position as pressure to do things unconventionally when needed.

Everything takes a lot longer in India than in Finland. Efficiency is not at the same level in India as in Finland. The Indian mind-set is mentally programmed against a certain level of efficiency what that we have in Finland. Considering India´s population, this strict division of labour makes a certain amount of sense. Why to employ one multitasking person to do a job when you could just as well provide work for three different people. If the office staff would make their own coffee and clean up their own the trash, what would the pantry boys and cleaner ladies would do then? Basic priorities are different between Finnish and India mental programming. In India people think that it is more important to provide work for all people than to be efficient. In Finland people have understood the importance of efficiency in increasing competitivity in both the domestic and international economy. Nokia´s old value set included value of shareholder value mindset, was used to explain the importance of process efficiency to Indian employees during the assignment.

Indians require more frequent feedback and recognition than Finnish personnel. Public recognition is important to Indians and also non-monetary rewards should be considered more often than in Finland such as 'top performer' or 'project star certificate' or a trophy for the team which have done something extraordinary to improve the daily procedures or processes.

During the interviews with Indian employees, one observation was that part of these young Indians were satisfied with how safe and stable the work was when some of these young Indians were ambitions with their career development desires. Despite global centralization of job titles and importance of equality, in India job titles should be used more as a motivating factor for career development and to avoid attrition due to lack of feeling of career development. Introducing in-between levels to job titles such as 'junior financial specialist', 'financial analyst' and 'senior financial analyst' are non-monetary methods to promote and motivate employees in India. (Messner 2009, 104.)

Coaching across cultures is an effective method to support and encourage Indians and Finnish persons in understanding and communicating with each other. We should encourage Indians to speak up when they see a space for improvement or know a better

way to do something. In addition Indians should be encouraged to use their own judgment and decisions in their areas of responsibility. By explaining that in Finland we have used to delegate responsibility and empower the people to act, Indians are thereby free and expected to use own judgment of those matters that have been delegated to them.

As a final proposal for the next actions I would recommend companies to invest time and effort to cross-cultural training, not only to Finland personnel about Indian culture, but also to Indian personnel about Western, i.e. Finland culture. The cross-cultural awareness, understanding of each other's culture and communication style, would save much time and reduce the risk of confusion and frustration among both parties.

6.4   The postscript

On September 3, 2013, Nokia announced that it had entered into an agreement with Microsoft whereby Microsoft would purchase substantially Nokia´s devices & services, the Nokia business that makes mobile phones and smartphones.

The $7.2-billion acquisition of Nokia Devices & Services by Microsoft become a hot topic also in Chennai office. The reaction of Indian Financial Services personnel was surprisingly strong to the Microsoft deal announcement. It was clear that Finnish employees have a strong emotional bond to Nokia as most of the Finnish people still associate Nokia mobile phone as a Finnish national asset, however at Nokia, we did not expected to see such a strong negative reaction from Indian personnel. Financial Services Indian personnel immediately learned from the internet that Microsoft had outsourced part of their financial services to Accenture.

When interviewed Financial Services Record to Report team members on their feelings related to the Microsoft announcement they highlighted that behind the negative reaction is the fear of losing the jobs when work is transferred to Accenture and stories appeared of their previous negative experience of American company culture. They explained that one reason why many of them originally joined Nokia was the company's values and the possibility to balance work and life through a daytime job and reasonable working time and hours. Many of the Indian FS R2R team members have been working previously in American companies where they needed to work at night shifts to support the American time zone.

The Microsoft transaction was completed on April 25th, 2014. The Nokia Devices & Services deal was finalised with Microsoft and most of the Nokia Devices and Services employees transferred to be employees of Microsoft Corporation. Due to an ongoing tax dispute issue in India, Nokia closed the deal with Microsoft without having an Indian manufacturing legal entity. The initial 375 million dollar dispute concerned claims that Nokia´s Indian division failed to pay tax on services it provides to its parent company in Finland, which the Nokia Group denies. A second, unrelated claim for about 400 million dollar alleges that it sold phones manufactured at its Chennai plant within India without paying duty, rather than exporting them.

As a consequence, Nokia entered into a transitional services agreement with Microsoft to address their immediate production needs and keep the factory operational. Also Nokia entered into a transitional services agreement with Microsoft related to India-based shared services. Financial Services India employees remained working for Nokia India but a contract of delivering financial services was agreed between Nokia and Microsoft. Financial Services India continued delivering global financial services to Nokia Devices & Services legal entities which moved to Microsoft until the end of September. In the beginning of October 2014, most of the India Financial Services personnel were subsumed under Microsoft India's legal entity and officially became Microsoft employees until further notice. On 7th of October 2014, Nokia stated that Microsoft will be terminating the manufacturing services defined in the agreement effective from 1st of November 2014. In absence of further orders from Microsoft, Nokia stated that it will suspend mobile phone production at the India Chennai from 1st of November. The Nokia Chennai factory was the company´s largest manufacturing plant with more than 8000 employees. While employees at Chennai manufacturing facility were offered voluntary redundancy packages, the India Financial Services personnel were transferred to Microsoft India's legal entity and continued their work.

After the Satya Nadella took over as CEO of Microsoft in February, he highlighted that Microsoft was approaching with a "challenger mindset" the reality that Microsoft had a lot to do to catching up in certain areas. In July, in company´s annual Worldwide Partner Conference, Kevin Turner, Chief Operating Officer of Microsoft, stated that the company is now coming from a "challenger mentality", which meant having a mindset of disruption, differentiation and speed in approaching things. (Tu 2014.)

Nadella explained on July, "We need places where we innovate and we need renewal is in the core. When I think of our challenge today… the core priority is renewal of mainstream work, processes. Let´s take what we are good at and rethink it. That´s not a side project. That is the very company itself." (Bort 2014.)

Global Financial Services operations partnering, supporting and providing services to a transforming business need to have capabilities to challenge the business through trustful financial numbers. In addition finance needs to ensure efficient reporting processes and systems are in place through challenging existing status quo and innovating the true excellence in its financial accounting, reporting and analytics services.

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Interview´s & feedback during 2013 - 2014 from the following Nokia employees:

Aaltonen Vesa, Vice President Financial Services

Arcinas Maria Conception, Director, Purchase-to-Pay, Financial Services India management

Helander Riku, Smart Devices Business Controlling

Kerkelä-Hiltunen Mervi, Operations Chennai Factory, Head of Chennai Factory Business Controlling

Mäntyniemi Tuija, Mobile Phones Business Controlling

Oksanen Markus, Director, Record to Report, Financial Services

Teräsaho Petra, Sales & Marketing Business Controlling

Venkatraman, Chandramouli, Manager, Record to Report, Accounting, Reporting & Analysis team India

Wright Tiina, Senior Manager, Record to Report, Financial Services, Nokia