

# TAPPING INTO FINLAND'S CURRENT INTERNATIONAL COMPANIES

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## Abstract

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Title of publication <b>Tapping into Finland's current international companies</b>		
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Abstract <p>The role of a prosperous labor market is one of the founding pillars in international business. In today's global world, however, there is an ever changing shift in the population demographics. Developed economies are seeing an increase in the aging population.</p> <p>Finland is not exempt to this growing phenomenon. Apart from this occurrence, Finland is relatively new to international business in comparison to some other European countries. Another problem that Finland faces is that its monocultural labor market is not competitive enough to sustain an aging society.</p> <p>The intent of this research study is to understand how Finnish companies could benefit from a multicultural and diverse workforce. The study will give answers to the research question "How can Finnish companies benefit from employing multicultural working teams?".</p> <p>The thesis is going to be a qualitative research. The study will also contain a SWOT analysis.</p> <p>In this research study, the secondary data was collected by means of academic books, and online publications regarding the theoretical division. For the empirical part division, primary data were retrieved through interviews and the author's individual observation and conclusion.</p> <p>The author's long term objective with this study aims to be a consulting guideline for international Finnish enterprises.</p>		
Keywords Multicultural, Diversity, Workforce		

## CONTENTS

1	INTRODUCTION .....	1
1.1	Background Information.....	1
1.2	Research Objectives.....	4
1.3	Research Questions and Limitations .....	4
1.4	Data Collection and Research Approach .....	4
2	A MULTICULTURAL COMPANY .....	6
2.1	Definition of multiculturalism .....	6
2.2	The current composition of the Finnish population.....	7
2.3	The pitfall of homogeneous work teams.....	10
3	FACTORS OF A STRONG MULTICULTURAL COMPANY .....	12
3.1	Cultural intelligence .....	13
3.2	Creativity .....	15
4	CULTURAL DIMENSIONS .....	17
4.1	The six cultural dimensions.....	18
4.1.1	Country comparison.....	20
4.2	National characteristics within a culture .....	21
4.2.1	Finland.....	23
4.2.2	The Netherlands .....	25
5	EMPIRICAL RESEARCH AND ANALYSIS .....	27
5.1	Interview formulation.....	27
5.2	Data collection .....	28
5.3	Data results .....	29
5.3.1	Company interview results.....	29
5.3.2	Company interview results comparison.....	32
5.3.3	Company survey results .....	33
5.4	Data analysis.....	35
6	CONCLUSIONS .....	38
6.1	Answer to the research question.....	38
6.2	Validity and reliability .....	41
6.3	Suggestions for future research .....	41
7	SUMMARY .....	43
	REFERENCES .....	44
	APPENDICES.....	48

## 1 INTRODUCTION

This introduction's sole purpose is to guide the reader through the covered material of this study. It opens up with the background information on the topic, followed by the research objectives along with the research question and to conclude, this chapter will introduce the means of data collection and research approach.

### 1.1 Background Information

After the Industrial Revolution, countries have not always known globalization, but they have known trade. When talking about globalization, it is safe to say that human beings have been introduced to this concept since 1492. At the start of the 1500s, major European discoveries have turned the oceans in what we could call, commercial highways.

Global trade saw a tremendous expansion during that time, but there are a few factors that make modern trade revolutionary in contrast to historical trade: the speed of trade and technology.

Global trade in the 21st century has known a shift in international trade like never before. Not only has the speed, in which trade can be done, ever been this fast, but the changes in technology have never disrupted so many industries as it has done in the present.

The current global trade has redefined the playground regarding international business. Having a solid product or service accompanied by a striking strategy is no longer guarantee to success. Global trade is working cross cultural and cross border. Having a team in a company possessing high cultural awareness alongside cross-cultural competencies is now inevitable and key to success when doing international business. (Communicaid 2010.)

Global trade is not alone in seeing a shifting pattern. The global population is aging more rapidly as well. Developed countries often have a higher education level and are provided with better health care.

Finland is a relatively small country, geographically and demographically speaking. Yet, Finland finds itself in the top as one of the most developed countries to date. Finland managed to experience a spurt of growth from being a secluded country to one of the most prosperous one in the world.

The country is renowned for its technology and successful education system. Yet, Finland - among other EU countries, is showing signs of a very rapid aging society and a shrinking employable workforce. Being a welfare state, this decreasing workforce will find it tougher to finance and sustain this ever growing number of retired and unemployed people. Finland's workforce is not only shrinking, but it is aging as well. This social welfare state will be facing an increasing high expenditure accommodating an aging population and health care. (International Labour Organization 2018.)

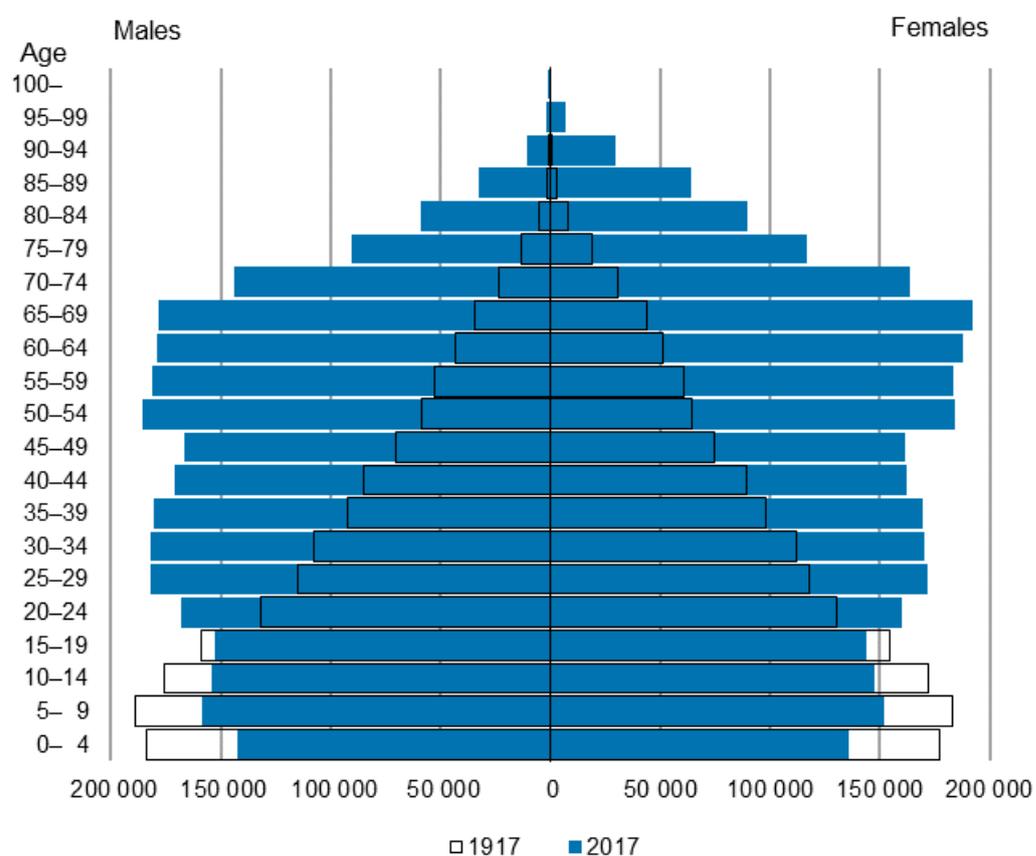


Figure 1 Finland's aging population shift from 1917 to 2017 (Official Statistics of Finland 2018)

From figure 1 we can see the dramatic change from Finland's population shift in 1917 and 2017. Both men and female age more than compared in 1917.

Apart from the shrinking and aging workforce - unlike some other European countries who have been successful in trade during the 1500s, Finland has known a homogeneous workforce.

Not only is the current workforce not competitive enough, according to a survey conducted by TEK, less than a third of all foreign graduates in Finland managed to get employed in

Finland and 27% of the survey respondents felt that discrimination played a major role in being prohibited to get employed. Almost an additional fifth of the respondents felt that their international skills were not valued by the Finnish labor market. (TEK 2016.)

Compared to multicultural countries like the Netherlands, Finland has not been known for being a multicultural society. Trading nations like the Netherlands have been embracing international trade since the 1600s, but it was not until the 1950's when immigration of highly educated expatriates really started to increase. The Dutch economy has gained tremendously from this shift in population. The Netherlands is now acclaimed for its strong presence in global trade, multiculturalism and liberal attitude in all aspects of society.

Table 1 Europe's top 17 exporting countries (Workman 2019)

Rank	Country	2017 Exports	% of EU	Since 2013
1	Germany	\$1.450 trillion	25.4%	-0.1%
2	France	\$523.4 billion	9.2%	-7.9%
3	Netherlands	\$505.9 billion	8.85%	-11.4%
4	Italy	\$503.1 billion	8.80%	-2.9%
5	United Kingdom	\$442.1 billion	7.7%	-19.3%
6	Belgium	\$430 billion	7.5%	-15.9%
7	Spain	\$319.6 billion	5.6%	+2.8%
8	Poland	\$221.3 billion	3.9%	+8.6%
9	Czech Republic	\$180 billion	3.1%	+11.4%
10	Austria	\$168 billion	2.9%	-4.1%
11	Sweden	\$153.1 billion	2.7%	-8.6%
12	Ireland	\$138.1 billion	2.4%	+16.6%
13	Hungary	\$113.4 billion	2%	+5%
14	Denmark	\$101.6 billion	1.8%	-8%
15	Slovakia	\$84.5 billion	1.5%	-0.8%
16	Romania	\$70.6 billion	1.24%	+7.2%
17	Finland	\$67.3 billion	1.18%	-9.6%

Table 1 shows the Netherlands outperforming Finland in terms of export as a percentage of Europe's export value.

This leads us to the thesis topic “Tapping into Finland’s current labor market”. The thesis topic started to develop when the author was facing hands on similar problems in the Finnish labor market in contrast to the Dutch or American labor market.

## 1.2 Research Objectives

The thesis aims to understand and to find out how a multicultural company surpasses a homogeneous one in terms of a stronger export and the benefits in GDP and economy. The thesis aims to come up with solutions to Finnish companies by shedding new light on the possibilities of adopting a more liberal attitude to foreign talent in Finnish companies.

## 1.3 Research Questions and Limitations

**The main research question is:** How can Finnish companies benefit from employing multicultural working teams?

The sub questions are aimed to support the main research question. The sub questions for the main research question are as follows:

- What is a multicultural company?
- What are the factors of a strong multicultural company?
- What are the cultural dimensions between Finland and the Netherlands?

The limitation of this research is the limited field of occupation and scope of research. The focus will be on international business professionals presenting themselves to Finnish and Dutch companies. The scope of the research also only focuses on an economic point of view.

## 1.4 Data Collection and Research Approach

This research will be a case study and uses a deductive approach. The research method used in this research is qualitative and is going to involve interviews and observation.

The author has started the thesis process by researching the background of the topic and building a theoretical framework to understand the research question and theories relating to it.

After gaining literary knowledge on the topic, the author has conducted interviews as a way of collecting new data. The interviews were held at a Finnish company that brands itself as an international company, and a Dutch company employing multicultural teams and whose only and main language for communicating within the company is English.

The thesis structure will be portrayed in the figure below.

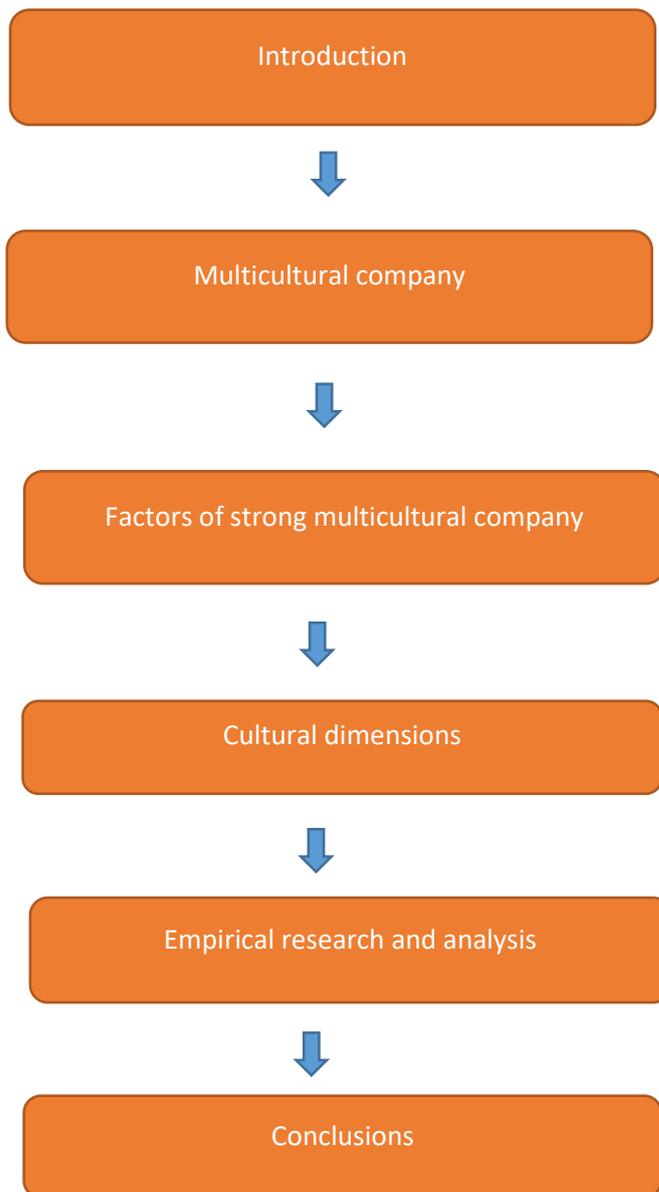


Figure 2 Structure of the thesis

## 2 A MULTICULTURAL COMPANY

This second chapter is the initial part of the research. It will start by analyzing what multiculturalism means, what the current makeup of the Finnish working pool is like and it will conclude with the pitfalls of homogeneous working teams in companies.

After analyzing these three sub parts of this chapter, we can get an apparent idea of what a multicultural company is in essence.

### 2.1 Definition of multiculturalism

To know the definition of what multiculturalism is, we first have to look at culture.

Culture in the context of this chapter refers to a set of values, beliefs, norms, and customs shared by a group of people in a given society. All the shared characteristics within certain groups of society exhibit these similarities on many levels in daily life. Some cultural characteristics are deeply embedded in a simple act such as greeting, or a group's perception of time. (Cavusgil, Knight & Riesenberger 2017, 86.)

The following figure will depict the most essential elements of a culture.

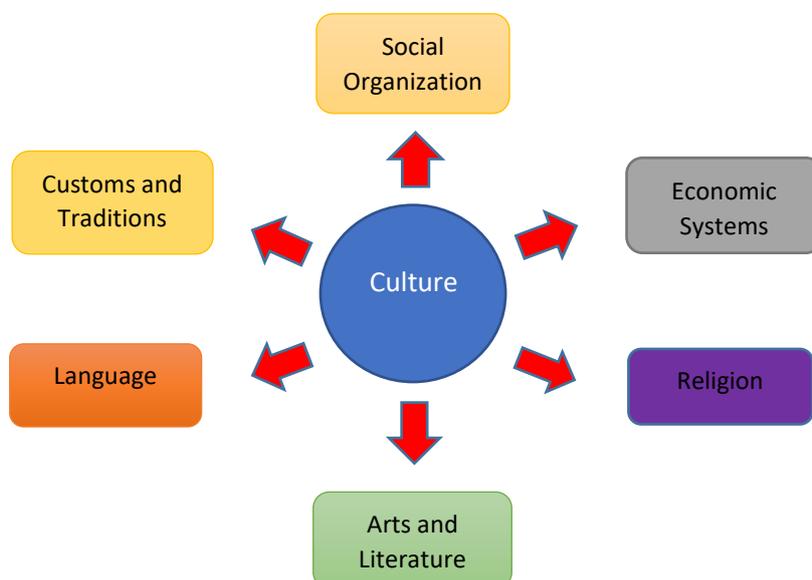


Figure 3 Framework on the elements of culture (Sociology Group 2018)

Figure 3 highlights all of the most essential elements that define culture, with language being the most noticeable one.

The social organization in a culture refers to how a given society is organized. Western cultures tend to be more focused on individualism, whereas, in e.g. Latin America or Asia, the societies are structured in collectivism.

Economic systems can be divided either in a market economic system or a mixed economic system. Customs and traditions vary widely in terms of national and regional cultures. The bigger a country, the more regional differences in customs will be exhibited. Oregon and Georgia are both states in the US but the customs and traditions in Oregon are a far cry from traditions found in Georgia.

Religion is one of the most heavily debated elements of a culture. Many parts of the world are divided among different religions. Western countries tend to be defined by Christianity whereas many parts of Asia will be linked to Hinduism.

A given society does not always consist of groups of individuals sharing the same culture. A society can be made up of different distinct cultures. This is called multiculturalism.

## 2.2 The current composition of the Finnish population

Finland was not particularly known to be a multicultural society, even up to this day, Finland is considered very homogeneous in comparison to other European member states. When looking at the economic development of Finland, we can see how the history of Finland played a big role.

Finland was under Swedish rule from the 14th century until its Russian period from 1809, followed by Finland's independence in 1917 (The City of Helsinki 2018).

Prior to 1918, Finland was a fairly secluded society, but after gaining its independence, Finland started gaining an increase in immigration.

In comparison to other EU member states, Finland developed at a much slower rate and still has not seen immigration at the same levels as some European countries.

The following table shows the progression of the population in Finland.

Table 2 Population Structure of Finland (Official Statistics of Finland 2018)

	1900	1950	2000	2016	2017
<b>Population, thousand</b>					
Total	2 656	4 030	5 181	5 503	5 513
Males	1 311	1 926	2 529	2 712	2 719
Females	1 345	2 104	2 652	2 791	2 794
<b>Age, %</b>					
0–14	35,1	30,0	18,1	16,2	16,2
15–64	59,6	63,4	66,9	62,9	62,5
65–84	5,2	6,4	13,5	18,3	18,7
85–	0,1	0,2	1,5	2,6	2,7
<b>Average age, years</b>					
Males	26,3	28,6	37,7	41,1	41,3
Females	27,5	31,6	41,0	43,8	44,0

Table 2 shows that from 1900 to 1950, Finland saw a population increase of 51,7% and from 1950 to 2017, Finland saw an increase of 36,8%.

Table 2 shows us that after Finland gained its independence, there was a spurt of growth in the population, but as soon as the 1950s arrived, the population development stagnated dramatically.

To gain better insight in the population demographics of Finland, table 3 will show the population of Finland by language.

Table 3 The Population of Finland by Language (Official Statistics of Finland 2018)

## Population by language on 31 December

	2014	2015	2016	2017
Finnish	4 868 751	4 865 628	4 857 795	4 848 761
Swedish	290 747	290 161	289 540	289 052
Sami	1 949	1 957	1 969	1 992
Other languages total	310 306	329 562	353 993	373 325
Russian	69 614	72 436	75 444	77 177
Estonian	46 195	48 087	49 241	49 590
Arabic	14 825	16 713	21 783	26 467
Somali	16 721	17 871	19 059	20 007
English	16 732	17 784	18 758	19 626
Kurdish	10 731	11 271	12 226	13 327
Persian, Farsi	8 103	8 745	10 882	12 090
Chinese	10 110	10 722	11 334	11 825
Albanian	8 754	9 233	9 791	10 391
Vietnamese	7 532	8 273	9 248	9 872
<b>Total</b>	<b>5 471 753</b>	<b>5 487 308</b>	<b>5 503 297</b>	<b>5 513 130</b>

Table 3 shows that the population of Finland is made up of native Finns accounting for 87,9% of the total population and foreign population in Finland accounts for 12,0%.

A multicultural country in Europe with a strong economic presence like the Netherlands, on the other hand, would have a native Dutch population of 76,9% and a foreign population accounting for 23,1% in 2018 (CBS 2018).

The contrast between the demographics of a country's population also shows in the rate of employee diversity within companies. The Netherlands is a very multicultural country and an attractive country for foreign investment due to its geographical, competitive location and a long trading history around the world. During the 1960s, the country also managed to attract highly educated immigrants to work in the Netherlands and this helped the country's economy to develop even more. The Netherlands is now the third biggest trading country in Europe, accounting for 8.85% of Europe's total exports.

Numerous studies have shown that The Netherlands is one of the most international countries in Europe and is one of the top destinations for expats to work without needing to possess a fair command of the local language (Invest in Holland 2017).

As statistics show, The Netherlands is a multicultural society with open and liberal views on foreign expats. Language proficiency of the local language is not a prerequisite to work for most companies and the country is the third largest EU country in export.

This leads us back to Finland. Multiculturalism is something relatively new in Finland. Economic and industrial development started at a much slower pace when much of Western Europe was seeing a surge in their economic and industrial development. When most of Western Europe was trading overseas, Finland was still rather agrarian. Most Finnish companies, like the overall population, consist predominantly of ethnic Finns, and studies have shown that many immigrants applying for an open vacancy in Finland face discrimination based on their ethnic background. On top of that, many international companies in Finland still require fluent Finnish language skills. (Huusko 2019.)

Finnish companies, as opposed to Dutch companies, are highly homogeneous and a much smaller portion of expats choose Finland as their destination for work.

### 2.3 The pitfall of homogeneous work teams

As we have seen in the previous section, Finnish society is rather homogeneous, and this resonates back to the workplace diversity of Finnish companies.

Like mentioned before, Finland does not have a very extensive trading history with the rest of the world like the Netherlands. Finland has been a self sufficient society for a very long time, whereas the Netherlands, due to its much smaller geographical size and lack of natural resources, the country had no other means of survival than embracing worldwide trade.

During the expansion of worldwide trade, the Dutch learned to be acquainted with other cultures early on, were capable of speaking several languages and managed to develop trading skills.

Finland did not have this advantage and remained a secluded country for a very long time. One of the founding elements of being economical in business is the concept known as a competitive advantage. Finns have learned to rely on natural resources and to be self-sufficient. This made Finns very adaptable and capable of engineering. The field of engineering has become a big part of Finland's development. On the other end of the spectrum, this makes Finland less superior in other fields contributing to the economic development of Finland.

Countries like The Netherlands, have a much stronger competitive advantage in business and trade overall due to their history. With the current homogeneous companies in Finland, it would be far more economical if more companies would employ employees from foreign countries with a long trading history, possessing a competitive advantage in worldwide trade and business. Not only would this be economical for Finnish companies, but also for the Finnish economy as a whole.

### 3 FACTORS OF A STRONG MULTICULTURAL COMPANY

In today's interconnected and global world, it is not difficult to meet people born overseas. Traveling is not a requirement anymore to meet individuals from different and international backgrounds. In the last century, globalization and a spurge in emigration saw a dramatic increase.

Most international companies offer ample opportunities to interact with individuals from different cultures, offering various angles on how individuals face and tackle work related challenges. This multicultural environment also forges access to knowledge and insight otherwise unavailable in a monocultural and homogeneous workplace.

International companies with multicultural teams have become important and prevalent in our globalized world, and it is especially important for survival when operating globally. Multicultural teams call for firm multicultural management to ensure a team's effectiveness. Figure 4 highlights the challenges that come with a multicultural workplace.



Figure 4 Workplace Diversity Challenges and Benefits (Fernandes 2018)

Figure 4 highlights the most prominent benefits and the challenges that come with workplace diversity.

The most common variables that also contribute to the benefits of a multicultural workplace despite the challenges are benefits such as language diversity and informational diversity, all vital and crucial elements when operating globally and cross culturally.

### 3.1 Cultural intelligence

A competitive edge for leading companies. Cultural intelligence or CQ (Cultural Quotient) is the ability to communicate and interact effectively with individuals of different cultures across the globe.

Acquiring a set of knowledge about cultural intelligence is not easily obtained or cut out for everyone. Learning about it through literature or traveling will merely allow for general knowledge. All cultures across the globe have their own distinctive set of values, beliefs, views, and norms. What might be perceived as polite and normal in one country - even in business, is considered rather intrusive and crude in another culture.

According to Geert Hofstede, a Dutch social psychologist, defines culture in six dimensions according to his national culture theory:

- Individualism vs Collectivism
- Power distance
- Masculinity vs femininity
- Uncertainty avoidance
- Long-term orientation vs short-term orientation
- Indulgence vs restraint.

These dimensions will be thoroughly discussed in the next chapter. Since individuals can only acquire a fraction of insider knowledge of a different culture as opposed to an insider of that culture, it is a highly competitive edge to have cultural insiders in a company's team to operate effectively in a given country.

Figure 5 illustrates the four key components of cultural intelligence.

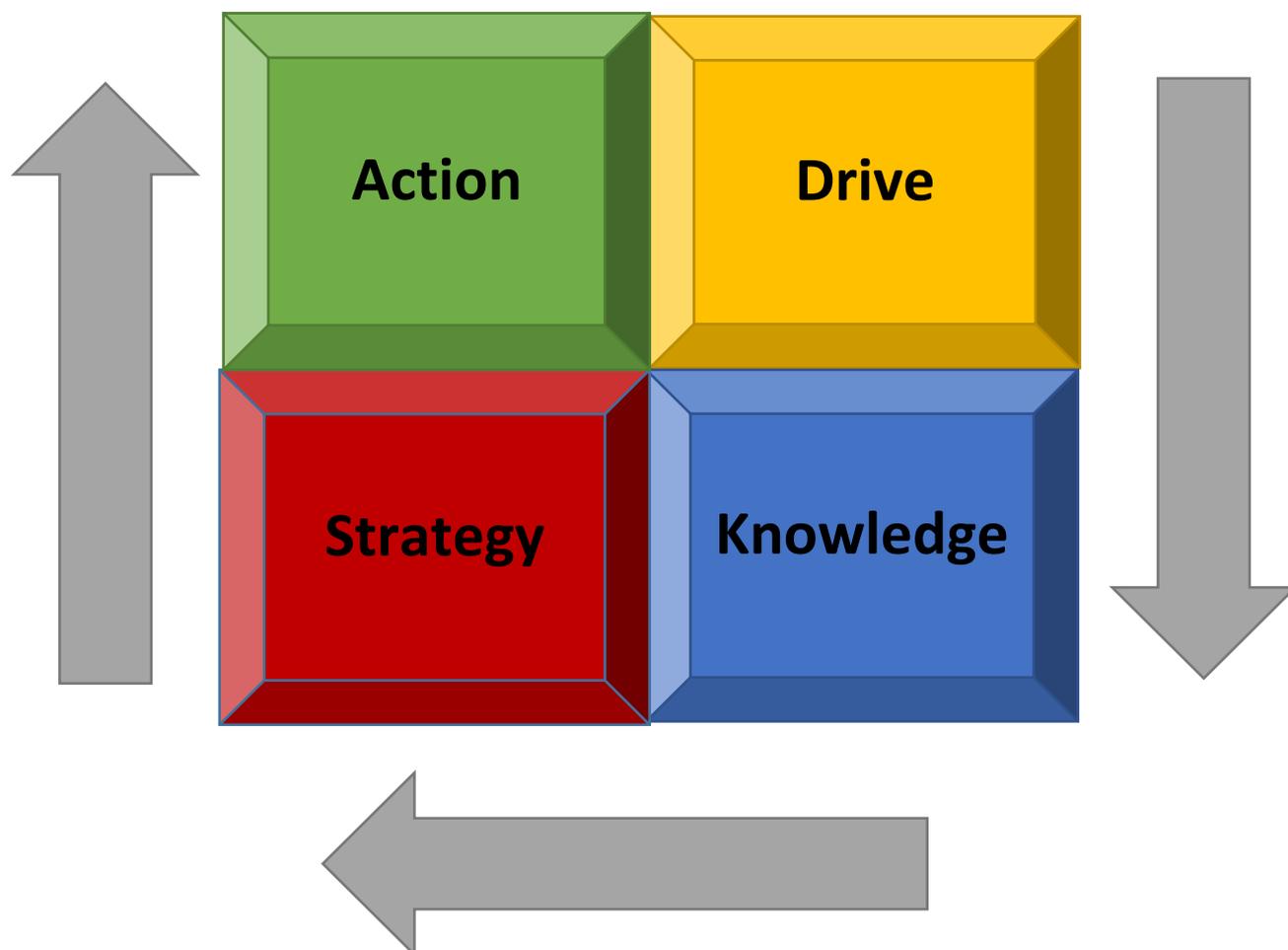


Figure 5 Cultural Intelligence Key Components (RedHead Communications 2019)

Figure 5 illustrates the key components in cultural intelligence, starting from drive, up to action.

The drive is the ability to be driven by different cultures, the profound interest in different cultures and an inherent interest in different ways of looking at the world. Knowledge refers to the type of information needed about a particular country. The strategy is about strategizing in order to communicate or frame an action to get something done in the context of a particular country's culture. The action is the utilization of having a set of skills in cultural intelligence.

Possessing cultural intelligence in an international company adds a competitive advantage to a company. A company can be much closer to a given foreign market.

Business operations can be done much more effectively due to effective and improved performance, understanding and communication. (Randstad 2019.)

A company possessing high CQ also has a competitive advantage in innovation and engagement with a given culture as opposed to companies with a low CQ (Randstad 2019).

### 3.2 Creativity

The term creativity according to Oxford Dictionaries is defined as, *the use of imagination or original ideas to create something, inventiveness* (Oxford Dictionaries 2019).

Cultural diversity includes more than just diversity in demographic or geographic background. It also encompasses the intellectual background and ability. Successful innovation cannot prevail without creativity. Creativity is also a success factor within cultural diversity because it results in a better interface with a given market due to cultural insiders. (Bassett-Jones 2005, 169-170.)

Homogeneous working teams in a company tend to share the same norms and values, and same ideas to problem-solving. For homogeneous teams, it is also much more challenging to leave their comfort zone when facing a problem that requires cultural intelligence of a culture that is different than their own.

A multicultural company benefits from increased creativity because it captures the dynamics in multi-faceted problem solving, the range of inside information, a variety of different perspectives and better decision-making. All contributing to the increasing profitability of a company.

An increased movement of different ideas strengthens the results of multicultural exposure to creative thinking and problem-solving.

Figure 6 illustrates how a multicultural company can outperform a homogeneous company when operating in a different country.

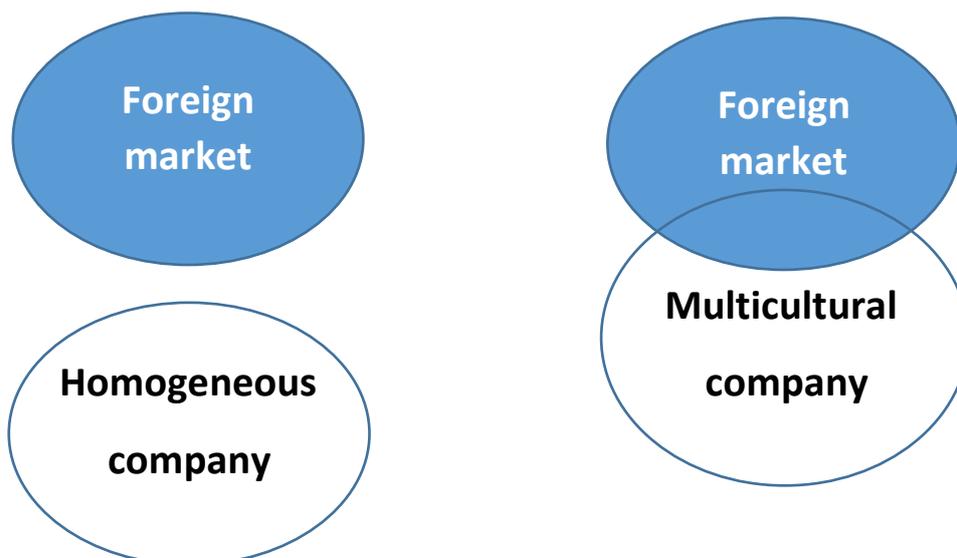


Figure 6 Multicultural Company in Comparison to a Homogenous Company

Figure 6 illustrates how a multicultural company can penetrate a foreign market more effectively than a homogeneous company due to cultural insiders.

Unlike a homogeneous company, a multicultural company has the ability to possess knowledge of a particular culture and country, otherwise unknown to cultural outsiders. This allows a multicultural company to be much more competitive due to increased creativity in thinking and problem-solving.

## 4 CULTURAL DIMENSIONS

The world is essentially a global village. People from different countries have the ability to converse with each other, now more so than ever. (Hofstede, Pedersen & Hofstede 2002, 3-6.)

International business and companies are not much different.

Each individual is characterized by their own personality and personal history, thus two individuals communicating will never be completely identical. Communication between two or more individuals coming from a different social and ethnic background will usually face misinterpretation and misunderstanding. This is on account of cultural dimensions.

Every individual will in one way or another become influenced by their national culture and this reflects also within companies.

This chapter will introduce the reader through the six cultural dimensions which make every national culture unique and different.

These five dimensions are also firmly evident within companies, despite the country of origin.

Companies can fully integrate into international business once they know their own national culture and understand the national characteristics of others.

Finland and the Netherlands will both be compared to each other, and each country will be thoroughly analyzed in terms of national characteristics shaping a company in the way they do business with other companies stemming from a different culture.

After the country analysis, the reader will have an apparent understanding of how similar or different the two countries are in business, how the two can complement each other and what they can learn from one another.

#### 4.1 The six cultural dimensions

The six cultural dimensions theory is a theoretical framework in intercultural communication developed by Geert Hofstede.

It describes how a nation and its members' national cultural affect their values and views on the world around them and in business.

Figure 7 shows all the elements in the six cultural dimensions and how they contribute to national culture.

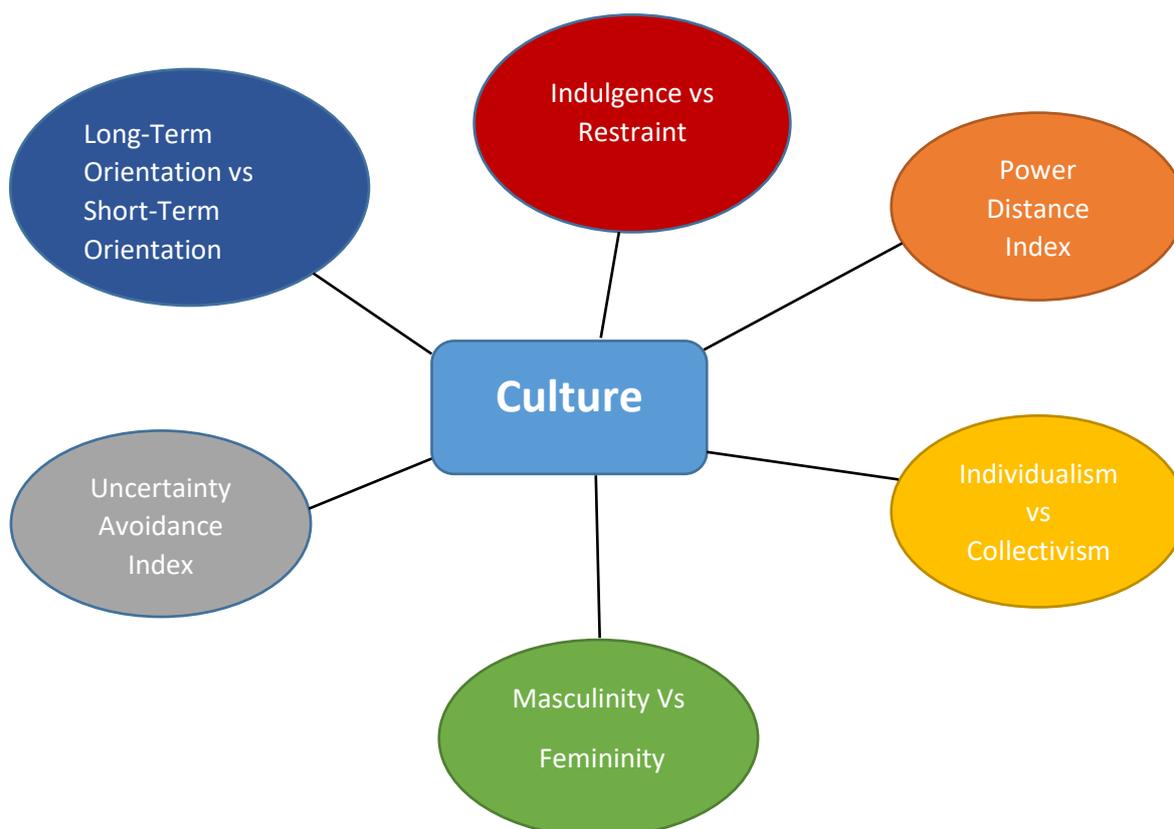


Figure 7 The Six Cultural Dimensions (Hofstede 2019)

Figure 7 illustrates the six cultural dimensions as a tool to dissect cultures. A western society for example, can have a low power distance, a high score in individualism and can possess a higher degree of long term orientation compared to a culture in Southeast Asia.

##### **The power distance index**

The power distance index refers to how the less powerful members of society or an organization accept unequal power and hierarchical division. A country with a high power distance can be for example India with its caste system or Russia. Cultures which have a

much lower score in a power distance index are characterized by communication between all classes like, the USA, the Nordics, and the Netherlands. (Hofstede 2019.)

### **Individualism vs collectivism**

Individualism vs collectivism refers to how individual choices and decisions are made by a member of society and how it is expected of an individual to be responsible for those. Collectivism is all about knowing one's place within society and making choices and decisions together as a group. Individualism in a collectivist culture is frowned upon. Countries with a collectivist culture are Japan and Pakistan. In Japan, there is a phrase about this group mentality: *The nail that sticks out will be hammered down* (Gandon 2019). Individualist cultures like the USA and the UK are mostly characterized by "employee of the month" program in companies. (Hofstede 2019.)

### **Masculinity vs femininity**

Masculinity vs femininity in society refers to the values that are considered important. In a masculine society and masculine companies, force is used in obtaining success, traits most evident in such a society are the need for competitiveness, assertiveness, achievement, winning and financial success. Countries with a masculinity society are Japan, China, and the USA. A feminine society is characterized by values such as helping others, a healthy quality of life and a supportive working environment. These feminine societies are mostly found in Denmark, Norway, and Sweden. (Hofstede 2019.)

### **Uncertainty avoidance index**

Uncertainty Avoidance Index is not necessarily only about not taking risks. It refers to the extent of how tolerant these societies are of the unknown. Countries with a high uncertainty avoidance index face much more anxiety about the unknown. These societies have a preferred need for stable habits and rituals. Countries with such uncertainty avoidance index are Russia, Japan, Portugal, and Chile. Countries with a lower uncertainty avoidance index are more tolerant about the unknown and handle change relatively well. Such societies are found in countries like China, Sweden and, the USA. (Hofstede 2019.)

### Long-term orientation vs short-term orientation

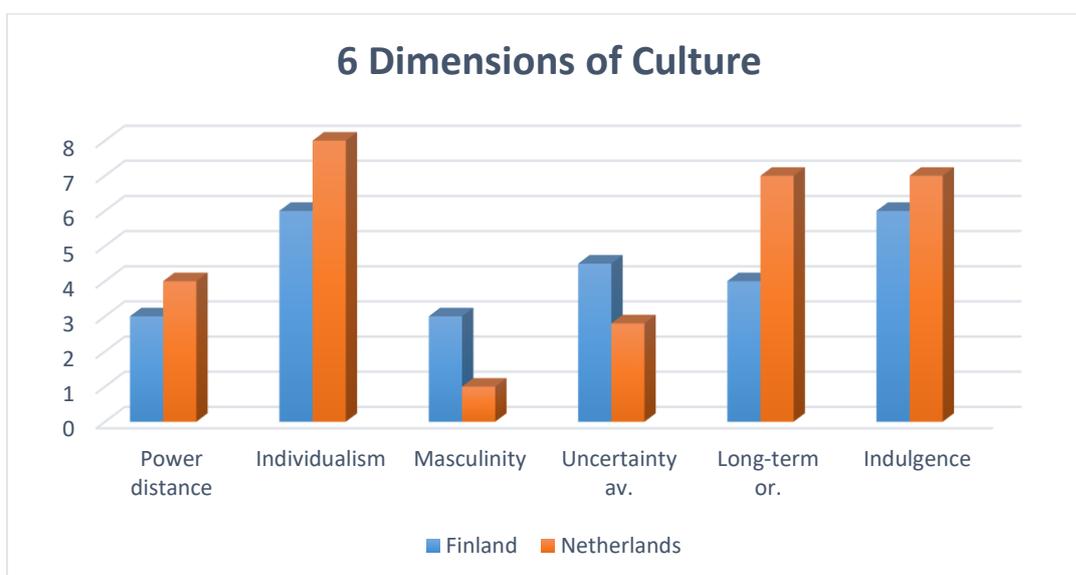
Long-term orientation refers to members of a society's orientation to the future. They tend to be very future oriented. Individuals scoring high in long term orientation tend to be persistent, perseverant and are able to adapt. Short term oriented members of a society are more focused on the past and the present. They tend to be focused on hierarchy, immediate gratification, and traditions. Within companies, long term oriented members of a society tend to be focused on future oriented investment whereas short term oriented members seek for immediate results. (Hofstede 2019.)

### Indulgence vs restraint

Indulgence vs restraint. This last dimension refers to the extent of how members of society enjoy life and indulge in certain leisure activities. Members of society dealing with restraint do not indulge due to society deeming certain activities unorthodox within their culture. Societies with restraint are countries like Japan, Egypt, and North Korea. Societies with indulgence are countries like Australia, the USA, and Ireland. (Hofstede 2019.)

#### 4.1.1 Country comparison

The following figure will analyze Finland and the Netherlands based on the 6 cultural dimensions of Hofstede.



## Figure 8 Six Dimensions of Culture in Finland and the Netherlands (Hofstede Insights 2019)

Figure 8 puts the aforementioned dimensions of culture from a visual perspective and highlights the differences between Finland and the Netherlands. From this figure, we can see for example, how the Netherlands scores higher in long term orientation. Countries scoring high in long term orientation tend to be more willing to follow long term goals and are more future oriented.

### 4.2 National characteristics within a culture

Comparing national cultures usually starts with the differences rather than the similarities between the two given national cultures. For instance, The Finns are notorious for their long silence and minimum speech, The Dutch are notorious for their tight schedules and advance planning, The English are known for not jumping the line and dunking their biscuit in tea.

As the globalization of doing business expands, there is a developing awareness needed about concepts and values which differ from country to country. The word for *contractual agreement* is easy to translate in different languages but with different perceptions. To an American, a Scandinavian or German, it means a formal document that has been signed, and it is something that needs to be complied with by all parties. In Japanese culture, however, the agreement is regarded as something as a starting point but can be modified as many times as possible whenever new circumstances require so. In this scenario, the American might find the Japanese business culture unethical and untrustworthy. (Lewis 2006, 3-14.)

There are many gray areas in international business when dealing with others cross culturally. This sub chapter will explore the differences and similarities of cultural characteristics between Finland and the Netherlands in a business context.

Finland and the Netherlands are both linear active. Countries being linear active are countries such as Germany, U.S.A, The Nordics, the Netherlands, and Switzerland. These nations are highly developed countries and they can be characterized by being:

- decisive planners
- doing one thing at a time
- extremely time-conscious

- individualistic
- punctual
- result-oriented

The following figure will illustrate Finland and the Netherlands according to The Lewis Model.

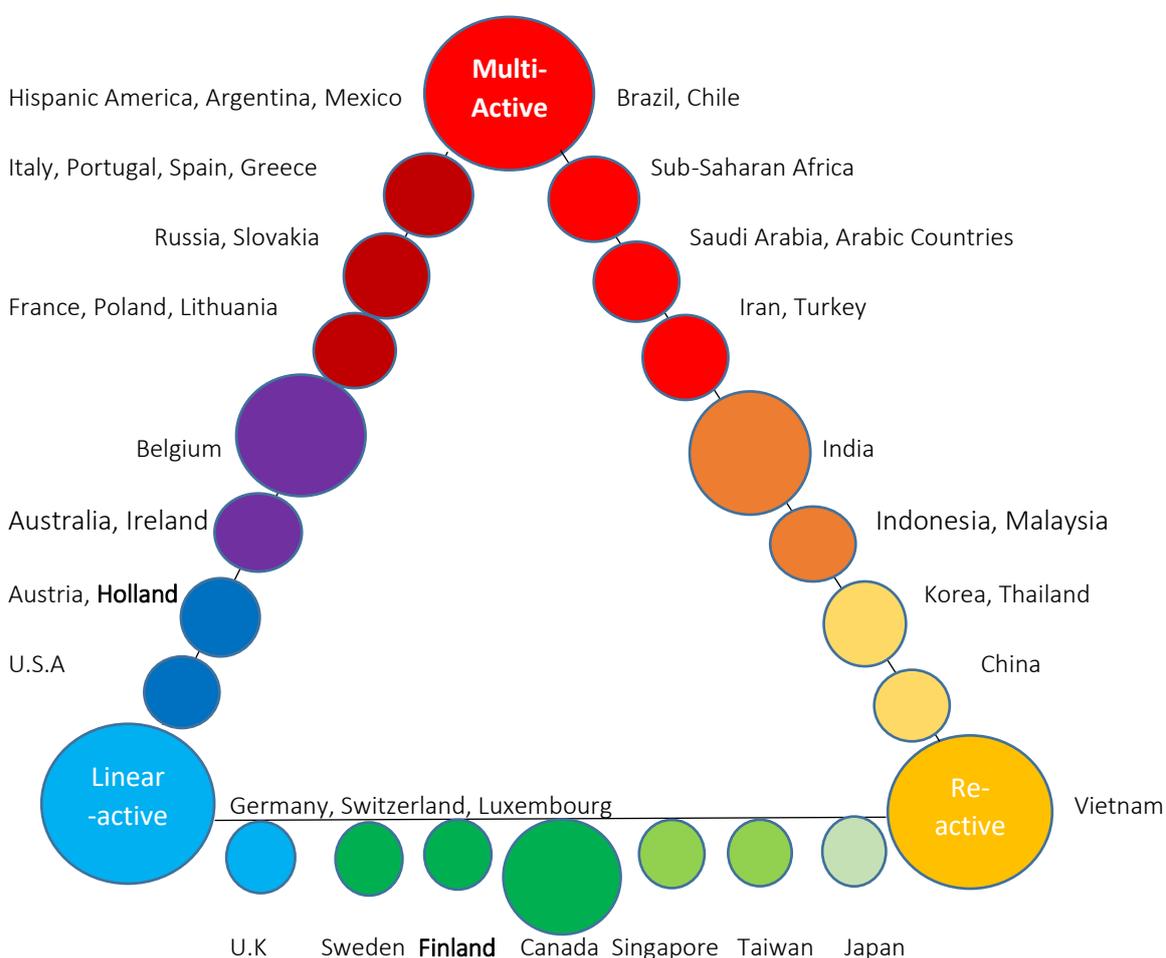


Figure 9 The Lewis Model (Lewis 2006)

The Lewis Model illustrates countries in a way that puts them in three categories: linear active, multiactive or re active. Linear active societies are recognizable by being extensive planners and highly organized. Countries being strongly linear active are Germany and Switzerland. Multiactive countries tend to be lively and do many things at once. Time does

not have the same value here as with linear active countries. Such countries are found in Latin American and Arab cultures.

Re active countries tend to look for concensus and try to avoid confrontation at all cost, are good listeners but don't speak up very often. Such countries are found within Asian, Canadian and Finnish cultures.

Figure 9 shows that the Netherlands is linear active but less than Germany. Finland is still considered linear active but clinging towards the reactive area. Canada sits right in the middle, meaning its culture is a mix of linear active and re active. Reactive cultures are mostly found in Asia, they share characteristics such as indirectness, decisions by consensus, avoiding confrontation, introverted and thinking in silence.

#### 4.2.1 Finland

Finland has a culture and characteristics still relatively unknown and mysterious to the rest of the world. Despite being a mystery to outsiders, Finland can be without a doubt considered to be a hero nation. For hundreds of years, Finland was subjected to foreign oppression by Sweden and Russia. Neither countries were, however, successful in eradicating the Finnish language, customs, and culture. After gaining their independence on December 6th, 1917 with bloodshed kept minimum, the Finns established a modern society based on freedom and equality. Nationalism is high but without any chauvinism. From 1919 Finland's progress was fast and steadily. The Second World War caused a setback but after the war, Finland continued its development. National diligence got the better of Finland and managed to progress into a nation that is environmentally clean, crime free, and one of the most prosperous countries in the world. (Lewis 2006, 330-337.)

#### **Values**

The Finns have a higher degree of national self awareness than most other people. Its characteristics are similar to those of Japan, and France but without any chauvinism.

The Finns in business can be characterized as the following:

- Extremely individualistic
- Love for nature
- Desire to be liked
- Democratic
- Silence

- Cannot bear to lose face
- Sometimes too modest
- Make no attempt to sugarcoat
- Hesitant to speak up in an international arena
- Speaking only when necessary.

(Lewis 2006, 331.)

### **Communication pattern**

Finns in an international setting often display weaknesses in communication. They tend to speak very little and are often hindered by shyness or feelings of lacking social skills. Both Finland and Japan are isolated in international dialogue in regard to their language views (silence) and viewing an overly talkative individual as non trustworthy. (Lewis 2006, 330-337.)

### **Communication patterns at meetings**

During meetings, Finns only speak when absolutely necessary. Finns display Asiatic characteristics as opposed to European characteristics in communication. Finns value silence and will often insist on others to talk first. (Lewis 2006, 14.)

### **Listening habits**

Finns are one of the best listeners. They will hardly interrupt when someone is speaking and value other people's remarks. Finns are highly concentrated but do not always give feedback during a presentation. (Lewis 2006, 72.)

#### 4.2.2 The Netherlands

Located at the north sea accompanied by Germany, UK, and Denmark. The Dutch have managed to make land out of what used to be water before and to make the best out of little acquired land, looking seaward for resources and trade rather than inland.

The Netherlands is the third largest country in the EU in export volume and the eighth largest in the world (Lewis 2006, 72). The country may be one of the smallest countries in the EU by size but with large power in clout and business.

Culturally the Dutch are a mix of north and west. They show many traits that the Nordics possess but they still have more in common with the British. During some time during the 17th century, Dutch trade, military, art, and science were one of the most renowned in the world and together with the UK, they ruled the oceans and trade overseas, though certainly not as allies.

In today's business world, the Dutch along with Sweden is one of the most egalitarian and multicultural countries, owning many multinational companies. The Netherlands is home to companies such as Shell, Unilever, Philips, Heineken, KLM, TomTom, ING Group, GasTerra, and Ahold Delhaize. (Lewis 2006, 244.)

The Dutch also managed to take up first place for speaking English as a second language. Sweden comes in second. Speaking English almost as well as natives has proven the Dutch to be successful in trade during the 17th century as well as current days.

#### **Values**

The Dutch values share similarities of those found in the Nordics and its neighbor countries, Germany and the UK. The Dutch are highly linear active and yet one of the most egalitarian and liberal nations. Its value characteristics are:

- Tolerant
- International
- Materialistic
- Entrepreneurial
- Innovative
- Competitive

- Egalitarian
- Jealous of privacy
- Cooperative
- Thrifty.

(Lewis 2006, 245.)

### **Communication pattern**

The Dutch are very pragmatic. Facts and figures matter a lot and they possess a high degree of communication and social skills. When decisions have to be made, the Dutch tend to have very long debates, sometimes reaching the point of overanalysis. They have extensive international experience in business and are not easily taken in. (Lewis 2006, 247.)

### **Listening habits**

The Dutch are cautious people. On one part of the spectrum, they are easy as a listening audience due to their interest in more information and ideas, but on the other end, they are not easy to persuade due to their experience. (Lewis 2006, 247.)

## 5 EMPIRICAL RESEARCH AND ANALYSIS

The content in this chapter will cover the main research question "How can Finnish companies benefit from employing multicultural working teams"? Which is the most important chapter in this research.

The formulation of the interviews will be discussed, followed by the results of the interviews and their analysis.

### 5.1 Interview formulation

The empirical data for this thesis was collected and retrieved by means of interviews and surveys. The interviews and surveys were conducted at a Dutch company called Publitas and a Finnish company, known as Lunawood.

This study includes three face to face interviews and three surveys at each company. In total six interviews were conducted. At Publitas, an interview and survey were conducted with the Chief Executive Officer, Chief Technical Officer, and Customer Support Lead. At Lunawood, an interview and survey were conducted with the Marketing Director, Marketing Coordinator and Sales Assistant Team Leader.

Table 4 Interview and survey objectives

<b>Respondent</b>	<b>Objective of interview and survey</b>
Chief Executive Officer	To hear comments and opinions from a Dutch perspective
Chief Technical Officer	To hear comments and opinions from a Dutch perspective
Customer Support Lead	To hear comments and opinions from a Dutch perspective
Marketing Director	To hear comments and opinions from a Finnish perspective
Marketing Coordinator	To hear comments and opinions from a Finnish perspective
Sales Assistant Team Leader	To hear comments and opinions from a Finnish perspective

The interviews were compiled in a semi structured manner. This means that the interview questions were structured, but the responses given were different with each respondent. And in addition to giving responses, the respondents were also able to justify the responses with their opinion. The surveys were fixed. The surveys contained five fixed statements, and based on these, the respondents would rank the statements on a scale from 1 to 10. The higher the number, the more the respondent would agree with a given statement. This survey served as a comparison tool between two international companies, yet one from Finland and the other one from the Netherlands.

The face to face interviews with respondents from Lunawood were recorded and the face to face interviews with the respondents from Publitas were conducted via Skype. The surveys at both companies were conducted via email.

The duration of the face to face interviews varied between 20 to 40 minutes and the surveys had a timespan of two weeks.

The reason for a semi structured interview is not only to get individual responses back but also to receive indepth and personal opinions and point of views of each respondent.

## 5.2 Data collection

This sub-chapter will illustrate the time frame and the process of data collection for this thesis.

Table 5 Timeframe of data collection

<b>Task</b>	<b>Feb 2019</b>	<b>March 2019</b>	<b>April 2019</b>	<b>May 2019</b>
Desk research	<b>X</b>	<b>X</b>	<b>X</b>	
Interview Design			<b>X</b>	
Conducting interviews and surveys			<b>X</b>	
Data analysis and results				<b>X</b>

The table from above represents the timeframe of the data collection and analysis. The data collection included both primary and secondary data. The data consisted of the desk study, interviews and surveys. The author of this thesis has been working for Lunawood during her internship period and is acquainted with the management team of Publitas.

The topic of this thesis and of the interviews and surveys came into development when the author was facing similar issues in Finland. After formulating and constructing the thesis, the author had already studied literature about the concerning topic. When the theoretical framework for this thesis was formulated and completed, the author started designing the interviews and surveys for the empirical part of the thesis.

### 5.3 Data results

This sub chapter will cover the data acquired after the interviews and surveys. First, the interviews with both companies are discussed, followed by the surveys, also at both companies. After the discussions, the findings will be analyzed.

#### 5.3.1 Company interview results

The first company discussed in this section will be the Finnish company: Lunawood. The Interviews respondents had the possibility to give open answers to receive wider and different perspectives. The respondents at Lunawood were all decision makers in their position at the company whereas, one respondent was also part of the management team.



Figure 10 Production planner and controller of Lunawood (Lunawood 2019)

In this figure we can see the employee branding image of Lunawood. The branding shows a healthy and happy working environment yet with monoculturalism found in most Finnish companies.

The topics of the interview questions ranged from multicultural companies, multicultural working teams, Finnish language requirements in vacancies when not actively needed for the job position, and international business.

Two respondents had an age range of 30 to 38 years old and one respondent was in the age range of 55 to 63 years old. The results were clearly divided based on the age differences and the younger respondents had similar results.

The second company to be interviewed was a Dutch company: Publitas. The range of the age difference between the respondents was much smaller. One respondent was in the age range of 34 to 42 years old and the remaining respondents had an age range of 22 to 30 years old. The results were much more equal.



Figure 11 Publitas team at headquarters in Amsterdam (Publitas 2019)

Figure 11 shows an employee branding that's the opposite as found in most Finnish companies. Publitas' employee branding also signifies the cultural composition of the Netherlands.

All participants at both companies gave very comprehensive answers and new light was shed on the thesis research question.

The figure from below shows the main topics discussed during the company interviews.



Figure 12 Main topics of the company interviews

All three participants from Lunawood agreed that multicultural companies are very beneficial for international companies and that it creates a deeper understanding of their markets. All agreed that multicultural working teams had a competitive edge in international business over other companies that did not have multicultural working teams at its disposal but the second topic was much more divided.

The participants also stated that many international companies are still afraid of speaking English and do not wish to invest time in employee orientation and instructions in English. The fear of Finnish companies about foreigners not adapting to Finnish company culture, clashing with Finnish employees and the fear of misunderstanding holds most companies back.

The participants of Publitas gave a very comprehensive insight into what multicultural companies mean in already multicultural societies. The participants all generally agreed that multiculturalism is a cornerstone of a healthy society and key in social life. The participants agreed that more differences between team members allow for a wider perspective and different cultures give more ways to look, solve and act.

The participants also agreed that language requirements should have a strong function and should serve an end result. The participants agreed that the practice of the Finnish language requirement when not needed for a job, still found in most other Finnish companies, is an obstacle. They agreed that having a requirement without an active function is a major counterproductive and fruitless roadblock on a one way road.

### 5.3.2 Company interview results comparison

The following table will compare the interview results from both companies based on the main topics.

Table 6 Comparison of interview results

Topic	Lunawood	Publitas
Opinion of multicultural companies and multicultural working teams.	<ul style="list-style-type: none"> <li>• More successful in international business. More adaptable to different challenges.</li> <li>• In sales, marketing and product development competitive edge.</li> <li>• Gives understanding. Inevitable and mandatory in an international company</li> </ul>	<ul style="list-style-type: none"> <li>• Diversity is the only way. The bigger the differences in culture, the wider the perspective.</li> <li>• Multiculturalism in a company is more beneficial in tackling challenges.</li> <li>• More perspective. Better range of qualities and attributes.</li> </ul>
Obstacles employment in Finland due to language requirements when not actively needed for a job position.	<ul style="list-style-type: none"> <li>• The Finnish language should not be a requirement in jobs where it is not actually needed.</li> <li>• Many Finnish companies are too cautious. Investment in employee orientation is looked down upon when there are Finns available.</li> <li>• The fear of miscommunication, language and culture, refugees don't help the situation much.</li> </ul>	<ul style="list-style-type: none"> <li>• In general, requirements should have a function and should serve the end result. Just having a requirement without a function is like putting a useless roadblock where cars need to go around.</li> <li>• If it is not required in the operating market, then this requirement is not useful at all and a waste of time.</li> <li>• People do need a common ground on language to understand each other. But, typecasting to only make certain people comfortable is unprincipled.</li> </ul>
Strength of multicultural working teams in international business.	<ul style="list-style-type: none"> <li>• Better capable of adapting to other cultures and offer a higher degree of customer</li> </ul>	<ul style="list-style-type: none"> <li>• The speed of learnings and having more options to solve problems and the ability to look at things from</li> </ul>

	<p>service in the local language of a market.</p> <ul style="list-style-type: none"> <li>• Deep market knowledge and languages are more available for business abroad.</li> <li>• Better understanding, local service, and working culture.</li> </ul>	<p>different angles = more options and opportunities.</p> <ul style="list-style-type: none"> <li>• Speed of learning and dynamics to solving issues otherwise unknown to companies.</li> <li>• Wider perspective and knowledge</li> </ul>
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The results were very mixed, especially at Lunawood. The second topic is where the results from Lunawood were very dispersed. The results of the younger respondents were the most identical but the result of the older respondent was a bit more contradicting. The fear of not understanding others, linguistically and culturally, was one side. The other side, was to be overwhelmed by the movement of immigrants to Finland.

### 5.3.3 Company survey results

The company survey was the same for all participants and both companies. Six fixed statements were given and based on these statements, each participant could rate the statement. The higher the score, the more a participant agreed with the statement, and the lower the score, the least the participant agreed with the statement.

The figure below highlights the main topics of the given statements.



Figure 13 Main topics of the company surveys

The survey results were very divided. Lunawood had a clear distinction in the answers based on the age difference. At Publitas, the answers were much more equal and similar. The results clearly indicated that Lunawood and Publitas both have a different company culture and a different culture within their own society, despite both companies being international.

The following figure will illustrate how the responses to the main topics of the Finnish company line up in comparison to the Dutch company.

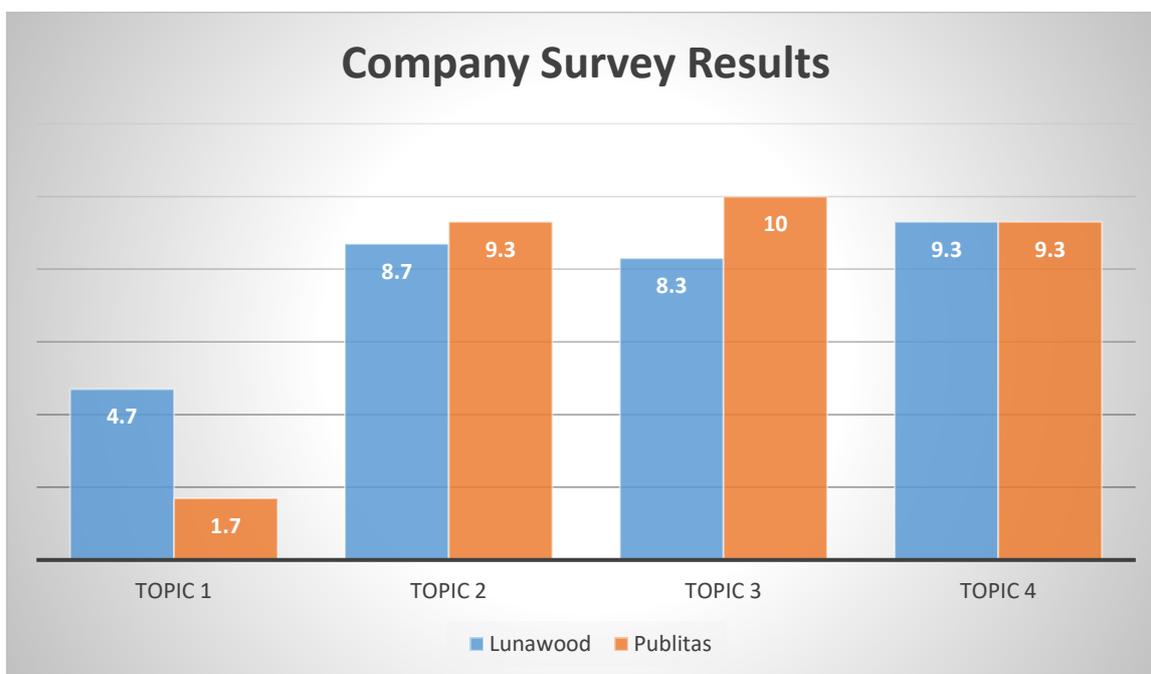


Figure 14 Company Survey Results

Figure 14 shows the survey results in a bar chart. The higher the value, the more the company agrees with the topic. Figure 14 tells us that Lunawood and Publitas are quite similar in some ways but still exhibit a contrasting difference concerning the first topic.

The most striking contrast is found in the first topic. The statement's topic was about foreign expats and graduates wanting to work in their native country, and being required to speak the local language fluently in order to get a job offer.

Publitas scored a 1.7 out of 10 which indicates that the company does not require any language skills in the local language. Lunawood, on the other hand, scores a 4.7 out of 10 which indicates that the company places more value on the local language skills.

The second topic had a statement about Finns displaying weaknesses in communication during an international setting and how enough multicultural exposure and training could improve this weakness. Both companies scored pretty equally which indicates that they both place an almost equal value on the topic.

The third topic stated that talented expats and graduates should be given an opportunity to work in their local country regardless of country of origin and mother tongue. Publitas scored highest in this topic which indicates that Lunawood still had some preferences and prejudices towards certain countries of origin.

#### 5.4 Data analysis

All the interviews and surveys have been carefully compared and analyzed.

Within one company, many different responses were received. After careful processing of the results, the differences were most notable at Lunawood and the age difference was a clear explanation of this distinction.

Despite both companies being international and dealing with many different markets on a daily basis, both companies had a different company culture and the responses were clearly rooted from cultural and historical differences.

Both companies seek growth from foreign markets and agree on the strengths that multicultural working teams can give to companies.

The figure from below will illustrate Finnish companies based on the data results with a SWOT analysis.

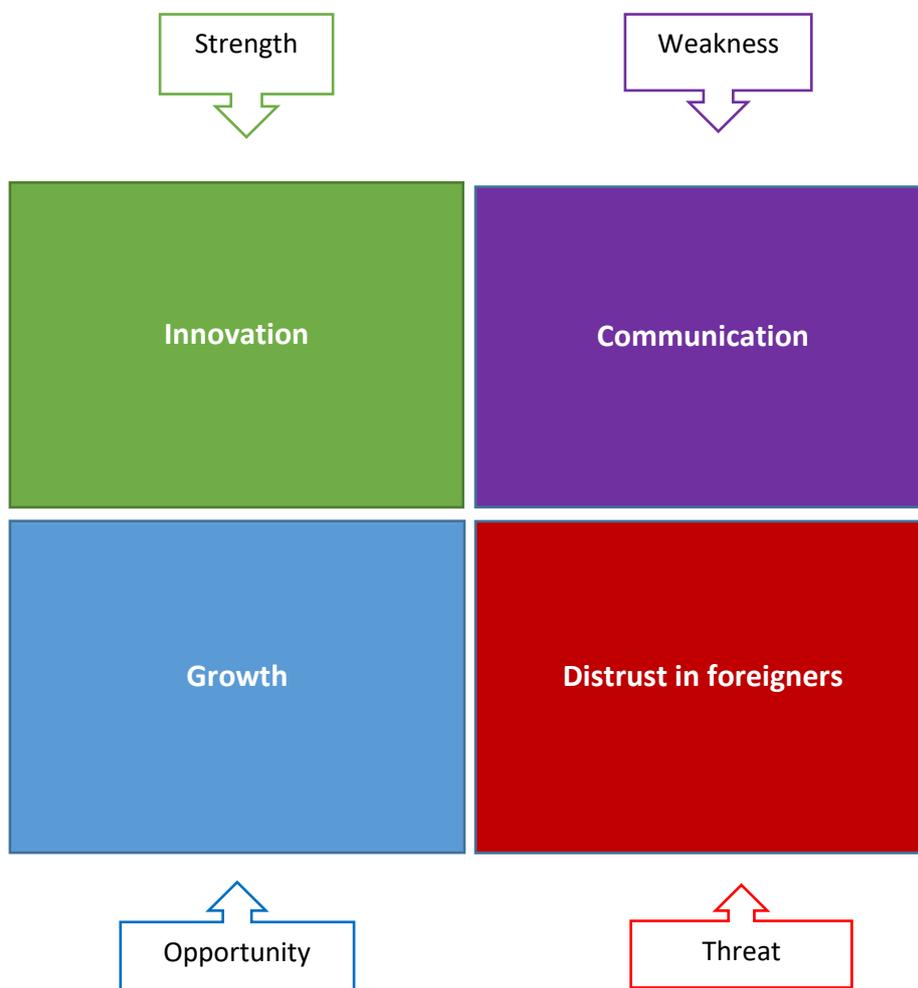


Figure 15 SWOT analysis of Finnish companies

The SWOT analysis in figure 15 illustrates the findings in the data results. Finnish companies tend to offer an innovative product or service to other markets. Finland is also relatively a young country, which allows Finnish companies to grow more international. On the other hand, the data results showed that many older employees and decision makers at Finnish companies still do not prefer to speak English due to the lack of feeling bold and confident in English and communication in an international setting in general. The threat of many Finnish companies is the distrust in foreigners, especially with the older employees and management members. The weaknesses and threats in many Finnish

companies are the results of many cultural and historical differences compared to international companies like Publitas in the Netherlands.

## 6 CONCLUSIONS

This part of the thesis will summarize all the empirical data and results. Secondly, the reliability and validity of the findings will be discussed.

### 6.1 Answer to the research question

This thesis' focus was on international companies in Finland. The situation in Finland is, however, that many Finnish companies are not international enough even if they operate abroad in different markets. The main research question was: **How can Finnish companies benefit from employing multicultural working teams?** The sub-questions will be discussed first, followed by the main research question.

#### **What is a multicultural company?**

This first sub-question is an orientation to the concept of the main research question. Just as within a multicultural society, a multicultural company is a company that consists of employees from different ethnic backgrounds, with each background being characterized by its own distinctive culture. Each culture has its own values, norms and, perspectives. In multicultural companies, as within society, people from different cultures coexist together in harmony and working together towards a common goal. As seen with the Netherlands, cultural diversity is a key element within their society and in international companies. The Netherlands embraced cultural diversity within their society and in international business which helped the country become the third largest exporter within Europe. The country is one of the most international countries in the world and a top destination for foreign expats.

A multicultural company employs a workforce that includes employees from diverse cultural and ethnical backgrounds. Employees in these companies have access to unique perspectives based on various ethnicities, cultures, and other characteristics to benefit a company in international business. A multicultural company also exhibits no show of discrimination and prejudice. Employee candidates are chosen based on their skill, talent, creativity, and work ethics.

### **What are the factors of a strong multicultural company?**

Some countries like the UK and the Netherlands have been exposed to foreign cultures, foreign languages and international trade for hundreds of years. Finland is a country that is relatively new to multiculturalism and international trade. The country has been secluded for a very long time due to historical events and thus, industrial and economic development started much later in Finland. In countries like the Netherlands, many big and international companies have proven others that diversity is key to growth. Diversity allows for agile innovation and knowledge about other cultures and their markets. Different perspectives are plentiful, and creativity and problem solving skills are much more expanded.

All in all, the main benefits of a multicultural company in international business are the following:

- A higher level of innovation
- Better success in marketing to export markets, and better opportunity
- A broader perspective in seeking opportunities and solving challenges in new markets or an otherwise unattainable market with a homogeneous workforce
- The possibility of eliminating an otherwise strong single group culture due to a variety of different cultures and perspectives.

### **What are the cultural dimensions between Finland and the Netherlands?**

Each individual is characterized by their own personality and personal history, thus two individuals communicating will never be completely identical. The same goes for cultures. Each country has a distinctive culture and is shaped by historical differences and different values within society. Finland and the Netherlands are two wealthy countries with each being considered a western society. From an outsider's perspective, these two countries must be alike in many ways. This could not be further from the truth. Finland and the Netherlands both have different histories which shaped them into the nations they are today.

Finland has been secluded for a long time compared to other countries in Europe. The extensive oppression by Sweden and Russia stirred a strong national pride among Finns, which make many Finnish individuals have a stronger sense of nationalism than some other countries who relished in more freedom. Finland is one of the most sparsely

populated countries in Europe, hence why most Finns tend to speak very little and find great comfort in silence.

The Netherlands is a small country and early on, the country started looking seaward for trade and economic development. The country had no resources unlike Finland, so trading with other cultures overseas was the only means for survival. The Dutch learned to be acquainted with other cultures and languages early on, and due to the international trade history, developed strong communication skills with strangers and learned to cast caution to the winds in an early stage.

From Dutch history we can clearly see how they learned not to be afraid to take risks in international business, are very confident with other cultures and are social communicators. All vital elements in effective international business and trade.

Finns, on the other hand, have not been exposed to other cultures, languages and international trade on the same level as the Netherlands. Many Finns still show weaknesses in communication in an international setting. But unlike the Dutch, Finns tend to make decisions faster when needed, while the Dutch would over-debate when decisions are required.

The sub questions have now been answered, which will lead to the main research question.

### **How can Finnish companies benefit from employing multicultural working teams?**

The SWOT analysis in this thesis was used to evaluate the current situation of Finnish companies after analyzing the empirical data. In total three interviews and three surveys were conducted to retrieve empirical data and to gain opinions and views of each respondent.

After careful analysis of all the data, it is indisputable to conclude that Finnish companies have a lot to gain from multicultural working teams. As mentioned previously in this thesis, vital elements in effective international business are the courage to take risks, to be confident with foreign languages in an international setting and to be a social and strong communicator. These are elements that are still a weakness among most Finns. Enough multicultural exposure and training can improve this.

In international business and international companies, diversity is key. Diversity is also a key element in social life. The bigger the difference between the team members, the wider

the perspective. More different cultures give more ways to look, find, solve and act. Having different people with different backgrounds within a company increases the speed of learning, innovation, and understanding of foreign markets.

The Netherlands is a liberal society on many levels. Multiculturalism and liberal attitudes to foreign graduates and expats in Finland are, however, on a different level. From the empirical data results, it can be seen that younger employees in a company have a more liberal attitude towards foreigners wanting to work for Finnish international companies. The older employees in international companies tend to have distrust towards foreigners and still require fluent proficiency in the Finnish language in order to work in Finland, even if it is not actively required to perform in their employment. Many decision makers at Finnish companies belong to the latter generation.

The Finnish language requirement without an active function and preferences in foreign graduates or expats puts a counterproductive barricade to Finland's one way road to effective international business and economic development. More international and multicultural exposure with the right training can lift this obstruction and increase liberal attitudes on many levels in Finnish society.

## 6.2 Validity and reliability

The core purpose of this research was to find an answer to the main research question. The secondary data for the theoretical framework was retrieved through means of academic literature and digital sources. The primary part of the for the empirical part of the thesis was retrieved through means of interviews and surveys with employees and decision makers within both companies. Based on these results, the thesis is deemed valid and reliable.

## 6.3 Suggestions for future research

Multiculturalism is the result of globalization and in many developed western countries this has caught on. More diverse work places are a reflection of the demographic changes when the balance is evened out.

As researched in this thesis, multiculturalism is still in its developing phase in Finland due to its secluded history and to being a late participant in international business. Nationalism is strong in Finland, especially among the boomers and generation X. Most companies in Finland are run by these generations. These generations were not as exposed to internationalism as generation Z and the Millennials. From the empirical research, we can conclude that multiculturalism at the workplace is not something that is considered

conventional by the boomers and generation X. The fear of misunderstanding culturally and linguistically together with the distrust of foreigners is holding many companies back from fully integrating and implementing the strength of diversity at the workplace.

From the cultural analysis, we also saw that Finnish society scores high in the uncertainty avoidance index, which indicates that most Finns are not very capable of adapting to sudden changes and do not like to take risks.

The Finnish language proficiency as a criterion is a phenomenon that is linked with most of the boomers and generation X. Most of these individuals have limited multicultural and international exposure and still feel uncomfortable with foreign languages. For these generations, the Finnish language criteria give decision makers and employees alike a sense of security, fellowship, and assurance.

What has been ruled out of the scope of this thesis can be likely examined in future studies. In particular, a development plan to improve the current situation. This study has shown that many older employees and decision makers are reluctant about a multicultural workplace and the predominant use of the English language at international companies. The empirical research has, however, shown that younger employees are open for change and are much more accepting of a multicultural environment.

In addition, language courses at the workplace, enabling more location independent work, and frequent exposure to different cultures have proven to show positive results. A development plan about consultancy and training for companies is not examined or developed in this research. It is therefore advisable that future researchers will do research about this topic and execute a development plan.

## 7 SUMMARY

Finland is a country that has known many hardships due to its history with Sweden and Russia. Despite the history, the perseverance of Finns enabled the country to work from an agrarian and secluded country towards one of the most developed and egalitarian countries in the world.

Currently, the country is showing signs of stagnation and many international companies face difficulties in effective international business. Many companies in Finland are rather homogeneous and monocultural. The vital elements of international business are a weakness to most Finnish individuals: Social and communication skills. The purpose of this study was to find an answer to the main research question.

When it comes to the workforce in Finland, it is necessary to attract professionals from abroad. Especially trained specialists and highly educated professionals are needed to improve the situation in Finland.

This thesis used a deductive research method and was supported by a qualitative approach. The secondary data for the empirical part of the study was gathered by academic literature and digital sources. The primary data for the empirical part of this study was gathered by means of interviews and surveys at a Finnish and a Dutch company.

The interviews at both companies were recorded to hear opinions and views from both companies. The surveys were used to gather information from both companies in order to compare the results.

To conclude, the thesis and its main research question managed to serve its final goal with a credible level of validity. The limitation of this research is the field of companies and employees. The study focuses on innovative international companies and business administration professionals.

Furthermore, for future studies, a development plan has been suggested to consult and train international companies.

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## APPENDICES

### Appendix 1

#### Interview for Lunawood employees

1. What is your opinion of a multicultural company and multicultural working teams?
2. Researches have shown that foreign graduates or expats face many obstacles in Finland to find employment and get rejected due to insufficient language proficiency in Finnish, even when there is no active requirement during the day to day tasks of the vacancy. Are you satisfied with this situation? Please explain why.
3. What in your opinion could be the main reason for foreign graduates and expats facing obstacles in Finnish employment (international companies active in foreign markets)?
4. Lunawood is an international and multicultural company. Being multicultural, do you believe Lunawood has a competitive edge over Finnish monocultural companies with a homogeneous workforce?
5. Lunawood is a growing company and has shown a lot of success during the past few years. Do you believe Lunawood would have faced a different outcome if the company was not international and multicultural? Please explain why.
6. What are the strengths of Lunawood being multicultural and what are the possible weaknesses?
7. Finland is relatively new to multiculturalism and international business compared to countries like the UK and the Netherlands. Do you believe more Finnish companies should internationalize while globalization is increasing?
8. How could other Finnish companies become more international and successful in international business and trade?

## Appendix 2

### Interview for Publitas employees

1. What is your opinion of a multicultural company and multicultural working teams?
2. Researches have shown that foreign graduates or expats face many obstacles in Finland to find employment and get rejected due to insufficient language proficiency in Finnish, even when there is no active requirement during the day to day tasks of the vacancy. What is your opinion about this situation?
3. Publitas is an international and multicultural company. Being multicultural, do you believe Publitas has a competitive edge over other monocultural companies with a homogeneous workforce?
4. Publitas has shown a lot of success during the past few years. Do you believe Publitas would have faced a different outcome if the company was not international and multicultural? Please explain why.
5. What are the strengths of Publitas with being multicultural and what are the possible weaknesses?
6. Finland is relatively new to multiculturalism and international business compared to countries like the UK and the Netherlands. Do you believe more Finnish companies should internationalize while globalization is increasing?
7. What is Publitas' secret of being so liberal about a multicultural work force?
8. How could Finnish companies become more international and successful in international business and trade like Publitas?

### Appendix 3

#### Survey for Lunawood and Publitas employees

1. When foreign graduates or expats want to work in my country, even when it is not actively required for the daily tasks and do not deal with the local market, in my opinion, they are still required to speak the local language fluently to get the job.

1      2      3      4      5      6      7      8      9      10

2. The UK and the Netherlands used to dominate the seas and foreign trade spanning the 17th century. They excel in trade; Finns excel in engineering. Finnish companies do not need help from such other countries to learn more about effective international business.

1      2      3      4      5      6      7      8      9      10

3. Finns, like the Japanese in an international setting often display weaknesses in communication. They tend to speak very little and are often hindered by shyness or feelings of lacking social skills. This is something that can definitely be improved by enough multicultural exposure and training.

1      2      3      4      5      6      7      8      9      10

4. I believe talented graduates and expats should be given the opportunity to help a company achieve its business goals and beyond, no matter what country they are from and no matter what their mother tongue is.

1      2      3      4      5      6      7      8      9      10

5. Companies operating abroad can be more successful when employing multicultural teams. Foreign talents can be cultural insiders, much more so than local employees, no matter if a local employee lived in different countries for long-term periods. This is a competitive edge.

1      2      3      4      5      6      7      8      9      10

6. I believe it is much more beneficial for an international company to have multicultural employees at its disposal due to the dynamics, different ways of thinking, different ways of problem-solving and different levels of creativity as opposed to an international company with a homogeneous workforce that thinks similarly and has an identical way of solving problems.

1      2      3      4      5      6      7      8      9      10