The Effects of Diversity on Multinational Organisations

An exploratory case study investigating the cross-cultural management and organisational culture of IKEA

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Nowadays, multinational organisations face the challenge of managing a diverse workforce. The role of diversity has become increasingly important in a world that is influenced by the outcomes of globalisation. Organisations operate worldwide and therefore recruit their employees from all around the world, which leads to diverse workforces. It is essential for an organisation to be aware of differences within the workforce and to manage diversity actively in order to benefit from its positive potential.

The purpose of this study is to analyse the impact diversity has on organisations such as IKEA. Especially how the everyday business life is affected by diversity and if the positive or negative aspects prevail. Further, it is investigated how cross-cultural management can be used as a managerial tool to influence and adjust diversity in a certain way. The organisational culture of an organisation was identified as the third important cornerstone in that relation. The researchers presumed a correlation between those three phenomena. The aforementioned assumptions led to the construction of the following research questions for this study:

What impact does diversity have on an organisation such as IKEA? and

How does cross-cultural management influence outcomes of diversity and what role does organisational culture play in that context?

To answer these research questions, an exploratory study was carried out. An abductive approach was chosen that allowed for adding new theories throughout the research process. The data was collected through nine semi-structured interviews with experienced IKEA managers. Additionally, scientific articles and books were used as support to develop theoretical and practical contributions to the fields of diversity, cross-cultural management and organisational culture.

The study revealed that diversity has a large impact on organisations such as IKEA. Furthermore, a correlation between diversity, cross-cultural management and organisational culture was identified.

The findings led to the conclusion that diversity within an organisation creates the need for cross-cultural management. Organisational culture, in that context, builds a foundation for values and perceptions that are shared by the workforce. Therefore, a strong organisational culture helps to utilize the positive aspects of having a diverse workforce. In the case of IKEA, successful organisational socialisation and institutionalisation function as tools for preserving institutional memory, in terms of values and ethical business behaviour.

Keywords: diversity, cross-cultural management, organisational culture, IKEA, organisational socialisation, institutionalisation, institutional memory
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1 Introduction
This chapter will introduce the topic for this thesis. It will furthermore explain the problem background as to why a study within the field is relevant. Moreover, it will explain the purpose of this investigation and delineate what this research aims to find out.

1.1 Problem Background

In a globalised world, as the one we live in today, organisations need to understand cultural differences, and develop a global mind-set in order to succeed in the business world (Gelfand et al., 2007, p. 498; Cohen, 2010, p. 5). Because of the need for a global mind-set and greater understanding for cultural differences, the scientific knowledge and research has increased immensely in that field (Gelfand et al., 2007, p. 498). Research related to cross-cultural aspects was not that long ago a field that was relatively undiscovered and under researched. However, today the area is thriving and now a lot of knowledge can be found. Nevertheless, there are areas in the field that still lack coverage (Gelfand et al., 2007, p. 496). One example is that most research and theory explains the negative sides that come with cross-culturalism and diversity, considerably less talks about the positive aspects of it (Gelfand et al., 2007, p. 491).

The world is getting increasingly interconnected with both the process of increased internationalisation as well as globalisation. Czinkota et al. (2004, p. 1) describes internationalisation as the decision by companies to go international, and more descriptively explains it as moving beyond borders. Globalisation is defined by Guillén (2001, p. 236) as a process leading to mutual awareness and greater interdependence among social, political, and economic actors in the world. The increasing interdependence of world business on a global scale has brought about two things; an increased diversity in the business world and a need for management that involves skills of working with people from countries with cultures that differ from the own. If the impact of diversity ends up causing problems or proves to provide potential for a company depends on the quality of the cross-cultural management. Cross-cultural management is used as a tool that aims to explain the behaviour of people in multinational organisations and supports international managers in their work with employees, customers and clients from many different cultures (Adler & Gundersen, 2008, p. 13). Cross-cultural management describes and compares organisational behaviour across countries and, more importantly, tries to understand and improve the interaction of executives, managers, co-workers, alliance partners, suppliers and clients from cultures and countries around the world (Adler & Gundersen, 2008, p. 13). Moreover, a strong organisational culture can help to successfully manage cross-cultural challenges. In research conducted by Hofstede et al. (2010, p. 344) organisational culture is defined as a collective programming of the mind, a programming that distinguishes members of one organisation from members of other organisations. Alvesson (2002, p. 1, 24) says that many writers have argued that “organisational culture contributes to the systematic balance and effectiveness of an organisation” and adds that “the cultural dimension is central in all aspects of organisational life”. That supports what was stated before; that having a strong corporate culture can help to over-bridge cross-cultural obstacles of different sorts.
Multinational companies face a customer base that does not only consist of customers with a similar cultural background, like the company is used to in their home country, but a vast amount of different cultures with different needs and demands. The same applies when internationalisation leads to recruiting new employees all over the world. Further, it is important to make the new members of the organisation adapt the same mind-set in order to create a strong organisational culture that employees worldwide can identify with.

1.2 Purpose and Research Gap

The authors to this thesis are experiencing that the world is becoming smaller, both in private life and in business terms. The way the world has been developing, with new communicational techniques and enhanced possibilities for mobility through improved infrastructure, has caused the world to shrink, figuratively speaking. First, the technology tools that have been invented made it rather easy to get in touch with, and communicate with people all across the globe. In an article by Tyson (2015) it is explained how the communication habits have changed drastically and that the business world has to adapt to it. Secondly, the immense developments within the infrastructure sector have made it significantly easier to travel from point A to point B, not to mention the increased simplification of moving objects such as products or commodities. The European Commission discusses infrastructural changes in its report: “Infrastructure in the EU: Developments and Impact on Growth” (European Commission, 2014). In that report, they talk about developments within the EU and state that over the last four decades, all member states of the European Union have expanded their energy and transport infrastructure networks (European Commission, 2014, p. 5). All that enhances the impact of diversity on modern organisations.

With the hope of becoming international business managers in the future, skills have been identified that are believed to be crucial to succeed in such an environment. The skills that are seen as essential are cross-cultural management and diversity management. This thesis will therefore look into cross-cultural management as well as diversity and aims to identify both challenges and potential in having a diverse workforce. Moreover, the study will investigate organisational culture and how that affects diversity and cross-cultural management. The study will focus on IKEA and identify what the company does, how they do it and in what way it makes the company successful - all in connection to the three main cornerstones of the study: Diversity, Cross-Cultural Management and Organisational Culture.

A research gap was identified when analysing previous research conducted in the fields of diversity, cross-cultural management and organisational culture. The real life impact those factors have on a multinational organisation is not extensively researched. Moreover, a single case study on a multinational organisation, to examine how such an organisation deals with the challenges of having a diverse workforce and how to manage it successfully, could not be found. The authors suspect organisational culture to be an important tool to handle diversity, but what is needed to create a strong organisational culture? This thesis is conducted in order to find an answer to this question and contribute to the field of diversity and cross-cultural research.
1.3 Research Questions

The research questions were derived from the purpose and the problem background of this thesis. In the problem background it was described that the business world is very diverse. The first question was developed in order to investigate this phenomenon and the impact that diversity has on a multinational company such as IKEA. The problem background also explains that, because of that reality, cross-cultural management has become an increasingly important tool. Moreover, the organisational culture of organisations is also affected by those two phenomena and vice versa. Hence, the second question focuses on finding out how cross-cultural management can influence the outcomes of diversity, and the role organisational culture plays in that context. The aim is to investigate the correlation between those three factors. How does a multinational organisation like IKEA manage their diverse workforce in order to benefit from the positive potential of diversity?

![Diagram showing the relationship between organisational culture, diversity, and cross-cultural management.]

What impact does diversity have on an organisation such as IKEA?
How does cross-cultural management influence outcomes of diversity and what role does organisational culture play in that context?

Figure 1. Research Questions.
1.4  **Chapter Guide**  

*This section will display an overview of the outline of the thesis from here on. The outline will provide the reader with a clearer view of what lies ahead.*

- Research Philosophy
- Literature Review
- Theoretical Frame of Reference
- Practical Methodology
- Results
- Analysis
- Conclusion
- Evaluating the Research

*Figure 2. Chapter Guide.*
2 Research Philosophy

This chapter will explain philosophical stances and preunderstandings that the authors of this thesis entered the research with. The chapter will explain which research approach was applied, what view of reality as well as what view of knowledge the authors had in their minds when approaching the thesis. Moreover, ethical concerns will be discussed.

Before going at this study head-on, a few methodological assumptions needed to be established in relation to the research philosophy. In order to know what to expect from different situations following the process of the research, some basic ideas of how the world is perceived needed to be determined.

2.1 Preunderstandings

When it comes to cross-cultural interaction, both authors of this thesis have collected some experience. One of the authors has been studying a full bachelor's degree in a country other than his home country. During this time, continuous interaction with the people coming from the host country has naturally been part of everyday life. But also, this author committed to various obligations, involving integrating other exchange students to a life abroad. Therefore, interaction with people from all over the world took place. Moreover, this author took an exchange semester in Taiwan, which introduced a situation of dealing with a culture very different from his own. In this situation, naturally, interaction with a diverse set of people took place. This experience provided useful insights related to cross-cultural issues. In excess of this, an open mind and several travels to different parts of the world have put him in situations that are helpful in the context of this subject.

The other author of this thesis has some experience in cross-cultural communication too. Before starting the “International Business Programme” at Umeå University, Sweden, he had lived in a couple different countries. This naturally involved a lot of cross-cultural interaction with a diverse set of people. This author also did an exchange semester, which took place in Brazil. That experience meant that the author lived in an environment and culture very different from his own, which contributed to valuable understanding for cross-cultural differences, challenges and solutions. Moreover, this author travelled in all continents of the world and thereby encountered many different cultures and many different people, which is something that has provided an understanding of cultural aspects useful in this study.

The authors have, through education, learnt about business in a theoretical context. The authors have taken many courses in business subjects, like for example management, marketing, business administration and accounting. In excess of this, both authors have also been taken courses specifically focusing on intercultural communication.

Both authors have some, but limited amounts of actual work experience. In a business setting, different challenges and obstacles arise than the authors themselves have been confronted with. For that purpose, the interviews with experienced business managers have been invaluable as material for the study.
2.2 Ontological Considerations - Subjectivism

According to Saunders et al. (2009, p. 110), ontology relates to the nature of reality. There are two main stances of ontology that were considered when a choice of view of reality was chosen. First, objectivism, which can be defined as “the position that social entities exist in reality external to social actors” (Saunders et al., 2009, p. 110). And secondly, subjectivism, which can be defined as a view in which “social phenomena are created from the perceptions and consequent actions of social actors” (Saunders et al., 2009, p. 111). The previous definitions by themselves can be rather confusing at a glance, but an exemplification will now follow to clarify what the two different positions mean, as well as clearly justify the choice of the ontological standpoint.

This study will, to a large extent, investigate management and managerial solutions when dealing with diversity. With respects to management, it is arguable that management is an objective entity and that it therefore would, in a sense, be reasonable to adopt an objectivist stance in this study since management will be studied. However, for the purpose of this study, this stance assumes a rather static view of management which would assume that every person in a managerial position would work in the same way, independent on the specific person. Thus, a subjectivist view was instead chosen for this study.

The subjectivist view means that the social actors, as described earlier, i.e. the people behind the managerial positions, perceive situations differently which consequently means that they act differently. Sometimes, management theories have treated organisational culture as something that an organisation “has”, as a variable that can be changed and manipulated as the managers see fit. The subjectivist viewpoint however, rejects this as a too simplistic view of the occurrence and argues that organisational culture is something that is “created and re-created through a complex array of phenomena which include social interactions” (Saunders et al., 2009, p. 111).

2.3 Epistemological Considerations - Interpretivism

Epistemology relates to what can be considered as acceptable knowledge in a field of study (Saunders et al., 2009, p. 112). When it came to the choice of epistemological philosophy, positivism and interpretivism were considered. The positivist standpoint emphasis is often on quantifiable observations and statistical analysis and it seemed rather evident that, for the study ahead, the stance that would be accepted was interpretivism. Saunders et al. (2009, p. 112) describes that interpretivism supports that the researcher needs to grasp the distinctions between humans in their roles as social actors and that this makes the difference between conducting research on people, in comparison to doing research on objects such as for example a computer or a truck.

To better understand the interpretivist philosophical stance, it helps to know where it comes from. It is the product of two other ideas put together. One is the phenomenology, which relates to how humans make sense of the world (Saunders et al., 2009, p. 116). The other one is symbolic interactionism, which suggests that we are in “a continual process of interpreting the social world around us in that we interpret the actions of others with whom we interact and this interpretation leads to adjustment of our own meanings and actions” (Saunders et al., 2009, p. 116).
The purpose of this thesis is to understand what challenges different people within IKEA face and how they deal with those challenges. In order to understand such circumstances and behaviour, it is seen as essential to be able to see the human being behind the title or position, to be able to interpret and understand the situation. Considering the complexity of business situations, the interpretivist philosophy seems appropriate and it will thereby be the stance taken in this research.

2.4 Ethical Concerns

Research ethics is a concept explained by Saunders et al. (2009, p. 202) as the “appropriateness of your behaviour in relation to the rights of those who become the subject of your work or are affected by the work”. It is stated that within management research and business research, there are primarily two philosophical standpoints to choose between when committing to conduct research; these are deontology and teleology (Saunders et al., 2009, p. 184). The deontological view proclaims that the ends do not justify the means, which means that the results of the research are not enough to justify obtaining research in an unethi-cal way (Saunders et al., 2009, p. 184). In contrast, the other main standpoint, i.e. the teleological stance, proclaims that the results of the research do in fact justify the means (Saunders et al., 2009, p. 184).

The standpoint taken in this thesis is the deontological standpoint because we firmly believe that for the purpose of this study it is not only the right thing to do, but also possible to get the material needed and still be very careful to obtain the information needed in a fair manner. As Saunders et al. (2009, p. 202) also explain, in a qualitative research as the one in this study, there are more ethical concerns to pay attention to than there are in a quantitative research.

Some of the key issues brought up by Saunders et al. (2009, p. 185) will now be discussed and how this thesis dealt with and respected these issues. The first issue is the privacy of the participants. When trying to gather interviewees, a method of systematic recommendation was used. By asking all the interviewees if they could recommend to us one additional participant the numbers continuously increased. This process is called snowball sampling. The previous interviewee made the first contact with a new, possible participant and asked if they could imagine taking part in an interview. By doing this, e-mail addresses were obtained of people that already agreed to take part of an interview, which in turn meant that we did not have to badger people in order to get interviews. The second issue brought up is the voluntary nature of participation. The method of continuous recommendation also helped secure this issue since the participant first had a choice to say “yes” or “no” to his/her friend or colleague, before we even contacted the person in question. Moreover, it was clearly stated in the interview that the interviewee had every right not to answer any particular question if they, for any reason, felt like they were not comfortable doing so. The next issue mentioned is about consent and deception. In this research everything was made clear and all information was shared with the interviewee before starting any interview so that the participant was informed and knew what to expect. The fourth issue mentions confidentiality of data and anonymity of participants. Anonymity of the participants is protected, and therefore no names appear in the text. The next issue covers the reactions of participants in form of feelings of discomfort, harm, or stress.
No such reactions were identified during the interview process. Efforts to be honest and clear in combination with the protection of privacy and anonymity hopefully saved the participants from any such reactions. The last issue discussed by Saunders et al. (2009, p. 186) is the objectivity and behaviour of the researcher itself. That is something that was attempted to keep at a professional level throughout the process.

Since the deontological standpoint was taken in this research, all the issues brought up were considered very important for this study. Upholding and honouring all these important issues was continuously paid attention.

One part of ethical issues, related to research, are the truth criteria. Since we consider these criteria to be very important, the next section will cover them in more detail.

2.4.1 Truth Criteria

To make sure that the research is reliable is essential. Some scholars argue that qualitative studies should be evaluated, using quite different criteria than the criteria used for evaluating quantitative research. The main reason as to why qualitative research cannot be evaluated using the same measurement as in quantitative research, is that the view used for quantitative research is too absolute. Instead, for qualitative research, it can be argued that other criteria are needed. Criteria that allow for more than one truth about the social word that is being examined. Bryman and Bell (2011, p. 395) explain that Lincoln and Guba (1985) and Guba and Lincoln (1994) propose that the qualitative research should be assessed in terms of authenticity and trustworthiness. These two evaluation terms will now be examined.

Authenticity

Authenticity consists of five different components. These components raise a wider set of issues, concerning the wider political impact of research (Bryman & Bell, 2011, p. 398). The first criterion is called fairness and relates to if the research fairly represents different viewpoints among members of the social setting. The second criterion is referred to as ontological authenticity. It is connected to if the research helps members to arrive at a better understanding of their social environment. The third component is called educative authenticity and concerns if the research helps members to better appreciate the perspectives of other members in their social setting. The fourth criterion is named catalytic authenticity. This concept covers if the research can act as a motivator for members to take action to change their circumstances. The fifth concept is tactical authenticity and describes if the research empowered members to make the necessary steps to take action (Bryman & Bell, 2011, p. 398-399).

Trustworthiness

This concept is composed of four criteria. The first one is called credibility and connects to the view that there can be several truths in social reality. That means that it is the credibility of the truth that the researcher arrives at that is going to decide if others will accept it (Bryman & Bell, 2011, p. 396). The second criterion is called transferability and relates to the fact that a qualitative study normally means an intense study on a small group, or of individuals with specific characteristics. Because of this, the results are often closely tied to the context being studied. Hence, transferability relates to how possible it is to transfer the findings to other contexts.
The next criterion is referred to as dependability. This component entails that the researcher should keep complete records of all phases in the process, and that these should be accessible. The last criterion is called confirmability and concerns the question if the researcher has acted in good faith. It should be evident that the researcher did not let personal opinions or values affect the conduction of the research and consequently the findings derived in the process (Bryman & Bell, 2011, p. 397-398).

These criteria for evaluating the research process are deemed as important in this study. In the concluding chapter these criteria will therefore be revisited and an assessment will be made on the authenticity and trustworthiness of this research.

2.5 Research Approach - Abductive

To make choices about the research approach, before conducting research, is important for several reasons. Saunders et al. (2009, p. 125-126) describes three reasons, originally suggested by Easterby-Smith et al. in 2008: First, it makes it easier to make informed choices about the design of the research. Second, it helps you set out the strategy you will use. Third, they say that by making a choice on the research approach it forces you to gain some knowledge on the different traditions which in turn helps you to construct your research design in a way that ministers for possible constraints (Saunders et al., 2009, p. 125-126).

So, there are different ways to go about when conducting research. Sometimes a deductive approach is utilized, which means that a theory is formulated, which is then tested using data collection (Saunders et al., 2009, p. 124-125). This is the dominant research approach within natural sciences. The deductive approach involves a process of formulating a hypothesis from the theory, testing that hypothesis, and then rejecting or accepting the hypothesis and the theory based on the data.

At other times, an inductive approach is used. The inductive approach works in an opposite order, which means that you explore your data first and then create a theory, which is then connected to literature; theory follows data (Saunders et al., 2009, p. 125-126). This means that in this inductive approach, you do not have predetermined theories when starting your research. You know the purpose, or the general direction of where you are going and then you try to make sense of the data that is collected.

Saunders et al. (2009, p. 127) describe that induction for example emphasises on gaining an understanding of the meanings that we as humans connect to different events. Moreover, it is usually connected to the collection of qualitative data, and focuses on a more adjustable structure to facilitate changes of research emphasis as the research progresses.

As a data collection method, qualitative data collection, in the form of semi-structured interviews, was chosen. This form of data collection goes hand-in-hand with the inductive approach. Moreover, the inductive approach allows for better understanding of human elements in the answers given in the interviews. Additionally, it provides a higher degree of flexibility. Because of these reasons, the inductive approach was first considered.
Saunders et al. (2009, p. 125-126) explain that for the inductive approach, they believe that a certain degree of knowledge within the field of study is necessary and that a thorough literature review is therefore important. They do, however, state that an all-encompassing literature review is almost always impossible and that said literature review thus cover the main contributions in the field (Saunders et al., 2009, p. 127).

For this thesis, a thorough literature review, of the previous research in the area was conducted and an elementary degree of knowledge of the main theories in previous research was acquired. A purpose and research questions were formulated. Afterwards, data was collected, which was then connected to literature. Then the empirical data was revisited, before going back to look at theories once again. This last step was a process that was repeated several times before the research was finished.

Thereby it can be explained that this thesis started out using an inductive approach. However, when starting to look for theories, the proceedings developed to an iterative process of going back and forth between theories and empirical material. The theoretical framework was successfully modified. During the progress of the report, findings were encountered in the empirical data that were hard to anticipate beforehand. Moreover, during the process of the study, theoretical insights were gained, insights that the researchers did not possess beforehand. Therefore, the approach that has been used in this research is in line with what can be defined as an abductive approach. The abductive approach is described as a cross-enrichment, where a mixture of rooted theoretical models, and new concepts derived from the confrontation with reality, lead to a development of new combinations. It is a mixture of inductive and deductive approaches and was useful since the aim was to develop a theory (Dubois & Gadde, 2002, p. 559).
3 Literature Review

This chapter presents the chosen methods for the literature search and will provide an overview of previous research. The research is evaluated in context to its relevance for the study and critically reviewed.

3.1 Literature Search

The literature review can be described as an upward spiral with different steps, all contributing to deepen the understanding in the chosen research topic and to create new parameters throughout the study (Saunders et al., 2009, p. 60-61). Following the abductive approach of this study, an iterative process of going back and forth between the gathered data and related existing literature was conducted. Then, a theory with a connected model was developed.

As main sources for finding relevant literature, EBSCO, Business Source Premier, Emerald Journals, ebrary and Google Scholar were used. Access to those online research databases was made possible through Umeå University Library. Several books, provided by Umeå University Library, were used as support for the methodology chapters. Several other academic books were used to deepen the knowledge in the different fields of the chosen topic. The focus has been on up to date research whenever possible.

The search was based on different keywords, which have been identified as most relevant in connection to this study. The keywords included cross-cultural management, diversity, organisational culture, or any combination or variation of them. Whenever suitable, these keywords were linked to IKEA in order to identify previous research conducted on IKEA. Later on in the process of this research, some other concepts emerged as important to this study. The possibility to add them later was facilitated by the choice of an abductive research approach.

3.2 Review Process

Broad research has been conducted on cross-cultural differences, especially the impact of a certain cultural background on behaviour in a business context, as well as what to consider when managing a diverse group of people. The majority of these theories consider cross-cultural differences and diversity as challenges and links them to more negative than positive aspects of diversity and interaction with people from different cultural backgrounds. This is presented in greater detail in the following chapter: theoretical frame of reference. However, an examination of the positive real life implications of those theories in a business environment has not been conducted extensively before in a case study on a multinational organisation such as IKEA and was therefore detected as a suitable research gap for this thesis.
3.3 Criticism of Sources

In excess of the primary sources, which is the interview material, that is serving as the main foundation for the study, secondary sources were also used to emphasize and bring credibility to certain important concepts. It can be argued that secondary sources are not completely reliable in all situations. Saunders et al. (Saunders et al., 2009, p. 280) describe that any secondary data used, has originally been collected for a specific purpose. That purpose may not be in line with the one of the current research. Additionally, the secondary data is likely to be less current than any data collected by oneself. So, with those words in mind, there is always a risk to choose secondary data that gets distorted when applied in another context. However, when scanning for material, a process of careful evaluation of the sources was undertaken. The process meant trying to ensure the suitability of the material in connection to the purpose of this thesis. By committing to a procedure of carefully choosing only the most appropriate material, the authors’ belief is that the secondary data used, provides credibility and clarity. Secondary sources are very valuable when used correctly, which is described by Jankowicz (2005, p. 161): “There is little point in reinventing the wheel...the work that you do is not done in a vacuum, but builds on the ideas of other people who have studied the field before you”.
4 Theoretical Frame of Reference

This chapter will present the three main concepts used in this thesis and will give an overview why those concepts are relevant. It will also present what other researchers have contributed to the field that is relevant for this study.

The theoretical framework for this study will consist of three main concepts. The three main concepts are depicted in Figure 3 above. Each of the concepts will be explained thoroughly in three steps:

Step 1: Definition of the concept.
Step 2: Reasoning of why it is relevant.
Step 3: Related research on the topic.

Combining the three concepts with the process of investigating those concepts, the product is depicted in Figure 4 below.
4.1 Cross-Cultural Management

4.1.1 Definition

To understand cross-cultural management, it makes sense to first divide the concept into its different components and define them one by one before defining the combined concept.

The first important part that will be defined is culture. Culture is something that has been defined very many times, and the definitions differ slightly. Holden (2002, p. 21) uses an old definition of culture that was considered to cover all the necessary elements. The definition was originally written by the American anthropologists Kroeber and Kluckhohn in 1952 and Holden presents it as follows:

“Culture consists of patterns, explicit and implicit of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e., Historically derived and selected) ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action; on the other, as conditioning elements of future action”.

This definition captures what culture is on a basic level. Holden (2002, p. 21-22) goes on to clarify the definition by explaining that the definition by Kroeber and Kluckhohn can be divided in a few different parts. First, members of a culture system share a set of ideas and values. Second, the values and ideas are transmitted, particularly from one generation to another, by symbols.
Third, culture is formed by the past actions of a group and its members. Fourth, culture is learned. And fifth, culture shapes behaviour and impacts the perception of the world. Having defined culture, it is easy to deduct what cross-cultural means. It basically means; from one culture to another.

Now that culture has been defined, the next word within cross-cultural management will be defined, i.e. management. Carpenter, et al. (2010, p. 3) describe management by using the basic principles that the French management theorist Henri Fayol developed and which they describe to still be the dominant management framework in the world. They describe that a manager's task is to get things done through efforts of other people. Moreover, they describe management as the means by which you get things done through others. Those means are, to “plan, organize, and control the operations of the basic elements of [people], materials, machines, methods, money and markets, providing direction and coordination, and giving leadership to human efforts, so as to achieve the sought objectives of the enterprise” (Carpenter et al., 2010, p. 3).

Consequently, cross-cultural management is the combination of the aforementioned definitions. It is the usage of activities such as organisation, planning and controlling people in a cross-cultural setting. Or as Adler & Gundersen (2008, p. 13) define it: “Cross-cultural management explains the behavior of people in organisations around the world and shows people how to work in organisations with employee and client populations from many different cultures”. That reasoning is further explained as follows: “Cross-cultural management describes organisational behavior within countries and cultures; compares organisational behavior across countries and cultures; and, most important, seeks to understand and improve the interaction of co-workers, managers, executives, clients, suppliers, and alliance partners from countries and cultures around the world” (Adler & Gundersen, 2008, p. 13).

4.1.2 Reasoning

Now that it has been made clear what cross-cultural management is, it is time to explain why cross-cultural management is considered as one out of three cornerstones of this study.

The way the business world has been developing, with increased internationalisation and globalisation, cross-cultural management became an increasingly important concept. Internationalisation, is described by Daly (1999, p. 31), who refers to it as the growing importance of international trade, international relations, treaties, alliances, and so on. Daly continues the discussion by putting the concept of internationalisation in relation to the concept of globalisation. Daly explains how the two concepts are oftentimes confused with one another even though they are in fact totally different. Internationalisation talks about the growing importance of relations between and among nations and the actors within them. In contrast, globalisation refers to “a global economic integration of many formerly national economies into one global economy” (Daly, 1999, p. 31). These developments have led to more diverse workforces all across the globe. This diversity creates an environment that unavoidably pose for different challenges, and dealing with such difficulties is a necessary element of business. This is where understanding cultures and managing cross-cultural difficulties becomes important.
Cohen (2010, p. 9) talks about cross-cultural management in terms of something he calls a global mind-set and explains that a global mind-set could be the new competitive advantage in the market. Furthermore, the importance of deepening the understanding of both local and cultural differences is emphasized (Cohen, 2010, p. 5). A global mind-set is defined as the ability to influence systems, organisations, groups and individuals that have different knowledge or intelligence from your own. Knowledge and intelligence on three different levels are discussed; those levels are intellectual, social, and psychological (Cohen, 2010, p. 5). To become an internationally successful business manager today, it could be argued that it is downright essential to be able to handle such differences.

Another interesting component of Cohen's paper is the section called “Global workforce trends beyond 2020”. In this section Cohen discusses the trends of the modern world and what will happen in the future. Cohen (2010, p. 4) concludes that: due to vast improvements in transportation and technology, and because of the increased interdependence to become one global economy, the world is becoming flat. With the forecasts by Cohen (2010) as support, our firm opinion is that cross-cultural management is an integral and essential part of international business today as well as it will be in the future.

4.1.3 Related Research

Plenty of research has been conducted on the topic of cross-cultural management. In order to be able to contribute to existing research in the field, a thorough literature search was conducted. This familiarized us with many aspects of cross-culturalism. Now, a selective presentation of the most relevant concepts and theories connected to culture and cross-cultural management will be exhibited.

Psychic Distance
One important concept for understanding cross-cultural differences is psychic distance. Psychic distance is a well-researched terminology within international business. Schuster and Ambos explain that the concept has evolved over the years and that literature now distinguishes between two types of definitions for psychic distance (Schuster, 2014, p. 40). One definition for objective psychic distance stimuli and one for subjective perceived psychic distance. The objective definition stated is: “the sum of factors preventing the flow of information from and to the market”, whereas the subjective definition stated is: “the individual's perception of the differences between the home country and the foreign country” (Schuster, 2014, p. 40). In other words, psychic distance is the perceived obstacles between people from different cultures. Within international trade, psychic distance is considered as a barrier (Schuster, 2014, p. 42). People see cultures different from their own culture in different ways. Some cultures seem more distant than other cultures when put in comparison to our own.

Ideas of Hofstede
Hofstede's study covered survey data from more than 117,000 IBM employees from over 40 countries between 1967 and 1973. Using that data, Hofstede et al. (2010) created a model of cultural dimensions.
Hofstede used the data to give scores between 0 and 100 on several different features on which he explained that countries distinguish themselves from one another culturally. Originally, Hofstede's model consisted of four different dimensions; Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, and Uncertainty Avoidance. Later on, in 1991, a fifth dimension referred to as Long-Term Orientation was added. Furthermore, in 2010, the model was complemented by a sixth dimension, referred to as Indulgence vs. Restraint (Hofstede et al., 2010).

As one of the main theories within the field of cross-cultural communication, Hofstede's Cultural Dimension Theory was, and still is, start as well as fixpoint for many other studies about cross-cultural interaction. Some researchers expand the findings to other contexts or critique about different shortcomings of the study. In order to account for justified critique and expand the knowledge about the theory, several theories, related to Hofstede's Cultural Dimension Theory were studied.

**Ideas of Schwartz**

Schwartz's Dimensions of National Culture is one of the main expansions of Hofstede's framework and provide a valuable enhancement of the study (Siew et al., 2007 p. 166). Schwartz raised critique towards Hofstede's model saying, for example, that the model was not all-encompassing since the survey Hofstede had used, was not designed for analysing dimensions of culture. Moreover, Schwartz argued that not enough national cultures were included in the survey and that the people in the survey (the employees of IBM) were not representative for the population, in terms of education etc. Furthermore, he argued that the data Hofstede used, is so old that it should now be outdated. Additionally, he finally argued that it is unclear whether people in the different cultures interpreted everything in the survey in the same way. Schwartz (1992) therefore created his own model. When constructing his own model, Schwartz started by recognizing a comprehensive bunch of individual values. He then went on to group those values together and after conducting an analysis on data from college students from 67 different countries, he ended up in a model consisting of seven relevant dimensions to which he argued that culture differ across nations.

**GLOBE Study**

Another study that Hofstede's framework had a great impact on is the GLOBE Study. GLOBE stands for Global Leadership and Organizational Behavior Effectiveness and is a study that was conducted in the mid-1990s (Shi & Wang, 2010, p. 93-94). The project encompassed measuring and analysing data results from approximately 17,000 managers from 951 organisations functioning in 62 societies throughout the world (Shi & Wang, 2010, p. 94). GLOBE eventually resulted in a presentation of nine different dimensions deemed to be considered central to the understanding of culture. There has been a debate between Hofstede and the GLOBE researchers about their two models and what is safe to say is that both studies have contributed greatly to research about management in international business. Furthermore, it is also safe to conclude that these studies have many similarities, there are, however, clear differences as well. It seems as if the GLOBE study used Hofstede's model as a starting point and then tried to expand and develop it which is underlined by the fact that some of the dimensions across the two models share the same name whereas there are a few names that differ slightly in combination with a couple of additional dimensions in the GLOBE model.
Ideas of Trompenaars

Another very influential author and theorist in the field of cross-cultural distinctions is the Dutch Fons Trompenaars. For Trompenaars culture is defined as a series of methods and rules that a society has developed in order to deal with the recurring troubles it faces (Bickerstaffe, 2002, p. 31). These rules and methods have become so basic as that the people do not even think about “how” they solve their problems. Nevertheless, people and organisations face certain dilemmas in relation to people, time and the natural environment. Resolving such dilemmas is a challenge of high importance for modern organisations. Successfully reconciling such dilemmas does not only enrich the own, but also the culture of the partner involved. Trompenaars states that organisations and societies that can successfully accommodate cultural differences are better at creating wealth (Bickerstaffe, 2002, p. 31f).

In his book “Riding the Waves of Culture”, co-written with Charles Hampden-Turner, Trompenaars (2012) describes and analyses the findings of his continued studies on cultural diversity in business. By 2012 more than 80,000 participants from over 60 countries have contributed to their research. The majority of the respondents are managers and business leaders across the world (Trompenaars & Hampden-Turner, 2012, p. 2). Continuously, Trompenaars and Hampden-Turner define culture as the shared ways in which groups of people interpret and understand the world. Moreover, they describe that every culture distinguishes itself from other cultures by the specific solutions it embraces to certain problems (Trompenaars & Hampden-Turner, 1997, p. 3, 8). The study has led to identify seven fundamental dimensions of culture which are grouped under three main headings; our relationship with other people, the passage of time and the relation to the environment (Trompenaars & Hampden-Turner, 1997, p. 8). The first five dimensions deal with the relation to other people, the sixth with the relation to time and the seventh dimension deals with the relation to the environment. The book acknowledges that different cultures view the importance and meaning of an organisation differently. This means that there is no best way of managing an organisation, but the key is to understand the differences in culture and to use the potential of diversity by following different strategies, instead of just one universal strategy. To continually learn from other cultural perspectives is also crucial for a diverse organisation (Trompenaars & Hampden-Turner, 1997, p. 13f, 157f).

4.2 Organisational Culture

4.2.1 Definition

Culture was defined earlier, however, yet another interesting definition, which is more accurate in relation to organisational culture, is one by Edgar Schein. Schein (2010, p. 3), sees culture as a “dynamic phenomenon” that influences us in many ways but is also created, and under constant change by our own behaviour. Culture gives a society or organisation stability and its individuals a feeling of identity. Following the norms and rules developed by an organisation, as well as sharing the same values, provides a feeling of comfort and continuity and helps to maintain the social order. National culture and organisational culture do differ in their strength, meaning to the people and stability. This is mainly because of the difference in the length of time that they have existed. Most countries have generally been around longer than companies.
However, strong organisational cultures can be found among companies too. In organisations, culture is closely related to leadership. Schein (2010, p. 3) argues that, what we call a culture in an organisation, is usually the result of the embedding of what a leader or founder has instituted in a group that has worked out. In turn, when an organisation reaches maturity, the culture is further developed by the members of the organisation and a leader has to adopt and go along with it in order to be accepted by the organisation's members. Hence, organisational culture is on the one hand a stabiliser and a factor for identification for an organisation. On the other hand, it is also a process of continuous development. To manage this process is a core challenge for organisational managers and leaders. Schein (2010, p. 3) identifies this relation and states that the dynamic processes of culture creation and management are the core of leadership and “make you realize that leadership and culture are two sides of the same coin”.

4.2.2 Reasoning

The reality is that today many big companies are multinationals, which means that they conduct their business across national borders. The International Labour Organization (2016) states that there are some 50,000 multinational enterprises in the world and that these, together with their affiliates, employ some 200 million people all across the globe. Additionally, barriers for people to move and work abroad are gradually being brought down (Daly, 1999, p. 31-32). These two realities of today create a very culturally diverse business environment. Such an environment means that there are challenges and obstacles. Having a strong corporate culture can over-bridge cultural differences by providing clear guidelines on the values and procedures of what is considered as acceptable behaviour in the corporation.

4.2.3 Related Research

Figure 5 below shows an exhibit from a book called “Corporate Culture and Performance” by Kotter and Heskett (1992, p. 8). The idea is that thoughts, beliefs and viewpoints that become imbedded into the culture can originate anywhere. It can come from a group or from an individual, from the top of the organisation or the bottom. But just as Schein (2010, p. 3) argues, Kotter and Heskett also state that in organisations with a strong corporate culture, these ideas seem to often be connected to a founder or some other kind of early leader who communicates them as a philosophy, a business strategy, a vision, or all three (Kotter & Heskett, 1992, p. 7).
Organisational cultures that once have been established are usually conserved by different means, some deliberate and some unintentionally. For example, senior members of the group may continuously repeat the key values. Or, managers may try to act in ways that exemplifies the “right” behaviour. Moreover, newly selected group members might be taught the values, perhaps by being told stories that emphasis the values. Potential group members might be disregarded if they do not seem to fit in, in accordance to the values. People who do not follow the norms might be punished whereas people who follow the norms might get rewarded (Kotter & Heskett, 1992, p. 7). Firms with strong corporate cultures are oftentimes seen by outsiders as having their very own way of doing things. Moreover, they often make their values clear by releasing a statement that advocates that their members follow the values. And usually, they communicate the importance that the company sees in the values, to people outside the organisation (Kotter & Heskett, 1992, p. 15).
4.3 Diversity

4.3.1 Definition

Diversity, as a management tool to create competitive advantage, was developed in the 1980s in the USA (Konrad, 2003, p. 5). The potential was seen that diversity will increase the pool of talented employees drastically. Also does a diverse workforce reflect and understand the customer base better, which will increase market intelligence and hence lead to better sales. Thirdly, diverse groups have the potential to outperform homogeneous groups on creativity and problem solving tasks because of their deeper pool of perspectives, experiences and information (Konrad, 2003, p. 5). Since then, diversity has become a greater and greater impact on organisations and is today seen as a crucial factor for international success. Effectively combining the competences of many different cultural backgrounds leads to valuable competitive advantages in the areas of creativity, innovation, international expansion and ethics (Rask et al., 2010, p. 400).

4.3.2 Reasoning

Diversity is a relevant topic to investigate thoroughly in this study due to many of the same reasons that was brought up when describing why cross-cultural management is important. Cross-cultural management is needed because of the reality of the business world today. The reality is that due to internationalisation and globalisation the business world is more interconnected than ever before. Daly (1999, p. 31-32) explains that the mentioned global economy has been created by free capital mobility and free trade and by uncontrolled or easy migration. In the globally integrated world of the 20th century, both capital and goods are free to move internationally. Barriers for moving across borders or to work and live abroad are gradually being brought down and in step with the increased ease of venturing abroad, workforces all over the world are getting more and more diverse (Daly, 1999, p. 31-32). Or as Sadri (2002, p. 227) states it: “Diversity in the workforce is not just a politically correct buzzword, it has become a demographic reality”.

Yet another interesting element when discussing the importance to cover diversity, is the impact of gender. The view of gender equality is different in different cultures. What impact does that have on a diverse workforce in a multinational organisation? Schalkwyk comments on general views of gender across cultures and says that while the gender relations do indeed vary between cultures, the general pattern is that women have less personal autonomy, that they have fewer resources at their disposal, and that they have limited influence over the decision-making processes that create their societies and consequently their own lives (Schalkwyk, 2000, p. 1).

4.3.3 Related Research

Adler and Gundersen (2008, p. 131) expound that organisations consist of groups, and that groups are the basic structure of organisations. Additionally, they state that corporations construct many forms of temporary and permanent work groups.
These include small teams, task forces, commissions, boards or departments. The productivity depends on the task of a group, the chosen process and the resources available. A group's actual productivity determines on how well the resources are used but also upon how well the team members work together (Adler & Gundersen, 2008, p. 132). Therefore, Steiner (1972, p. 79) defines a team's actual productivity as the team's potential productivity subtracted losses because of faulty processes. Multicultural teams face a higher risk of experiencing such faulty processes because it is more difficult for the team members to create synergy. Those faulty processes occur due to a lack of cohesion caused by the heterogeneous character of a multicultural team and can lead to miscommunication, mistrust and stress, which translates to less efficiency, less effectiveness and less productivity (Adler & Gundersen, 2008, p. 135; Steiner, 1972, p. 118f). However, at the same time, diverse teams have the potential to achieve higher productivity than their homogeneous counterparts. Adler and Gundersen (2008, p. 138) argue that the main reason for this is that diversity increases creativity. They go on to add that effective teams need to evaluate, interpret and perceive situations in numerous different ways and then come to an agreement on the best options and directions at hand. Besides creativity, diversity also enhances the concentration to understand each other's ideas, perspectives and arguments. All this can create more ideas, better ideas and more innovative ideas. Multicultural teams also diminish groupthink, which is a major source of ineffectiveness in teams" (Adler & Gundersen, 2008, p. 138f).

Throughout their studies, Adler and Gundersen (2008, p. 140-147) identified that the management of a team is the core factor that decides if it performs effectively or ineffectively. Often diversity causes problems because it is ignored instead of well managed. When ignored, heterogeneous teams perform below their expectations and way below their potential. The task is to create a synergic culture that integrates the uniqueness of every team member. It is important that the group recognizes its differences and uses them as a strength. Equalizing the power, creating mutual respect and giving open, honest feedback characterize a well-managed, productive, multinational group that has great potential to be highly effective.

The figure below illustrates the potential effectiveness of a cross-cultural team in comparison to the potential effectiveness of a single-culture team. As illustrated and described, a multinational team has the potential to outperform a single-national team in terms of effectiveness but does also bear the risk of great underperformance.
Figure 6. Team Effectiveness.
5 Practical Methodology
This chapter will in detail present the process of gathering data for this research.

5.1 Research Design - A Case Study

As a research design, the single case study was chosen in order to achieve a deep understanding on how a company such as IKEA manages its cross-cultural workforce. The case study is a suitable strategy when doing an exploratory research (Saunders et al., 2009, p. 146). A single case study was selected because it allows us, as investigators, to retain the holistic and meaningful characteristics of real life events (Yin, 2009, p. 4). Since the case study only examines the global nature of one organisation, a holistic design, as described by Yin, (2009, p. 50) is used.

The other research design considered for the thesis was the multiple case study design. Since the multiple case study design, by definition, contains more cases, the study results can sometimes be considered as more robust and therefore be quite compelling to use (Yin, 2009, p. 53). However, in this case, a single case study is more suitable because the implications on only one company, IKEA, are investigated in this thesis. A multi case analysis on how different companies deal with cross-cultural challenges could have led to inconsistent findings between the different companies.

A single case study offers the possibility of investigating a phenomenon in depth, with its particularity and complexity within important circumstances (Stake, 1995, p. xi). This is what this thesis is aiming for, a real life examination of a, in theory, well described and investigated topic.

5.2 Research Strategy - A Qualitative Study

When conducting social research, mainly two strategies are followed; quantitative and qualitative research (Bryman, 2012, p. 35). The quantitative research strategy oftentimes entails a deductive approach between theory and research in which the focus is on the testing of theories. Many times it follows a positivistic epistemological orientation and an objectivistic ontological stance. In contrast, the qualitative research can be described as a research strategy that emphasizes words rather than numbers. Qualitative research investigates the relationship between theory and research, where the emphasis is placed on the generation of theories. This inductive approach is often characterized by an interpretivist epistemology and a constructionist ontological orientation (Bryman, 2012, p. 36; p. 614).

For this research, a qualitative research strategy is used because the focus is on an in-depth analysis of the topic rather than a wider approach, the testing of theories. A quantitative strategy that would generate generalizable results is not of relevance for our study. The intention is to provide rich data of the reality and investigate the phenomenon thoroughly in its complexity.
5.3 **Data Collection Method**

The data used in this research was collected through semi-structured interviews that were based on open questions in order to allow for possible follow-up questions. Nine interviews were conducted and analysed. The interviews took place via Skype video calls.

5.4 **Sample Collection - Purposive Sampling**

Since we undertook a case study on IKEA, the target population for our interviewees was set to be IKEA managers, with a considerable time spent at IKEA and international experience gained during their career, in order to provide us with the insights needed to conduct the research. Therefore, a random sampling method that would generate generalizable results, was not of interest for our study.

The sampling method considered suitable for our research is purposive sampling. Purposive sampling is a non-probability form of sampling where the researchers do not seek to sample the research participants on a random basis. The aim is rather to sample participants that are most relevant to the research questions being posed (Bryman 2012, p. 418). Bryman (2012, p. 418) also states that purposive sampling does not allow the researcher to generalize to a population since it is a non-probability sampling approach. For answering our research questions, a generalization to a population was not needed. Instead we wanted to create a case study founded on rich information that let us explore our research questions and contribute to existing theories.

According to Saunders et al. (2012, p. 283), an appropriate sample size consists of a number between 5 and 25 participants. Theoretical saturation was reached after conducting nine semi-structured interviews with suitable managers of IKEA. The authors used their personal network to gain access to IKEA employees who are employed on a managerial level. The purpose of the research was discussed with those IKEA managers. These referred us to colleagues that they considered to be suitable and most qualified to answer questions on our topic. This sampling procedure is called snowball sampling. Contact was made through email, phone calls and text messages because the participants are not all living and working in Sweden. The final group of interview partners consisted of nine IKEA managers.

5.5 **Interviews - Approach and Ethics**

Saunders et al. (2009, p. 321) differentiates between two general purposes of data collection via interviews; standardised and non-standardised interviews. A quantitative analysis as e.g. part of a survey strategy, normally uses standardised interviews to obtain their data. The most widely used technique to get the data is through the use of a questionnaire. A questionnaire is described by Saunders et al. (2009, p. 360) as a general term that includes all techniques of collecting data in which every individual is asked to answer to the same set of questions that are asked in a predetermined order. Questionnaires can have several designs and distribution methods to reach out to the desired sample but are all similar in providing the researcher with generalizable answers that can be used for a descriptive or explanatory research (Saunders et al., 2009, p. 361).
In contrast to standardised interviews, non-standardised interviews give the researcher more freedom while gathering the data, but also in its analysis. These interviews are often referred to as qualitative research interviews and differ in their structure to standardised interviews. Unstructured interviews are used to explore a general field of interest in-depth. The interviewer has a clear idea about what the interview is about but there is no fixed set of questions he or she will process. Instead the interviewee is given the opportunity to talk freely about the topic. As a third variation, semi-structured interviews follow a list of themes and questions but give freedom to adjust to the interview partner and the current situation (Saunders et al., 2009, p. 320-321).

For our case study, the semi-structured interview approach was considered to be most suitable to gather the data needed. The semi-structured interview method gave us the possibility to prepare questions and design an interview guide that was used in all interviews, but still let us adjust to current situations during the interview and also allowed for follow-up questions to reach a deeper understanding of the topic.

For this study it was important to get insights from managers who are working globally and can therefore share their experiences in cross-cultural management with us. These insights were considered to be representative for the whole organisation. To get a broad view on the topic, managers from different countries have been interviewed. Since none of the participants worked close to the region of Umeå, technical communication methods have been used to get in contact with the participants as well as to conduct the interviews.

Some researchers argue that when using modern online communication methods, it is unlikely to achieve the same level of interactivity and profound communication that a face-to-face interview offers. It is argued that electronic communication transmits fewer social cues because of the narrow bandwidth of these electronic methods compared to personal interactions. Others argue that this is not the case and considerable rapport is possible to build up during an online interview (Saunders et al., 2009, p. 350). We were aware of those arguments and potential disadvantages of online interviews when considering the most suitable method for our interview set-up.

However, the advantage of being able to reach participants from different countries without having to travel there, and therefore get a better sample of our population, was one argument to choosing Skype interviews. Another point is that in international organisations like IKEA, the use of modern technology for communication around the globe is common practice. The participants were asked if they feel comfortable with having the interview via a Skype video or audio call, to ensure their comfort when using this method. All interviews were held in English and the participants were informed, both before and after the interview, about the formal procedure, their rights of anonymity and not to answer a question if desired. All interviewees were offered the possibility of receiving a copy of the thesis.
5.6 Construction of the Questions

When constructing questions for the interviews, the research questions and the purpose of the study worked as the foundation that defined the direction of the questions. The identified key concepts also helped to outline the structure of the interview guide. Theories and concepts presented in older scientific literature were other sources for the construction of questions.

The main aspect when formulating questions is always to consider: “What do I need to know in order to answer each of our research questions?” (Bryman & Bell, 2015 p. 486). To answer this, the thesis model was analysed and different topics for the interviews were formed. Those topic areas were: Personal Background, Organisational Culture, Cross-Cultural Management, Diversity and Personal Opinions.

In each topic area, between three to seven questions were formulated. The questions were reviewed and revised several times until the interview guide was finalized. This guide was used in all interviews but individual follow-up questions differed slightly in every interview, to react to the situation in an appropriate manner.

When constructing the questions, emphasis was on constructing a clear and easy to understand set of questions that would work as a guide when conducting the interviews. This guide consists of open-ended questions that led to comprehensive answers by the participants while also giving the researchers possibilities for follow-up questions. To reduce the risk of misunderstandings or confusion, ambiguous terms were avoided. To also prevent from leading questions, the questions were formulated neutrally and without the use of negative words (Bryman & Bell, 2015 p. 488). However, some individual follow-up questions can be considered leading. The reason for the usage of follow-up questions in this investigation was to dig deeper into the current topic, once touched upon. Also, in some cases, the participant described a situation in general terms, then a follow-up question was sometimes used to get a personal view on the topic.

5.7 Data Processing

All interviews were video recorded and later transcribed. This allowed for a thorough analysis of the data. Furthermore, it helped because of the limitations in the human brain when it comes to memory storage. Also, by uploading the recordings fast and doing transcriptions soon after the conduction of the interviews, this reduced the risk of losing data.

The model below provides an overview of the linkage between the interview themes, example questions from the interviews, and theories. First, the results were organised in accordance to the three themes. Secondly, the interviews were composed of questions that were related to the different themes, examples from these themes were included to highlight certain points. Thirdly, the results were connected to theories.
### Organisational Culture
- IKEA standards? IKEA values?
  - Emergence of Corporate Culture (Kotter & Heskett, 1992)

### Cross-Cultural Management
- Challenges connected to cultural obstacles?
  - Psychic Distance

### Diversity
- What potential is connected to diversity?
  - Potential of Diverse Teams (Adler & Gundersen, 2008)

*Figure 7. Link Between Interview Themes and Theories.*
6 Results
This chapter will go through the findings of the research that was conducted as a part of this study. It will report the facts that the findings presented, participant by participant. The chapter will try to structure the findings in a logical, clear and easily understandable way. Before presenting the results of the interviews, a thorough presentation of IKEA will be displayed in order to provide the reader with background information about the organisation investigated.

6.1 IKEA

The IKEA Group of companies consists of the INGKA Holding B.V. and its controlled entities. It is located in Leiden, the Netherlands, and is the parent company of the IKEA Group (IKEA, 2015a, p. 38). The founder of IKEA, Ingvar Kamprad, is still the senior advisor to the Supervisory Board of the INGKA Holding B.V.. Since the 1st of September 2013, the IKEA Group is led by its president and CEO Peter Agnefjäll. The INGKA Holding B.V., including the IKEA Group, are owned by the Dutch Stichting INGKA Foundation. The funds of the Stichting INGKA Foundation can only be used for either investments in the IKEA Group or for donation for charitable purposes. This ownership structure was chosen to ensure a maximum level of independence and long-term success of the company (IKEA, 2015a, p. 38).

The IKEA Concept and the worldwide IKEA franchisor rights are owned by Inter IKEA Systems B.V., also based in the Netherlands. The IKEA Group is the largest, out of in total 13 franchisees operating stores under franchise agreements with Inter IKEA Systems B.V. (IKEA, 2015a, p. 38). By the end of August 2015, the IKEA Group ran 328 IKEA stores in 28 countries. Furthermore, 47 stores in 19 additional countries were operated by franchisees that do not belong to the IKEA Group (IKEA, 2015a, p. 14). The IKEA Group operates throughout the whole value chain and operates its own IKEA Industry production units and distribution centres. This adds up to a total of 43 countries the IKEA Group operates in by 2015 (IKEA, 2015a, p. 14, 38).

This thesis will focus only on the IKEA Group. The term IKEA will be used from now on and refers to the IKEA Group. All numbers stated are as of the end of the financial year 2015 of the IKEA Group (31 August, 2015) (IKEA, 2015a, p. 4).

Sales accounted for €31.9 billion in 2015 and total revenue attained €32.7 billion. This generated a net income of €3.5 billion (IKEA, 2015a, p.33). Europe is the most important sales region and contributed 67 percent of total sales, followed by America with 18 percent and Asian & Australia with 10 percent. When it comes to the top purchasing regions, Europe (60 percent) and Asian (35 percent) are clearly the core markets followed by North America (3 percent) and Russia (2 percent) (IKEA, 2015a, p. 31).

IKEA employs 155,000 people worldwide (IKEA, 2015b, p. 54). Out of this number, 56 percent of all co-workers and 48 percent of the managers were women. IKEA’s goal is to achieve an equal amount of female and male managers by 2020 (IKEA, 2015b, p. 53). This goal is part of the IKEA Diversity & Inclusion Approach which was introduced in 2013.
The programme encourages leaders within IKEA to create a diverse and inclusive workplace that respects the co-workers and encourages them to be themselves (IKEA, 2015b, p. 56). IKEA's perspective on diversity is elucidated in the following corporate statement: “We believe in treating people fairly and providing equal opportunities to all of our co-workers, regardless of age, gender identity, sexual orientation, physical ability, ethnicity, race, nationality or any other dimension of their identity. We are one IKEA made up of many unique and valuable individuals. Our uniqueness makes IKEA better” (IKEA, 2015b, p. 56). This is a strong commitment to diversity and the uniqueness of every single employee. On the other hand, IKEA does also relate on a strong corporate culture and values, shared by their employees. To not get those two approaches into conflict with each other requires a careful recruitment process as well as clear communication and leadership. For IKEA however, the potential and benefits of having a diverse workforce, but at the same time sharing core values and a strong culture, does not have to be in contradiction to each other but are instead both elemental for the uniqueness of IKEA. CEO Peter Agnefjäll (IKEA, 2015b, p. 56) underlines that with the following statement: “Diversity and inclusion are natural parts of our values and vision; IKEA is a company for the many people but also a company by the many people. Diversity and inclusion are also critical for our business success; both for our growth and for our commitment to truly become a great place to work. It is both common sense and good business sense”.

IKEA follows the credo that if every single of their employee grows, IKEA grows too (IKEA, 2015b, p. 53). A tool for measuring this process is the VOICE Survey, an online survey which is conducted by an independent organisation and covers the individual, the organisation, and leadership within IKEA. A vast majority of the employees participates in the survey every year. IKEA claims that “in FY15, our overall VOICE index was 725. A result of 700 or more for the overall VOICE index is classified as excellent by the company that conducts the survey” (2015b, p. 55). The findings are combined with other data like customer feedback or financial data in order to identify areas where IKEA can improve (IKEA, 2015b, p. 55).

IKEA has a set of values that were first developed by Ingvar Kamprad in 1976 in his “Testament of a Furniture Dealer” (Kamprad, 1976, p. 3). It is the foundation of IKEA's business strategy and management style as well as its values, which are given high importance in the identification of the employees with their employer, IKEA (IKEA, n.d.). Kamprad states that: “No method is more effective than the good example” (Kamprad, 1976, p. 3). This credo is still followed in IKEA: “We need to work actively with our values and culture to keep them alive. Today, this is integrated in the way we recruit and work with people development. We actively seek people who share our values and recruit on values first and second on competence. For our leaders there is constant follow up regarding culture and values and we measure how well they communicate the values. Culture and values are also an integrated part of our development and performance talks for all managers and co-workers,” says the current CEO Peter Agnefjäll (Brzezinski, 2014). The strong focus on the values and the organisational culture was and is an integral part of IKEA's management strategy. Selecting people that share the same values as the company strengthens the organisational culture no matter the cultural background of the employees (Jackson, 2002, p. 29).
IKEA’s culture is closely linked to the Swedish culture and it is often described that IKEA does not only sell furniture but also Swedish lifestyle (Rask et al., 2010, p. 399). This unique Swedishness is used as a competitive advantage, but is also challenging to be adopted to the different cultures IKEA operates in (Jackson, 2002, p. 15). The Swedish organisational and management culture is described by Hofstede as low in power distance, low in uncertainty avoidance, high in individualism and scores the highest value in femininity (Hofstede et al., 2010, p. 59, 95, 143, 194). These scores are reflected in IKEA’s management structure and corporate values. IKEA has a relatively flat hierarchical structure that renounces to use job titles or positions as status symbols, which leads to an informal and collegial behaviour within the workforce (Kristoffersson & Jewson, 2014, p. 25). The management style follows an egalitarian approach with the characteristics of being informal, open and caring (Jackson, 2002, p. 16).

6.2 Presentation of Interview Results

The rest of the results chapter will be structured by presenting the findings from each and every interviewee after the other in a sequential manner. By structuring the results in this way, an overview of each participant will be possible. Getting an overview of all the answers of a particular participant is important for the research. The reason that it is considered important, is because it goes in line with the ontological stance that the authors entered this research with. As an ontological view, the subjectivist standpoint was chosen, which means that the authors believe that the people behind the managerial positions, perceive situations differently, which consequently means that they act differently. Hence, to structure the results section in a sequential manner, seemed suitable for this report. It provides a chance to, without knowing the name of the interviewee, get an overview of the overall mentality of that specific individual.

6.3 Interview Ethics

Each interview started with an introduction of some practical matters that were considered as important information for the participant to be aware of. These matters were deemed important for several reasons. First of all, it has been explained that the ethical concerns connected to the conduction of this entire study were important. With respect to the ethical concerns, a standpoint was chosen earlier. It was decided that the deontological view is the view that can be identified with. That view proclaims that the ends do not justify the means, which means that the results of the research are not enough to justify obtaining research in an unethical way (Saunders et al., 2009, p. 183-184). Therefore, it was clearly explained that anonymity will be respected and that the name of the participant will never be used in the report. Furthermore, it was explained that the participant has the right to not answer any particular question if he or she does not feel comfortable, for any reason, to answer the question. Additionally, the interviewee was asked if it would be okay if the interview was to be recorded electronically. Finally, the purpose of the study was briefly described, the interviewee was thanked for participating, and it was stated that the interview would take approximately one hour to conduct.
Some practical issues were also covered after each interview. The participants were thanked for taking part in the interview again. Moreover, they were offered to be sent a copy of the research when finished. Additionally, the participants were asked if they could be contacted again for follow-up questions. Last, but definitely not least, the participants were asked if they could possibly put us in contact with, and recommend us to one of their colleagues that they deemed to be a suitable candidate to participate in an interview. This served as a very important tool for gaining access to people in suitable positions, with a lot of knowledge and passion for the topic at hand. Next, the work experience of the participants will be described in short.

6.4 Work Experience

This section describes the suitability of the participants for this particular study. The focus in on the actual work experience of the participants, but some other aspects of why they are suitable candidates, to provide the data of this research, are covered too. All the participants were, at the time when the study took place, employed at managerial positions within IKEA. A process of continuous recommendations was used for getting in contact with people to include in the study. The two first individuals were reached through personal contacts and from there on, every participant was asked if they could recommend a colleague of theirs that we could possibly contact for an interview. As mentioned earlier, this process had some clear advantages. First, the candidate was already briefed and asked by the previous participant before we contacted him or her, which meant that the candidate had almost already agreed to participate when we first spoke to him or her. Secondly, since the previous participant knew what kind of questions we were asking during the interview, they could ask a colleague of theirs that they knew had both knowledge in and interest about the topic at hand. Hence, a group of highly experienced individuals with plenty of knowledge and professional experience in the field was interviewed. Beforehand, the process of recommendation for reaching out to new candidates for the study had one possible pitfall: would we only get in contact with a very homogeneous set of people? Now, after the study, it can be concluded that, in our opinion, we got a relatively heterogeneous sample. The sample consisted of: both males and females; both older and younger people and they were from many different nationalities. The participants came from countries including Sweden, Brazil, China, the Netherlands and Romania. In the answers, both similarities and dissimilarities can be detected.

Connected to work experience, we calculated, based on the participant's answers, how long they have been working and how much of that time has been within IKEA. The sample has a combined number of approximately 173 years of work experience in general. The average work experience is therefore 19.2 years. Out of those 173 years in total, 135 years were spent at IKEA, which gives an average of 15 years of IKEA work experience. The participants have had an extensive range of positions at IKEA. Some of them started from basic positions, and worked their way up. However, currently they are all at managerial positions with responsibilities over other employees.

Next, the results of each interview will be presented chronologically.
6.5 Participant 1

Participant 1 is a Swedish person that has been with IKEA two times. The first time around, he left IKEA because his wife did not like that he had almost 200 travel days a year in his position back then. The participant is currently working as an IKEA manager stationed in Sweden, but with responsibilities all over the world. The participant has about 30 years of work experience and has had a very wide range of positions within IKEA.

Diversity
When speaking to this participant, he explained that in March he had already travelled to 14 different countries due to work in 2016. The participant explained that his job is on a global perspective, covering basically everywhere where IKEA is present. He explains that his job is to explore fields where IKEA needs to develop. They need to be cost efficient. Strive for better quality and lower price. As we spoke to Participant 1, he had just attended a meeting with over 60 nationalities, from different areas of the world. Being in a context with people from so many different nationalities, and hence different backgrounds, is something that the participant thinks is positive. When asked about diversity, what it means to have diversity and what positive aspects diversity brings to the table, the participant states: “Different truths. We see things differently. If we do not see different ways, we miss out on opportunities”. Furthermore, the participant was asked if IKEA is actively promoting international teams. The participant says that they work very hard on that within IKEA. He explains that, if he remembers correct, they are 42 different nationalities at his office in Sweden. He develops his answer: “It's an approach. We do not say that we are right. There are some things that everyone has to follow, but in business, the approach is that we do not say that we are right, that our way is the only way. To try to find out the best way to do things we need to have different nationalities. Things are done differently everywhere.”

Cross-Cultural Management
When working in such a diverse environment, cross-cultural management is naturally an interesting topic. When asked about the challenges, the participant faces connected to cultural differences, he explained that there are challenges. He said that in his opinion, the most important thing to remember when dealing with cultural challenges is to not be judgemental. He described that he thinks that you need to have an open mind and try to understand where the people in the other culture are coming from. He further reasoned that it is important, even if you disagree with some practice from the other culture, to still try to be understanding and be careful not to think that you have all the answers. The participant explained a real life example of a situation he found himself in which became a big problem for him. The situation is connected to gender equality. When being out in the countryside in Russia, he found himself doing business in a culture where the men did not shake hands with the women. He explained that this would not happen in Moscow, because there the people have adopted, but in the countryside it did. He explained that he reacted strongly to it at first but that he then realized that: “We cannot try to force the change. We need to try to understand them and why it is like it is and try to work towards changing it. It might take some time”. We asked him what he, and IKEA, did further on as a reaction to this. His response was: “Always bring ladies. Do not skip bringing ladies because it might be easier, do the opposite, bring ladies every time”. When it comes to IKEA on the other hand, his opinion is that gender equality is something that the company is really good at. It was explained that the company really tries its very outmost on this matter.
He explained that people within the company know that gender equality is a priority and they know that they are to respect each other.

Another situation that the participant explained that he had encountered in relation to cross-cultural issues is that he has been travelling, where they poured him a full glass of vodka in the morning. He explained that if you do not drink the glass of vodka, you might not have the trust of the other party. He explained that this situation puts you on a borderline where it is a little bit hard to know what to do and how to behave. On the one hand, you want to earn the trust of the other party that you are to conduct business with. On the other hand, drinking alcohol in the morning of a business day is quite dodgy. A follow-up question was asked on what the participant did in the situation. The interviewee told us that “We do not connect alcohol with business. I had to say thank you for the offer, but no thank you. It gets easier, next time we come they know that we do not do that”. He explained that the IKEA guidelines serves as a base and as support when making decisions connected to tricky situations.

Moreover, the participant described that language barriers do exist sometimes. “As long as you are close to a big city, it's more or less never a problem. But if you go further away from big cities, you might have to have a translator”.

Organisational Culture
The participant explained that IKEA is different to many other international companies, much due to the fact that it is a Swedish company with a Swedish management style. He explained that in Sweden, it is oftentimes obvious how one should behave and how to do things. In a global context it is not always a natural thing. Furthermore, he described what IKEA does differently, compared to other companies in a global context: “Everyone's equal, everyone counts. Easy to say, hard to do in business. Also, do not look only for your own benefit, but also for the suppliers’ benefit. Move it in a way so that it is win-win”.

A question was asked about if IKEA have set standards on how to deal with challenges connected to cross-culturalism. The participant said: “Absolutely. There is mandatory training. Everyone has to do it. There is an official paper-way. But there are also a couple of days working together with teamwork on how we should behave. It is like a go – no go. What is okay and what is not okay”.

6.6 Participant 2
Participant 2 has 29 years of working experience whereof he spent 21 years working for IKEA at different positions. The participant is of Swedish nationality and currently based in Sweden. During his career he worked abroad in Portugal and Spain for several years. Nowadays, his job covers the responsibility for people in Sweden as well as teams in China, Vietnam and India.

Organisational Culture
The Participant described the managerial policies, used by IKEA to deal with cross-cultural challenges, as driven by the IKEA values, learning by doing and actively developing the people in their daily job. Driven by these things, rather than by following a set of defined standards. The interviewee said: “We do not only send our people for education, it is more about practicing in their daily job and doing the business. Developing people and business at the same time.”
The participant talked about togetherness, humbleness, honesty and transparency when developing people in line with business. He also talked about cost consciousness, innovation, steady renewal and out-of-the-box thinking. These things are part of what makes IKEA unique in the development of people. Another aspect mentioned is the fact that employees often get assigned with responsibilities, and with responsibility comes accountability. Managing to successfully take on the responsibilities leads to a learning by doing process.

IKEA's values and culture are followed by a lot of co-workers and for many, they function as motivation, even though some few people might just see their work only as a job and career opportunity. He described the values as a natural part of the character of many employees and underlines that by stating: “They feel like it is their lifestyle. It is not artificial; it is very simple”.

He also mentioned the diversity existing at IKEA and that international teams are part of the daily business. For example, they have about 40 different nationalities at his current office in Sweden. This international mobility of the workers is supported on various level by IKEA. They do not only set new employees up in their new business life, but also support them in getting their private life in order. To get them connected to the new environment and create an overall wellbeing for the employee. Within IKEA, having jobs in different departments along the value chain is seen as an opportunity to make a career and becoming valuable for the company but also to grow personally and experience new countries and cultures.

Cross-Cultural Management
When it comes to cross-cultural management within the organisation, the participant described a process of development. A lot was already achieved in the past, but it is far from being complete. An example is the development of getting more honest answers in polls and surveys or when working directly with co-workers from Asia. In Asia they tend to often answer by saying what they expect the other person wants to hear rather than telling how they actually feel or think. Here a combination of education and selection of employees with a modern mind-set led to an improvement of the situation. Nevertheless, minor cultural differences and misunderstandings do emerge from time to time in the daily routine. IKEA as an organisation is, however, aware of that and the process continues every day: “There are a lot of things we can still improve on those kind of things. But we are already pretty good. We have a lot of experience at IKEA in that sense but of course there are always more challenges.” A suggested strategy of improving that process was; to utilize the broad network of IKEA to learn more from each other, educate one another and hence understand each other in a better way.

Diversity
The participant identified challenges in having a broad diversity in the workforce but also that the potential of diversity and the positive aspects clearly prevail. Challenges occur in the language skills of employees or suppliers, especially when combined with the flaws of modern communication technologies like weak internet connection for Skype meetings or a bad connection during phone calls. The use of language translators does also bear some risks of not getting the message delivered in the exact way it was meant. The advantage of having a translator, that knows the culture, is that the translator can correct small cultural mistakes that would have probably been made, before translating to the business partner.
When meeting a business partner with a different cultural background the participant explained that he tries to: “meet up with the culture of the country I am meeting; you are a guest in their culture and I would like to get to know their culture and respect it in the best possible way.”

No differences in the way the gender of an employee might affect the way she or he is treated or for the career development are identified by the participant. “I do not see a difference. I employ a person no matter the gender. I look more for the competence...I also do not see that they are treated differently within the company.” He is aware that there might be some issues about it in some countries but IKEA does not let these controversies hinder or stop the process of gender equality IKEA follows.

IKEA is looking for co-workers that share the same values with IKEA but wants to obtain a great diversity within the workforce. Having a diverse workforce: “is great potential, because you have different ways of looking at things. You as a customer, you appreciate and evaluate different things and we need to know how to meet the many people around the world, to know what is relevant for them, what is their needs, how do they live in their homes”. Utilizing this internationality gives a lot of added value to the organisation in total but even more could be achieved if a larger amount of time would be used to evaluate the different cultural backgrounds more deeply.

6.7 Participant 3
Participant 3 is a Swedish individual currently based in Germany. The participant has previously worked for IKEA both in China and in France.

Organisational Culture
The participant said that they do not have any clear working methods or guidelines on how to deal with different cultures. However, they do have education and training that covers issues connected to cultural differences, the IKEA culture and the IKEA values. The interviewee talked about the IKEA values and described that there is a strong corporate culture in the company. He explained that they talk a lot about the values that IKEA stands for and that the values are used as a basis for many things, for example for evaluation of performance.

The participant does not think that IKEA differentiates people based on nationality, but he thinks that they welcome people and encourage people from everywhere to join the company. He stated that: “it is a truly multinational environment to work in and I think it is a well-recognized strength that we have”. Also, later on he went on to add that the different nationalities and all the cultural backgrounds of the people in the company are held together by “a very strong company culture, which in many ways overbridge the national differences that exist within our company. I would say that the company culture is one point that makes a big difference to other companies. The whole business model is quite unique, or at least has been, since some other companies move in the same direction. But I still see it as quite unique”.

Cross-Cultural Management
When asked about challenges connected to cross-cultural issues, the participant answered that he does not think that there are many challenges connected to cultural differences today. “In the business environment we are in today, the language is pretty simple. It is one criterion that when you are getting recruited that you have a very good level of English, so in general we always speak English. In my experience, both when
living in France and Germany, I haven’t really had any professional challenges related to culture.” Yet, later on, the participant does admit that sometimes there are indeed language barriers. Misunderstandings can occur, sometimes it is hard to find the appropriate words and so on. Sequentially, the participant talks about ways of handling such language barriers: “you have to adopt the message that you are sending. Maybe to add another element to the verbal communication: that could be a presentation, a print out, to draw something on a white board etc.”.

Diversity
The participant stated that he does not think it matters for your career within IKEA if you are a man or a woman. IKEA tries to be a very dynamic organisation and he thinks that the share is quite equally distributed.

The interviewee thinks that there is no such thing as a “typical” IKEA employee: “we are all different”. National backgrounds are only one thing that makes people be different, because of the different inherited customs, experiences and attitudes of the culture. But there are many other things that differentiate the people except from where they come. The participant explained that he therefore does not change his behaviour, depending on what country the person he is talking to comes from. He might adopt his behaviour a little bit depending on who he is facing, but that would rather be related to other things, such as seniority or position.

The participant identified potential when it comes to having a diverse workforce. Different views on things and different mind-sets boost creativity. “A really diverse group or team of people is a strength for the company.”

6.8 Participant 4
Participant 4 is of Brazilian nationality and collected work experience in Brazil, Sweden and now Germany. She has been working for IKEA, in different positions, since 2005. During her time in Sweden she worked with different European countries as well as with China and Russia.

Organisational Culture
The participant identified a strong corporate culture and shared values between the colleagues and that IKEA tries to attract people who share those values. Even though identification and similar views of the values are important, it is also important for an employee to feel comfortable within the organisation. The company welcomes people who think in different and unique ways and want everyone to be themselves. Including people from very different cultural and personal backgrounds might create certain challenges. For example, it might increase the time until everybody has gotten to know each other and starts working effectively together. Nevertheless, she stated that: “in the end you have a more creative environment. A more dynamic environment. And people are happier”. Those challenges are faced rather on a learning-by-doing basis than by specific strategies.

IKEA mediates their values in different ways like the “Testament of a Furniture Dealer” (written by Ingvar Kamprad in 1976) or “culture days” but: “it is actually something that occurs and happens so naturally that sometimes it is difficult to explain how we do it because it just happens...Either people are IKEA people, or they are not IKEA people”. Employees naturally identify with the corporate culture or take the initiative not to continue working for IKEA if they feel they do not fit into it.
Even though the values are shared by a great majority of the employees, that differs between the countries. It is much easier to understand the corporate culture for people who lived or worked in Sweden, since IKEA’s culture and Sweden’s culture are related. Especially the flat hierarchy within IKEA is different to what many cultures are used to. Already in a rather closely related country like Germany, with a strong IKEA culture, the relation between a manager and its co-workers is different to what it is in Sweden. A common sense between all cultures within IKEA cannot be taken for granted anymore in times of expansion all over the world. “Now we are talking about so many cultures, so many countries. We cannot just take for granted that what I see as common sense will be the same as what my colleague in China will see as common sense.” Here it would be beneficial to concretise some situations in written form in order to be on the same platform across the organisation.

The participant gave an extensive answer to the question how IKEA supports the private life of an employee who has been sent abroad. The employee is given the chance to first visit the potential country prior to being assigned to it: “Before this we don’t write any contract. We do not sign any contract because we want to be sure that both the co-worker and the family are okay with the move to the country. That is very important. That they feel comfortable. That they feel they are 100% to the move.” Afterwards internal IKEA companies will help with the moving process as well as with various other private matters in order to make the employee and his family feel comfortable in their new environment. “The idea is that the company will take care of all the practicalities so that the co-worker can focus on the new job as soon as possible.”

Cross-Cultural Management
Challenges have been experienced, especially when moving from Brazil to Sweden to work for IKEA. A big difference was perceived in, for example, the employee evaluation and feedback process. In Sweden, the focus is primarily on the positive things and the aim is to keep the mood and spirit up. The Swedish co-workers are more optimistic and try to enhance the strength of a colleague, whereas in Brazil; feedback is often used to talk about the things that did not go well and that need to be improved. Aware of the fact that every employee indeed develops over time and that mistakes are unavoidable; it took some time for the participant to adjust to the Swedish approach of always being nice and focusing on the positive. Therefore, she started to ask her managers explicitly what was expected from her and what she could develop.

Diversity
Diversity promotes openness, creativity and out-of-the-box thinking. “People dare to come along and say what they think because they know that there are so many different people with different backgrounds so it is more acceptable. It is okay to not be like everyone else, it is okay to “sticka ut” (be different).” Having fun together, also in stressful times is another important factor of diversity. Multinational teams are very supportive and keep the good spirit up while still managing to do a good job.

Language barriers and difficulties are experienced and are part of the job. But the participant emphasised that the willingness to understand and help each other is helping them to overcome those barriers. Co-workers never have to feel embarrassed if they do not have perfect English.

Gender stereotypes or discriminatory behaviour has not been experienced in IKEA. The participant identified that as being very Swedish and compares it to the Brazilian culture, where women are more expected to behave, dress, or speak in a certain way.
She explains that “in Sweden, I never got this feeling and I think IKEA has absorbed this Swedishness”.

IKEA co-workers share the same basic principles and core values, but “then, at the same time, they are free and they have the freedom to come with their own way of thinking about different situation”. This freedom is lived in everyday business, and bringing up different ideas is acceptable in all situations. It is about treating everybody with respect, regardless of their position in the organisation or national background.

6.9 Participant 5
Participant 5 is a Chinese woman. Today, however, the participant holds a Swedish citizenship after 13 years of working in Sweden.

Organisational Culture
The interviewee described that she does not believe that there are set standards or trainings in the company on how to deal with issues connected to cross-culturalism. However, she did talk about different levels of standards that she thinks IKEA promotes. She emphasized diversity and explained that diversity is something that was introduced as a concept 10-15 years ago and that it is very much of focus for the company. She further explained that it is about figuring out how to bring the people of different backgrounds together and create synergy to achieve the goals together. The interviewee explained that she is involved in a committee within IKEA that has diversity and inclusion on the agenda. People within the company have the opportunities to participate and give input on matters like these. She stated that issues like these are frequent topics in the company.

The interviewee was asked a question about, if she thinks that IKEA is different from other companies. The answer received was that: “IKEA is a company with very strong corporate culture”. The interviewee mentioned humbleness, cost-consciousness, and togetherness and explains that the company stands for values like these. This is the reason to why she has stayed within the company for so many years. She explained that the things that motivate her to work and that has kept her at IKEA are mainly three things. The first thing is that there must be a meaning and purpose; that she gets to do good things. The second thing is that she must be able to learn, develop and contribute. The third thing is to get respected by colleagues. These three things, she experienced, she gets at IKEA.

Cross-Cultural Management
In relation to cross-cultural issues, the participant was asked if she faces any challenges in her everyday job. She described that she does, that there are challenges that she faces more or less every day, and that it is important to have an awareness of these things. The interviewee explained that people in different cultures act differently. For someone in one culture, a person from another culture can be perceived as rude, even though that person does not in any way intend to be rude. This is because cultures are different. In one culture people might be very direct, which is something that can be perceived as rudeness for someone from a culture that is less direct. Another example of something culturally different that might create problems is that people in Asia and China have a cultural habit of not wanting to let someone down and thereby have a hard time to say “no” to people.
This can create problems since they might then agree to do something that they are not capable of carrying out. It is important to be aware of differences like these, so that one can manage them.

The participant explained that IKEA is a company with a vision. Furthermore, she described that within IKEA, the employee has opportunities to grow and develop oneself in the company. Those two things are something that the participant thinks are common characteristics for successful companies. Moreover, something that the participant thinks that IKEA does differently is identified as; IKEA takes risks. She described that the company, since it is a private company, is not that much driven by the short-term performance. Therefore, the company can take risks. They enter new markets, and they enter them early. They take opportunities that might mean that the company can “grow bigger, grow faster, grow braver”. They do things with determination and persistence.

**Diversity**

The participant described that she does experience language barriers. The official language of IKEA is English. But the levels and the accents of different countries differ. The vocabularies are also somewhat different. The interviewee exemplified that she works a lot with people from India and that even though their English is very good, they have a strong accent which means that it is hard for her to understand them. She furthermore mentioned, once again, that people in different cultures are more or less direct in their dealing with people. Since the co-workers at IKEA deal with so many situations like these, they have a lot of discussions about what you need to be aware of with people from different cultures. Also, she explained that, ten years ago, she used to hold presentations to her colleagues on how Chinese people behave and what is important to know about their culture.

The interviewee was asked about her view on gender equality within IKEA. She stated that she thinks that Sweden, and IKEA, are, in that relation, better than many other countries and companies. Nevertheless, there are still things that need to be done. On middle-management level she explained that it is quite good. On top management level, however, a big percentage is still men. It is on the right track because the issue is a hot topic that is on the agenda. She thinks that a woman can indeed pursue a career within IKEA independent of gender. For some jobs though, men are still paid more than women, but these things are under open discussion and on the agenda.

In the interview, it was explained how the participant thinks that people within IKEA are in many ways kind of similar. They have similar mind-sets since they share the company's values. They strive to make a difference, and to meet reality. The interviewee even takes it one step further and explains that she thinks that it is possible to distinguish an IKEA person in a crowd: “I remember, when I worked in Shanghai and if we had partner from Sweden coming over and we were at the airport to pick them up; We had never seen them, not even in a picture, but you could actually quite quickly see that those are from IKEA”.

The interviewee identified that there is more untapped potential in getting better at realizing and working with the fact that individuals are indeed different from each other, disregarding if they are from the same cultural background or not. It is important to have an open mind and welcome and allow all people to be different. That helps to make a company successful.
Getting different perspectives on things means that you can see them from different angles and start challenging each other. This is important for an organisation and leads to innovation.

6.10 Participant 6
Participant 6 was born in the Netherlands but grew up in Belgium. Today he lives and works in Sweden.

Organisational Culture
The interviewee stated that there are no standards set by IKEA on how to deal with cross-cultural challenges but that the company is aware of the topic and addresses it at several occasions. One tool reflecting the organisational culture of IKEA is the code of conduct which is based on IKEA's values and views on ethical business behaviour. The code of conduct is taken seriously and does not only function as a marketing tool or just something a large company needs to have nowadays.

The participant sees IKEA's uniqueness in the strong corporate culture. Even though other multinational companies might also be based on ethical principles and a strong corporate culture, the differentiation is that IKEA started way before most companies were even aware of the topic. Ingvar Kamprad's “Testament of a Furniture Dealer” (1976) incorporates the basis for the corporate values at IKEA. “So it is about doing good business but not at any cost.” IKEA is also a frontrunner in including the suppliers into the corporate culture and the code of conduct.

When it comes to the question, if IKEA is actively promoting international teams; the interviewee experienced it more and more even though in some departments this is promoted more actively than in others. The reason for this is identified in the history of some departments. The composition of a department, which can sometimes require to recruit locally or just a certain type of specialist, whereas other business units have already created a huge international network that allows for recruitment of talents from all over the world.

Cross-Cultural Management
The participant has a cultural background influenced by the Dutch and Belgian culture and lived in Brussels for a long time, “which is a quite international environment where people are quicker to switch and adapt to an international situation, compared to the Swedish culture, especially further out in the countryside”. Differences in the willingness and tendency to preferably use the own language instead of English, even though some team members do not speak it, were experienced. The Benelux cultures are also more straightforward and honest than many Asian cultures which requires both sides to be aware of those differences and treat each other respectfully. Another factor that can cause confusion sometimes is the flat hierarchy that contrasts several society models that are built up more vertically, like the one in India for example.

Another challenge identified, that needs to be worked on, are language barriers. A number of colleagues or especially suppliers have limitations in their competence to speak English which complicates communication and can, in combination with the challenges of cultural differences, lead to faulty processes. “The challenge lies in the mediums that we have. Communication early on in the process is important in order not to lose time and waste resources.”
Diversity
From the interviewee's perspective, gender does not affect the career or the way an employee is treated by the company. Sweden is a country with a high level of gender equality. This is identified as one of the reasons to why IKEA, as a Swedish company, has gender equality as a core of their diversity policy. Both Sweden and IKEA can be seen as frontrunners when it comes to this topic and can be proud of what has been achieved so far. However, gender equality is still an ongoing topic and in some cultures female colleagues are treated in a different way, which is in principle seen as unfair.

It was expressed that, even though, the strong corporate culture, the values and the promotion of equality creates common expectations among the workforce, each co-worker is unique. IKEA celebrates their diversity and commitment to uniqueness of everyone and believes that it makes IKEA a better company. People need to share these values to feel comfortable within the organisation.

Asked about this potential of diversity, the participant answered: “It is always valuable to have extra perspectives because this gives an extra view on the problem and the best way to find a fantastic solution for a problem is to explore as many perspectives and angles as possible to understand the problem, but also to understand potential solutions. So diversity, whether it is from a national perspective, but also from a disciplinary perspective or from a gender perspective is valuable.” IKEA as a global company needs to understand the home furnishing challenges, not only in the western world but all around the globe in order to provide solutions that work and sell there. Thus, it is essential to be diverse, from a business perspective but also from a personal perspective.

6.11 Participant 7
Participant 7 is a woman from Romania that currently works in Germany.

Organisational Culture
The participant stated that she does not experience that IKEA has set standards on how to handle cross-cultural challenges as such, but that it is rather a matter of the company having certain values. She said that one has to be a certain kind of person to fit in IKEA. Participant 7 explained that most people in the company get trainings of different sorts when it comes to cultures and IKEA’s values. The trainings are usually held in Sweden in order for the employees to face the environment which the corporate culture comes from. Through this, they understand the values in a better way. The corporate culture is very important for the company and the values they have are what makes the company a bit different from other companies on the market. IKEA is, however, not just different from other companies. Some things naturally differ also within the company. It is perceived as if there is more enthusiasm and energy in the headquarter of IKEA Sweden, than it is for example in Germany.

When IKEA recruits new personnel, diversity is an important element of the selection decision. IKEA is promoting international teams that contain different nationalities. Gender diversity is another important part of it. After recruiting new personnel, supporting the adjustment of the new employee is important for IKEA. That process depends on the job and is not the same if you work on the floor or if you work in purchasing. The company may assist with different services which are adjusted to provide the best solutions. The participant explained what help one might get when moving to work in a new country.
It covers things such as help with finding an accommodation, help for the partner, language courses, help with registrations of different sorts, and so on.

The working atmosphere is described as motivational and one reason to why the participant likes to work for IKEA. She stated that the company structure is not very hierarchical and that “with hard work you can really achieve a lot in the company”.

Cross-Cultural Management
The participant explained that there are challenges connected to cultural differences that are faced in the job. Especially when moving to a new country to work. Then clashes of culture, language barriers and so on are experienced. The participant exemplified that, for example, when she moved to the Czech Republic, people were very reluctant to switch to English and in many situations the Czechs just spoke Czech. They expected her to learn their language, even in the very beginning. Moreover, she felt like people had their circles of friends and that they were reluctant to let people in. The interviewee described that for most situations with obstacles, one should, and always can, turn to the manager for support and advice.

Diversity
The employee explained that being a woman definitely does not affect how you are treated within the company. IKEA tries really hard to get rid of gender discrimination and it is almost as if women, who want to make a career within IKEA today, have an advantage. This is because there are still more men in managerial positions in the company. The participant does however say that it can sometimes be different when meeting a supplier abroad. In such situations differentiation on how women and men are treated have been experienced. The interviewee described that people working for IKEA are very different in their characteristics and that this is something that is promoted in the company. Subsequently however, the participant went on to say that, in another way, IKEA employees can probably be recognized in a way and that they are a little “brain-washed” when it comes to the values that they all share. The corporate culture is described as very strong.

The biggest potential in having a diverse workforce is connected to creativity. A degree of tolerance is necessary and people start to develop themselves in diverse environments. This works as motivation for the workforce.

6.12 Participant 8
Participant 8 is of Swedish nationality but has collected much work experience abroad in China and Europe.

Organisational Culture
The interviewee stated that there are no standards set by IKEA on how to deal with cross-cultural obstacles but rather do the values and the organisational culture guide the employee's behaviour. Respectful contact with everyone, no matter the position within the organisation is very important. Not to be judgmental or demanding special benefits because of a certain job position is rooted in IKEA's culture. “You are not worth more as a human being just because you have a higher job. It just means that you are very good at your job, which is very nice but you do not judge people based on that.” Training were provided to understand the Asian culture better and to be prepared to face certain problems that differ in managing Asian colleagues but also how to deal with
authorities. The importance of the Code of Conduct was mentioned and explained as an important guideline when conducting business.

The values are important to have and are expressed in the way managers lead and behave. Since the interviewee has been working for IKEA for a long time now, it was hard for him to compare to other companies, but the perceived feeling is that IKEA's flat hierarchy is rather unique.

When asked about, if IKEA is actively promoting international teams, a clear “yes” was given as an answer. “The experience is that it is always better when it is more diverse.” An increasing diversity in an office was seen positively by almost everybody working in that office; the new international members but also the local staff. “It all becomes more dynamic, which has a positive effect on the office itself but also on the business decisions we take.” Local insights are valuable to understand the local market and the needs of the local customers the participant stated.

When talking about the support for expatriates, the participant could talk about the difficulties he faced when he was first sent abroad to China in the early 1990s. Back then the participant had to face a lot more challenges and was more on his own than expatriates are today. Nowadays IKEA provides a whole package that also focuses on the expatriate's partner and/or family. This is very important because the partner has a harder time getting adjusted to a new environment, especially if he or she does not have a job in the new country yet. Going abroad is also a challenge for every relationship.

Cross-Cultural Management
The interviewee said that intercultural communication is one of the main challenges when dealing with colleagues from different national backgrounds. Ways of saying something or different forms of expressions can easily be misunderstood. Asian cultures require more direct orders than Swedish people are used to express. On the other side, the German culture is described as more direct than the Swedish culture. Generally, Germans are seen as not to be afraid of confrontations, while Swedish people rather avoid it. This behaviour can be perceived as rude for some Swedish people. The interviewee trusts his experience on how to carefully handle situations like the aforementioned ones.

Diversity
Language barriers are present within the company. It is seen as a disadvantage to not have English as a mother tongue or not being able to express oneself adequately in English in some situations.

About gender equality and the question if the gender affects the way how one is treated within the company the participant states: “I wish I could say no but I think we are still not a perfectly gender neutral company...but it does not have any aware impact on decisions”.

When asked about the similarities in the mind-set of the workforce, the values and organisational culture were mentioned. It is furthermore stated, that people who do not buy in on the basic principles will have a hard time staying long and feeling comfortable in the company, especially on a higher level. Furthermore, it is mentioned that it is not easy to keep the values and culture strong since the company has become so large and expands globally. However, the company makes efforts to keep the values and culture strong.
The participant expressed that having a diverse workforce leads to better decision making. Different angles and perspectives on the problem, based on experiences, lead to better solutions. Diversity is not only a matter of nationality or gender but also of sexuality, religion and particularly experience. The mix is valuable and does also represent the customer base better.

6.13 Participant 9
Participant 9 is a man who works as an IKEA culture and values specialist. The job focuses on mainly three things. The first thing is to better understand why we behave as humans. The second thing is the content of the IKEA culture. The third thing is concerned with how IKEA is expressed to the outside world and what the company stands for. In this job he works towards strengthening the IKEA culture and to create strategic long-term plans.

Organisational Culture
There are standards connected to the IKEA values. They work as a compass that guides the way of doing things. The effect is that a unique culture is created. The employees live the values and let them shape who they are. The participant stated that the IKEA values are not unique, and further elaborated that they should not be unique since the values should be of a sort that as many as possible can understand and relate to. The participant explained that there are about 400 values on planet earth that humans can relate to and understand. But depending on the context we are in, particular values makes more sense. In IKEA they have about 200 values; important words that influence how they do things. Throughout the last years, words such as diversity and equality have become increasingly important. The values are continuously developing, even though that is a quite slow process. IKEA has ten core values that are mainly expressed to the outside world, e.g. by being posted in books and printed on walls.

It was explained that most IKEA employees probably could not repeat the ten values if asked to. However, the company wants the values to play a central role and most employees do embrace the values and live by them. They know the most important values and they practice them even if they in theory might have a hard time to retell what the exact values are. IKEA has been quite successful and the expansion going forward is very aggressive. The developments bring a lot along, such as staff turnover, and generation shifts. The company needs to recruit close to 300,000 co-workers until 2020. The new employees need to be informed and feel inspired by the values. When recruiting people, a 100 percent value fit is not asked for, that would not be possible since the company is also embracing diversity. It is, however, important that the new employees have values that are in the same area as the company's values.

One thing that is quite unique for humans is that we are good at adapting our behaviours, which is essential to understand each other and work together. If the values would be too far apart it would be hard to share a common behaviour, which would lead to conflicts that waste energy and time – this is something that wants to be avoided. The IKEA values are universal; they are not unique, and should not be. This is well in line with how we are constructed as humans. No matter the country of origin, we, as humans, share the same building blocks universally. There are in particular three things that stand out. The first thing is a fundamental need to belong. Evolutionary we would not survive individually.
Biology has constructed us in a way so that we always want to be part of a group. Social exclusion has historically been seen as worse than death penalty in some cultures. In a modern way of looking at this, our strongest experiences as humans are always connected to social experiences, e.g. starting or ending a relationship. Also, we all strive to be acknowledged, liked and seen. This can be exemplified through the pursuit of “likes” on Facebook, by our big networks of friends, and by the good feelings we experience when we are complimented. The second thing is that we are naturally wired to make things better, and to develop them. The third thing is that we are naturally wired to get things done; to make things happen. When we do, we experience dopamine kicks that work as a rewards for us. These kicks of dopamine give us a good feeling inside. Biologically, it is a matter of rewarding behaviour that is beneficial for human survival. This goes back to, for example, when we, as humans, were hunting an animal and finally managed to kill it. We got a kick out of it, a reward that meant we wanted to do it again. This is part of what has made humans a successful race. The IKEA values very well synchronize with those three things. Togetherness and belonging. Inspire, challenge and empower people to constantly make things better, to develop, and to succeed. The IKEA culture consist therefore mainly of three things: togetherness, to make things better, and to get things done.

Cross-Cultural Management

When IKEA recruits people, they recruit first on values, and then on diversity and competence. This is something that is even formally stated. Diversity and competence are not really ranked, but the values for sure come first and then it is stated as recruiting a diverse group of competence people. Everyone has to understand and be committed to the values. It would be difficult, and even more, unethical to change someone's values. Everyone should be him- or herself. Then it is up to the individuals to decide for themselves if they fit in IKEA. It would also cost too much time and money. Improving competence goes faster and is cheaper.

The interviewee explained that there have been trainings about different cultures; trainings explaining how people from different cultures behave. He explained that these kinds of trainings are popular; people regard them as interesting and fun to take part in. However, a change is coming about when it comes to the trainings. This is because there is an issue connected to the national culture trainings, the interviewee developed. When people leave these kinds of trainings, what they do remember is that “we are different”. That is what seems to stick, that: “I am like this and you are like that”. The trainings are contributing to stereotyping who we are, based on our national background. This is limiting people's way of working together. Because of this reason, the participant explained that he cancelled all national culture trainings they had in Asian, when he was working in that region. Instead, they lifted the IKEA culture. By doing this, instead of creating a feeling of “us vs. them”, it creates a feeling that it does not really matter where you come from. National culture to a very large extent influences who we are and how we behave. IKEA acknowledges that, and embraces it. It is important for development. But because of lack of time and recourses, the company needs to prioritize. The choice is then to prioritize trainings on IKEA culture and not about different national cultures. The interviewee stated that no matter where they come from, they all work for IKEA and under that framework.

Furthermore, the company wants to be innovative and find ways forward. However, there is a precondition to dare to take risks, explore, be innovative, be creative, and finding better ways forward.
That precondition is to feel safe. Hence, it is a priority of IKEA culture to build togetherness. The interviewee explained that a scientist called Harry F. Harlow made experiments on infant monkeys in the 1950s. The experiments were investigating the bond between monkey babies and constructed surrogate mothers made out of steel. Two different surrogate steel construction mothers were provided. One of them provided plenty of food. The other one had a furry surface. All baby monkeys spent most of the time with the furry mother, even though the food was with the mother without the fur. Exposing the baby monkeys to danger, they directly ran to the furry one. First when the feeling of safety started to kick in, the monkey started to investigate and explore the danger. This shows the importance of affection, and of feeling safe. It works the same way for us as humans. In order to be explorative, creative and innovative; it starts with feeling safe, loved, appreciated. Togetherness is thus a way for IKEA to dare to take risks, to explore and to be innovative.

Diversity
IKEA is a multinational company with a multicultural workforce. In the office at IKEA of Sweden only, there are over fifty nationalities represented. IKEA has been operating abroad since the mid-1960s and the company learned early on to be respectful towards other cultures.

IKEA embraces diversity in all dimensions. Diversity makes IKEA collectively stronger and wiser. Diversity makes the company come to better decisions, it creates opportunities for improvement and it brings creativeness as well as innovation.

When it comes to diversity, each and every one of us as humans have our unique strengths. IKEA wants to embrace these strengths because it will make the company better and, at the same time, the company wants everyone to live by the values, which simplifies cooperation, togetherness and team-work. This is somewhat of a paradox. On one hand embracing individual uniqueness, and on the other hand that all should live by the same values. The company tries to deal with this paradox in the recruitment process by recruiting people firstly based on the values, and then make sure that it is a competent and diverse group of people that is being hired. It is about creating, supporting and strengthening a culture based on togetherness where all voices matter and are heard. People should feel that they can, and shall, contribute.
7 Analysis and Discussion

This chapter will offer interpretations of the findings presented in the results chapter. Judgements on the facts will be made. The findings will be analysed in relation to the problem background and the purpose of the study. The theoretical frame of reference will be utilized to explain, describe and interpret the empirical material.

To better follow the analysis in this chapter, the process will first be described. The analysis will be made in terms of the three main concepts of this study: Diversity, Cross-Cultural Management & Organisational Culture. Under each of these themes, a process of three steps will be used to analyse the results from the study. First, it will be described what tools and strategies IKEA uses to successfully manage their diverse workforce. The second step will discuss why those strategies work. The third step will conceptualize the findings of our study by connecting them to theory. The analysis builds on the main idea that diversity creates the need for cross-cultural management and that organisational culture is a tool for handling challenges connected to cultural differences. Concepts that emerged during the process of analysing the data helped to create a theoretical model. Those theories are organisational socialisation and institutionalisation and will be described further down in the analysis chapter. This idea is something that can be good to bear in mind when reading the text.

Diversity

The study could identify diversity as one of the cornerstones of IKEA's commercial success but also as a driver for employee motivation and development. IKEA has identified diversity as an essential tool for creativity and innovation. Those are two major factors that can create a competitive advantage in the furniture industry.

The recruiting process plays a major role in creating the diverse workforce IKEA consists of today. A pattern in the way IKEA selects its employees became visible. The focus is set on recruiting people that share the same values as the ones IKEA promotes. Furthermore, a certain kind of mind-set seems to be preferably selected. That does not mean that IKEA is looking for people who are all similar in their characteristics. Instead uniqueness and diversity in, for example, the nationality, cultural background or gender identity is an important part of the IKEA culture that characterises its workforce. The fact that no differentiation in the treatment between genders is perceived by the study participants enhances the previous findings. This matches with the assumption that IKEA's culture and the Swedish culture are closely related. The Swedish culture is described by Hofstede as a feminine culture and the study's findings allow to presume the same for IKEA's culture.

Yet an obstacle that comes along with employing people from many different countries and operating globally is language barriers. The data suggests that this is an obstacle that is very hard to get rid of but also a price worth to pay since the advantages of diversity seem to overweigh the disadvantages for IKEA. Management strategies, on how to minimize the impact of language barriers, are described in the cross-cultural management analysis section.

The findings suggest that IKEA selects, supports and enhances diversity within its workforce in order to boost creativity, innovation, problem solving and efficiency. Diversity is seen by the managers as a positive aspect of their work environment. IKEA as an organisation that operates along the whole value chain, needs well managed
diversity to maintain their leading role in the industry. Creativity and innovation are essential to continuously invent and design new products. Different perspectives on problems and ways how to solve them, help to find the best solution for those problems. This is of great value since cost consciousness is one of IKEA’s core values.

The findings can be linked to Adler and Gundersen’s (2008) work about the potential of diverse teams, which is presented in the theoretical framework chapter. Every organisation consists of teams, and IKEA seems to understand that multicultural teams have the potential to outperform single-cultural teams on many perspectives. Heterogeneous teams help IKEA prevent groupthink, a phenomenon that could harm the company greatly by blocking creativity and decelerate innovation processes. Starting the strategy of successful diversity already at the earliest stage possible, the recruiting of the most suitable people, is identified as one of the main success factors of IKEA’s diversity strategy. Through recruiting co-workers that share the organisation’s values but at the same time bring in their personal uniqueness, the process of finding synergies becomes simplified. By proceeding like that, IKEA increases the level of cohesion within the teams, while simultaneously minimising faulty processes. This approach shows that IKEA has understood how to successfully create teams that have the actual potential to outperform homogeneous teams by far. Matching results in our study allow to claim that the employees at IKEA are aware of their differences, respect their uniqueness and treat each member of the organisation equally. All that is described by Adler and Gundersen (2008) as the foundation for a highly effective team. The study indicates, that in combination with the careful selection and education of the team leaders, IKEA has created processes that construct highly functional work teams.

Cross-Cultural Management

It is reality for a multinational company to have to deal with the kind of diversity that was discussed in depth just above. It is crucial to find strategies and methods to overcome the challenges and obstacles that comes with it. When managed right, diversity can become an advantage. As stated before, a diverse group has a higher potential of providing creativity and innovativeness. But in order for creativity and innovativeness to prosper, there first needs to be a sense of security. As highlighted by participant number 9, who referred to an old experiment on monkeys, a sense of safety and belonging is a prerequisite for exploration and creativity to blossom. This can be connected to the old famous model by Abraham Maslow (1943): "Maslow’s Hierarchy of Needs". That model states that more basic needs need to be fulfilled before other needs can be paid attention. Thereby, by using management methods that create a feeling of belonging and togetherness, IKEA creates an environment where the individuals can explore needs higher in the hierarchy. Thus, the potential of diversity can be tapped and creativity and innovation can prosper. More of IKEA’s managerial tools, when it comes to cross-cultural management, will now be analysed.

As discussed previously, IKEA has found ways of making diversity one of their strengths. A clear pattern can be observed, when it comes to the view that IKEA managers have about language barriers. Language barriers are, to some extent, seen as a challenge that comes with diversity. A common denominator for most of the managers is that: even though English is the official corporate language of IKEA - English is not the mother tongue for the majority of the co-workers. A great degree of understanding and consideration is important.
They see their open minds and tolerance as tools for managing the challenges that come with language barriers. Even though the pattern shows that the managers do perceive some language barriers, it seems rather evident that they perceive these barriers as more of a speed bump than an actual blockade. Tools are used to simplify communication. If having a Skype meeting, several channels or elements of communication might be used to easier get a message across. For example: in addition to the sound and body language, which are the most common parts of the classical Skype call, a print-out or a drawing on a whiteboard can clarify the message.

Another challenge that IKEA needs to deal with through cross-cultural management was identified. This challenge is connected to the fact that IKEA often sends employees abroad to work as expatriates. There are challenges connected to making the new employee feel at home in the new country. A culture shock is not uncommon when experiencing a completely new country, but for IKEA it is important to have the new employee working as soon as possible. To perform good at work, private life has to be in harmony as well. Analysing the results, it is clear that IKEA does indeed carry out certain activities in order to try to facilitate such an acclimatization. The company has a department that they refer to as IKEA Mobility. This department exists in order to support the company's expatriates. The company thereby assist the new employee by helping out when it comes to dealing with all practical matters related to the move. Among other things, they for example: accommodate the actual moving process, introduce the family to the city, help to find an accommodation, help to pick a school for the kids, help the spouse to find a job, and pay for language courses. This service is something that IKEA does as one part of cross-cultural management. The results show that the service has become better and better over the years. We argue that the reason why IKEA focuses on a high level of employee satisfaction is that if the employees are happy and in harmony in their private life, they will consequently perform better at their job.

Other challenges related to culture arise when doing business with countries that have different cultures. It can simply be a question of different ways of acting, for example, people from some cultures are more direct than people from other cultures. Such differences can create problems since misunderstandings can occur. IKEA deals with such problems in different ways. One way is by education. By having presentations about different cultures and what to expect from people within those cultures, the employees are educated and reach a higher level of understanding. Another way is to have more informal discussions on more of an everyday basis, which also contributes to open the mind to a wider perspective.

IKEA managers work on having an open mind and tolerance for different customs and ways of doing things. Sometimes, however, they encounter situations in which someone expresses opinions or behaves in a way that completely contradicts the IKEA values. When that happens, the IKEA managers are determined. The values are important. One situation that very well exemplifies an occasion of that kind is when one of the managers did business with people out on the countryside in Russia. The issue was that the men that they were doing business with refused to shake hands with the women. This became a big problem for the manager because this was totally contradicting the IKEA values about gender equality. IKEA’s way of dealing with the situation says a lot about the company. Taking the easy path would be to not bring women next time they were to do business in the Russian countryside.
But IKEA, on the contrary, decided to systematise to always bring women. This shows that IKEA really stands by their values and actively tries to change behaviour that they do not see as honourable.

The need for cross-cultural management can be connected to the concept of psychic distance. This concept refers to the perceived obstacles between people from different cultures. People are more comfortable with cultures more similar to their own and making business with people from very distant places can seem frightening. IKEA, however, has many times been internationalising to foreign markets in early stages, which shows that they are not afraid of taking risks. In defiance of large psychic distances, IKEA acts. One of the reasons to the fearlessness is that IKEA is a private company that does not have to solely think about short-term success and pleasing shareholders. Instead they can rely on solid cross-cultural management and a strong corporate culture and dare to act with a long-term approach. Moreover, the feeling of togetherness provides a good foundation for exploration, which was described earlier in relation to the experiments on monkeys and with Maslow’s (1943) theory as support.

When it comes to cross-cultural management, and using the potential of diversity, the main reason to why IKEA is successful is a very strong corporate culture. The corporate culture will be described in depth in the next section.

Organisational Culture
The organisational culture was found to be very strong at IKEA. The responses are in line with what IKEA promotes and is known for: a strong organisational culture that is the foundation for the business model. The origins of the organisational culture reach back to the 1970s when Ingvar Kamprad formulated his “Testament of a Furniture Dealer” (1976). The current values have been developed on the base of this testament. In the findings, a strong linkage between the managers and the company is visible. The relationship builds upon the values, which are the centrepiece of the organisational culture. IKEA developed a rather unique business model that puts the people at first place, and business at second place. The intention is, that if the employees feel comfortable and are given freedom to develop themselves, the company will develop too and business success increases accordingly. IKEA’s management style is often described as a Swedish management style. Here again, the cultural heritage of IKEA has found its way into the organisation. This is backed up by data describing the flat hierarchical structure within the organisation. IKEA promotes its outstanding organisational culture openly and uses it as a tool for attracting new talents. Even though the organisational culture at IKEA has grown into a strong tool for identification, both internally and externally, the results of the study reveal that it is a tool under constant change that further develops as IKEA develops.

The study revealed a key factor for IKEA’s global success. The key is to use a strategy of building a business model based on a strong organisational culture. Values, ethical behaviour and diversity serve as the basis for this organisational culture. The careful selection of a diverse workforce and well managed cross-cultural differences strengthen the organisational culture. The organisational culture in turn is the dimension that creates a unified workforce which leads to a competitive advantage over other companies in the industry. The study suggests that IKEA emphasises on a strong organisational culture because they directly profit from it in economic terms but also because ethical business behaviour will off out in the long run.
This strategy works well because much effort is invested in the management of diversity and diminishing cross-cultural obstacles. On the other hand, the data also shows that there is still space for improvement of processes, especially related to cultural understanding in everyday business.

IKEA's organisational culture is one with a long history. It was developed out of the credo, written by the founder Ingvar Kamprad. This is a common pattern that occurs in organisations with a strong organisational culture. In line with Kotter and Heskett (1992) this study found a top down approach of the development of IKEA's organisational culture. Stated by the founder, the top management develops and adopts the culture in accordance to the development of the company. The managers at IKEA live the culture and serve as role models for the rest of the workforce. This gives the employees guidelines on how to behave within the company. A behaviour in line with the values will be rewarded while our results indicate that employees who cannot identify themselves with these values will, in the long run, not feel comfortable within IKEA. To prevent this in the first place, the recruitment process is adjusted to the organisational culture and seeks for employees that match the company's perspectives rather than employees who are just seeking a career. That is to say, that there is a screening process that can be referred to as careful selective recruitment. The focus is on finding employees that share the values that the company stands for. After the screening there is a socialisation process. The message is repeated in many ways in everyday business and people conform and start to think more and more in terms of the same values. This is what makes IKEA different. It is possible to talk about it in terms of institutionalisation. A large organization becoming institutionalised. When the knowledge and values become institutionalised, the result is a durable organisational culture that reflects the vision of Ingvar Kamprad. More details on why this works will be provided in the following section.

Organizational Culture - The Dimension that Overbridges Challenges Related to Diversity
It was found out that diversity management, cross-cultural management and organisational culture are all essential tools, used by IKEA to successfully manage their global workforce. The commitment to their values and Swedish heritage makes IKEA unique. IKEA uses this uniqueness to tighten the relationship between the organisation and its employees. By giving each member of the organisation the freedom to be themselves, IKEA creates an environment where creativity can grow. Creativity is vital for a company that is driven by the aspiration to create a better life for the many people.

As Gelfand et al. (2007, p. 498) and Cohen (2010, p. 5) mention that modern organisations need to understand cultural differences and develop a global mind-set in order to be successful in the business world. As far as this study could investigate, it seems like IKEA has developed a clear global mind-set. Processes and strategies were established to enhance the mobility of the workforce. Furthermore, IKEA supports the employees not only in business but also in private life when they are moved internationally.

A main reason for IKEA's effectiveness in managing cross-cultural challenges lies in the long term business orientation as well as in the special approach to ethical business behaviour and commitment to the wellbeing of their workforce. Hofstede (2010, p. 344) states that organisational culture distinguishes one organisation from another and Alvesson's (2002, p. 24) research adds that the cultural dimension is a central aspect of
organisational life. Especially in a globalised world that tends to become more and more similar, the commitment and courage to be different seems to be a distinctive characteristic of IKEA.

![Diagram](image)

Figure 8. Graphical Interpretation of IKEA's Cross-Cultural Management Strategy (by Larsson & Schiehle).

The model above illustrates the previous findings. The researchers have identified that diversity, cross-cultural management and organisational culture are connected and thereby affect each other. A diverse workforce creates the need for cross-cultural management. The quality of the cross-cultural management within an organisation is a crucial factor. Either diversity creates a creative and innovative work environment with high potential of effectiveness or, when badly managed or even ignored, diversity causes faulty processes that can lead to intercultural faultlines and large underperformance. A strong organisational culture, based on values that a large majority of the employees share, functions as a powerful tool to diminish the negative effects of diversity on an organisation.

But why does this work? How is the organisational culture preserved over time? The answers to these questions are presented in the following section.

**Organisational Socialisation to Preserve Institutional Memory**

When starting to conduct this research, three concepts were identified as crucial parts of the area that was going to be investigated. Those three concepts were the cornerstones of the study and worked as a framework to guide the process. The three cornerstones are: diversity, cross-cultural management and organisational culture.

It was revealed that the diverse setting in the business world today creates a need for cross-cultural management and that a strong organisational culture is IKEA's main advantage for dealing with that diversity, and thereby benefit from the advantages of
diversity rather than suffering from the potential negative aspects. However, investigating the three concepts in relation to IKEA opened up for interesting questions relating to what it is that makes IKEA's organisational culture so strong. What are the missing pieces needed to explain the puzzle? Figure 9 is a model that was created by the authors in order to highlight those missing pieces. The model therefore contains the three cornerstones; diversity, cross-cultural management and organisational culture. More importantly, it highlights the important tools that were discovered that IKEA uses in order to maintain its strong organisational culture. These tools are; selective employment, organisational socialisation and institutionalisation. The cornerstones are depicted in white coloured letters whereas the discovered tools are written with red coloured letters. Now the basic function and structure of the model has been described, thus the reader will now be introduced to a more thorough description of the specifics within the model.

![Figure 9. Model depicting the Process of Institutionalising Knowledge into Organisational Culture. Organisational culture is clearly depicted as the core and foundation.](image)

Figure 9 depicts diversity as what creates the need for cross-cultural management. Furthermore, it depicts a selective employment process as an important strategy for IKEA when it comes to dealing with the changes that happen over time.

Because of staff turnover, generation shifts and expansion, the workforce is naturally continuously replaced and expanded. The workforce is also both; increasing, since IKEA is an expanding company, as well as becoming more diverse due to the
internationalisation and reduced barriers for movement of people. Therefore, a selective employment process of hiring people, first and foremost with the IKEA values as a basis, is an important strategy of IKEA. Competence is obviously important, but nevertheless secondary to the view that the prospecting employee has on the IKEA values.

Figure 9 visualises the process of organisational socialisation of new employees. It is integrated in cross-cultural management and leads to long-term preservation of institutional memory. All this is influenced by diversity and is in correlation to a strong organisational culture, which serves as a foundation.

Organisational socialisation is described as the process a new member of the organisation goes through in the beginning of his time within the organisation. The employee adopts, from an outsider to an integrated insider (Cooper-Thomas & Anderson, 2006, p. 492). This process of learning how to function in the organisation is one that happens on several social levels. Previous research shows that the support of colleagues and supervisors is much more useful than literature provided by the organisation (Cooper-Thomas & Anderson, 2006, p. 503). Such literature can highlight the policies and values but the actual experience, of how they are lived within the organisation, is much more valuable for new members. In the case of IKEA, the data collected reveals that IKEA, once again, benefits from its Swedish management style and flat hierarchies. The cooperative atmosphere creates an ideal ground for successful organisational socialisation, since co-workers are the main source for new employees to observe organisational behaviour. Especially when sending an employee abroad, IKEA focuses on taking over as many bureaucratic issues as possible, so that the employee can socialise as fast as possible to his new environment and connect to the new co-workers; not only on a professional but also on a private level. Of course it is also the task of the new employee, to actively seek for connecting to his new environment and to learn from the older colleagues through asking and observation. The process, set up by IKEA in relation to organisational socialisation, is described by Cooper-Thomas & Anderson (2006, p. 506-508) as one that is promising to increase the speed of the integration and therefore benefits the organisation as well as the employee. The validity of the aforementioned findings is backed up by research conducted by Meyer and Rowan (1977) who claim that organisations, that are highly institutionalised, are more likely to survive than their less institutionalised counterparts.

As this socialisation process is carried on, by older employees communicating the values to younger employees, the values become institutionalised. There is a concept called institutional memory. Institutional memory relates to what knowledge survives over time when the people within the institution are replaced (Ashkenas, 2013). Over time, people retire, relocate or take on new jobs. Companies spend a lot of resources and time on developing knowledge. Some of the knowledge is printed, as for example policies. Much of the knowledge, however, is in the heads and hearts of the people working for the company. Therefore, most large corporations today experience loss of knowledge when people are replaced. IKEA is trying to work against that loss of the institutional knowledge by going through a process that retains institutional memory. By being careful in the recruitment process and by passing on values through the organisational socialisation process, they manage to institutionalise their values. Thereby, a strong organisational culture is built. This organisational culture thus works as the glue that holds the company together in times of expansion and replacement of people.
8 Conclusion

This chapter will make some final conclusions about this study and provides an answer to the research question. Additionally, recommendations for managers and further research will be presented.

In order to answer the research questions, the data material, gathered from interviews with IKEA managers, was analysed. The authors perceived that the participants had a high level of knowledge and experience in the topic and gave honest answers, that were of great value for the study. This leads to the assumption that the managers were able to draw a realistic picture about the situation within IKEA and the study can therefore generate reliable conclusions.

As described in the purpose, the intention of the study was to investigate the impact of diversity on global organisations such as IKEA. Moreover, it was examined how diversity affects the managerial strategies in relation to cross-cultural differences within the workforce. As a third important denominator in that context, organisational culture was identified. The assumption was that, especially in an organisation like IKEA, the organisational culture plays a major role for the overall cohesion within the workforce. The analysis of the study's results, in connection to previous research in the field, made it possible to generate a model that can be used by managers and organisations that face cross-cultural obstacles.

The model that was developed, ultimately ended up containing more aspects than the three original cornerstones of this study. This was possible due to the abductive research process of this study. The abductive approach incorporated an iterative process of going back and forth between theories and the data collected. That research approach allowed for the implementation of additional theories, also after the original literature search was conducted. This meant that it was possible to complement the theoretical frame of reference first chosen, with more relevant theories which were found further into the research process. This meant that when the final model was created, the authors were well informed and could include all the most relevant ingredients for a helpful model.

Additionally, to being of use for organisations, the research can help managers, who are working in an international environment, to enhance the awareness of how large the effects of diversity on an organisation or team can be. These effects, however, do not have to be of negative nature, as study proves. If the organisation is able to install processes that manage diversity carefully, a great potential for effectiveness is available to the organisation.

8.1 RQ 1: What impact does diversity have on an organisation such as IKEA?

The impact of diversity on global organisations has become very large. It is not enough anymore, to only manage diversity that is found within the company, but also to actively select and decide upon the amount, and type, of diversity an organisation is going to incorporate. This research suggests that it is beneficial to implement diversity strategies early on in the human resource process. IKEA starts its diversity management already in the selection process of potential future employees. They do not only focus on who is the candidate with the best qualifications on paper but more on who is the most suitable candidate for them as an organisation and matches their values and views
on how to conduct business. Furthermore, diversity is crucial for organisations that rely on creative and innovative solutions and out-of-the-box thinking to solve complex problems. In the globalised business world as of today, competition has increased massively and it is of essential importance for a successful organisation to constantly create new solutions. Diversity is one tool to increase the creativity at a workplace. In addition, diversity enhances the concentration and awareness of the employees to work together in effective ways.

As this study only investigated IKEA, and the data collected presents diversity overall as a strength for the company, it is not possible to draw conclusions about the negative impact diversity can have on organisations. Nevertheless, it can also be seen from the answers in the study that diversity can indeed have negative impact if not managed with care. The results show that the diversity strategy of IKEA is a process that is still developing and therefore still needs improvements to, for example, decrease the impact of language barriers or cultural misunderstandings.

8.2  **RQ2: How does cross-cultural management influence outcomes of diversity and what role does organisational culture play in that context?**

The second research question was constructed to investigate the correlation between diversity, cross-cultural management and organisational culture. Especially how an organisation can influence the outcomes of diversity on their workforce by implementing managerial strategies that apply diversity into the organisational culture. Here the data analysed showed that IKEA has made diversity an important point on their agenda. Moreover, cultural and gender diversity are part of IKEA's organisational culture and identity. IKEA employees share the same values as IKEA and see diversity as something positive. A conclusion is that the cross-cultural strategies, IKEA uses, do work in terms of making diversity a natural part of the job. The organisational culture is based on values that enhances diversity and uniqueness. In addition, the managerial strategy to employ people who share these beliefs increases the amount of people with the same expectations to their workplace. Another managerial decision that influences the outcomes of diversity towards the positive, is the clear communication IKEA uses internally, but also externally. It is known, and was backed up by this study, that IKEA is proud of their strong organisational culture. The continuous repetition and omnipresence of the organisation's values and credo seems to strengthen the organisational culture from the inside. The organisational culture was identified as the foundation for a successful cross-cultural management that leads to utilization of the large positive potential of diversity.

Reasons to why the strong organisational culture of IKEA survives over time were identified. The company uses a careful screening process when looking for new prospects. The focus is on finding people who share the same values as IKEA. When found and employed, a process of further organisational socialisation takes place. The new co-workers are being taught more about the values by the older co-workers. By this process, the knowledge of the people within the company passes on from employee to employee. This means that the knowledge gets institutionalised and becomes part of the institutional memory of IKEA. All this creates and retains IKEA's strong organisational culture, which then acts as the glue that keeps the company together in times of change and expansion. The world is changing in multiple ways for IKEA.
Internationalisation creates a more diverse setting. Furthermore, IKEA’s success leads to further expansion. With all the new people entering the company, the strong organisational culture is more important than ever before.

It was possible for the researchers to answer both research questions. The impact of diversity on organisations, such as IKEA, is large and needs to be carefully managed by those organisations in order to conduct successful business. A coherence between a strong organisational culture and positive outcomes of diversity, when managed successfully, could also be determined.

8.3 Recommendations for Managers

It is clear that the environment in which business is conducted today is quite different from what it was looking back in time. Developments in communication techniques, infrastructure, and a reduction of barriers between countries have led to internationalisation and globalisation. The business world is more interconnected and interdependent than ever before. This reality means that the workforce is becoming more diverse all across the world. The diversity poses for challenges, but it also presents opportunities, if managed in a good way. If managed correctly, diversity becomes an advantage that adds positive effects to business. Different perspectives bring, for example creativity and innovation.

However, in order for creativity and innovation to prosper, there is a prerequisite. That condition is safety. People need to feel safe in order to find the courage to be explorative, innovative and creative. Therefore, the challenge for managers is to create strategies that deal with diversity so that the positive aspects of diversity can be utilized and the negative aspects of diversity can be controlled. Moreover, managers need to create a feeling of comfort and safety for the employees in order to allow for explorative and innovative minds. The diverse environment, where people constantly move around, creates a very dynamic workforce. It is a challenge for managers, employed in such an environment, to create that feeling of safety.

One suggestion of how to deal with the challenge is to create an organisational culture that creates a feeling of togetherness. An organisational culture that is stronger than the respective national cultures. By using managerial tools such as a screening process when hiring people, in which a careful selection is made already at this stage, the company can attain the right kind of personalities needed to enhance the organisational culture.

Moreover, once a new employee enters the organisation, another managerial tool is, to constantly, in different ways, repeat the message that the organisation wants to convey in order to strengthen the organisational culture. By paying attention to such a tool, an organisational socialisation process is started in which the employees conform and become more of a unit. If the organisational culture is strong enough, then it can, through the socialisation process, outweigh the differences that lay in the many national cultures of the individuals. Thereby, a feeling of unity and togetherness is created. Moreover, a system in which knowledge can be passed on, within the organisation, can develop.
The knowledge or values that are emphasised become institutionalised and preserved as institutional memory which is independent of the people who leave or enter the organisation. Thus, the challenge for managers is to use the different techniques at disposal, to create a strong organisational culture that can facilitate a diverse workforce through socialisation processes and institutionalisation.

8.4 Recommendations for Further Studies

This study focused on a corporation in the business world. However, diversity is a reality that all levels of society face today. Because of the reduction of barriers for people to move beyond borders, populations in general are becoming more mixed in terms of nationality and culture. An area that therefore needs more research, is to investigate the role of diversity in other types of organisations, other than corporations. In societal institutions such as universities, municipalities and others, diversity has also become part of the reality. More research could, and should, be conducted to find out how the great positive potential of diversity can be profited from. By finding ways of using that untapped potential, societies could presumably benefit greatly in many areas.

When starting this study, the purpose was to investigate the correlation between three variables that were seen as most interesting when it came to IKEA. Those were: diversity, cross-cultural management and organisational culture. During the process of the study, some new concepts emerged as important reasons as to why IKEA has managed to keep a strong organisational culture in times of change. The reasons that were identified were: a careful screening process as an important first step of IKEA's cross-cultural management; a socialisation process in which new members adapt to the company's values; and an institutionalisation of knowledge into preserved institutional memory. These are all fields that could serve as interesting starting points for further research.
9 Evaluating the Research
The last chapter in this report will assess the reliability of the study by revisiting the truth criteria that were described in the research philosophy section. Furthermore, this chapter will discuss possible limitations and weaknesses of the study.

9.1 Assessment of the Truth Criteria

As promised earlier in the thesis, the truth criteria that were previously described will now be revisited and evaluated. An assessment will be made on the authenticity and trustworthiness of this research.

Authenticity
Starting with the authenticity, we reason that this research fulfils the criterion for fairness. A process of conducting open interviews where the participants could answer in any way they deemed fit, made sure that the research represents different perspectives of the members in the social setting.

We argue that this research does indeed provide some insights that help people to a greater understanding of the social context, which means that this study fulfils the criterion referred to as ontological authenticity.

With a large focus on diversity and the importance of different viewpoints for development, we argue that this research should indeed help people to better appreciate perspectives of other people in the context. Therefore, the criterion called educative authenticity is considered to be satisfied.

One of the participants expressed that the interview sparked his/her thought process on the topic. That comment supports our belief that this study does indeed make people want to take action to change their environment. This means that the criterion referred to as catalytic authenticity is considered to be fulfilled.

We believe that this research has provided some specific insights in how a successful actor such as IKEA use management to deal with diversity. We argue that these insights can indeed provide knowledge needed to take action. Therefore, the criterion called tactical authenticity is considered to be satisfied.

Trustworthiness
We argue that the coverage of, and input from nine in-depth interviews with experienced managers should provide an accurate representation of the social reality that IKEA exists in. Therefore, we argue that the criterion referred to as credibility is fulfilled.

We argue that IKEA’s numbers show that they are a successful company and that this study proves that their management strategies are an important part of that success. Hence, we argue that this study provides material describing tools that could be successfully used by other companies as well. Therefore, we also argue that the criterion called transferability is also satisfied.
The process of this study was described in detail. Moreover, detailed documentation of every step of the research can be provided. For example, the interviews were recorded, and then transcribed word-by-word before they were presented. The report was offered and will be sent to the participants of the study, which also shows that we believe in the honesty of our presentation of the findings. Because of these facts, we consider the criterion referred to as dependability as fulfilled.

The last criterion is called confirmability. We, as researchers, tried to not impose any of our values or theoretical inclinations in the study. Questions were asked on both negative and positive aspects of diversity, IKEA, and on the strategies used by the company. The aim was to get the honest opinions of the participants. We argue that we managed to stay neutral throughout the research and therefore we argue that the last criterion is also fulfilled.

In conclusion, our argumentation suggests that this research can be regarded as both authentic and trustworthy.

9.2 Limitations

It is possible to speak about the size of the sample as a possible limitation of a study (Saunders et al., 2009, p. 538). However, a sample size of nine experienced managers is according to us as authors enough to argue that this study can make generalisations about the behaviour of managers, within IKEA predominantly.

Additionally, it is possible to argue that the snapshot nature of the research is a possible limitation of a study (Saunders et al., 2009, p. 538). However, even though we, as the researchers, came in at a special moment in time, we do not consider the answers that the participants gave as a snapshot in time. The reason to why we argue that this is not the case, is that the participants answered based on their experiences. These experiences have been accumulated over a long period of time. Therefore, we argue, that this study does not have the discussed limitation.

Dubois and Gadde (2002, p. 554) explain that case studies have not always been considered an appropriate research method and refer to Yin, (1994) when they state that it could be argued that a case study approach provide little basis for scientific generalisation. They use examples to highlight that the case study was considered too specific to make any generalisations. However, they then state that the view has changed, and that many people now see it as an opportunity and a strength that the case study goes so in depth. Furthermore, they state that “the interaction between a phenomenon and its context is best understood through in-depth case studies” (Dubois & Gadde, 2002, p. 554). Moreover, a case study is oftentimes restricted to one geographical area, which could then be seen as a limitation for the research (Saunders et al., 2009, p. 538). However, in this investigation, a sample of very diverse nationalities were reached. Moreover, the participants had lived, and live, in a wide variety of places. Therefore, their input is regarded as very diverse when it comes to the geographical issue. In conclusion, we argue that the fact that this research was carried out as a case study is a strength, rather than a limitation.
Since this study was designed as a single case study on IKEA, it is hard to draw general conclusions about other organisations. Instead, it is dependent on the context if such generalisations can be made. Because of that same reason, the findings need to be adjusted carefully when exported to another organisation.

The model presented in this study was not tested because of the exploratory character of the research. Further research in the field, connected to the presented model, is necessary in order to ascertain its significance.

Due to restraints in time and resources it was not possible to investigate a greater dimension of cross-culturalism. Cross-culturalism does not only affect multinational companies such as IKEA but is becoming increasingly important to also small and medium sized companies, universities, political parties and even nations. Therefore, this study can only be seen as a contribution to the field and further research is required to understand the different dimensions and effects of diversity and cross-culturalism on societies and organisations.

Nevertheless, this study can be used by students or managers interested in striving towards a career within the field of international management or within a multinational organisation. Furthermore, this study can be used by multinational organisations to learn from IKEA’s success in managing a diverse workforce. In addition, this study stresses the importance of more research, conducted on the practical impact of diversity and cross-culturalism, in order to understand these phenomena better. A better understanding can lead towards better managerial strategies and eventually a higher practical utilization of the potential of diversity.
References


Appendix

Appendix 1: Interview Guide

Practical issues to mention/discuss with the interviewee before starting the actual interview (approx. 5 minutes):

- Thank the participant for agreeing to the meeting.
- Briefly outline the purpose of the research.
- Explain that the interview will not take more than 1 hour.
- Explain that anonymity will be respected.
- Explain that the participant has the right not to answer a question.
- Request to record the interview electronically. Explain why we want to do so.

Categories of questions during the interview

Background:

1. What is your name?
2. How old are you?
3. Which country are you from? In which country do you work now?
4. What kind of educational background do you have?
5. How long have you been working? How long for IKEA?
6. What is your position at IKEA? What do you do there? What did you do before/ how does your career at IKEA look like so far?
7. What jobs/positions have you had before you joined IKEA?

Organizational Culture:

1. Does IKEA have set standards on how to deal with cross-cultural challenges?
2. Have you gotten any training through IKEA in dealing with cross-cultural challenges?
3. How important are IKEA’s values to their workforce (Hierarchy, choice of employees, IKEA Concept, Company Spirit)? What are they for you?
4. How does IKEA differ from other companies?
5. Is IKEA actively promoting international teams?
6. How does IKEA support private life when sending an employee abroad?

Cross-Cultural Management:

1. What kind of challenges connected to cultural differences do you face in your job?
2. Can you remember any specific situations in which cultural differences have complicated your job?
3. How did you deal with that aforementioned situation (followed a strategy or just own feelings and experiences)?

The Potential of Diversity:

1. When you communicate with colleagues from other countries, do you ever experience any language barriers?
2. Does the gender of an employee affect the way he/she is treated within the company?
3. Do people working for IKEA all have a similar mind-set disregarding their national background? In what way? If no, in what way do you change your behaviour or way of working when working with people from other cultures?
4. So there are challenges in having a diverse workforce, but there is also potential. Where do you see the greatest potential in having a diverse workforce?
Personal Opinions:

1. What motivates you to work? What motivates you to work for IKEA? Why do you think IKEA is a good employer?
2. Is there something that you think we have forgotten to ask about that you think is important with regard to cross-cultural management?

Practical issues to mention/discuss with the interviewee after finishing the interview:

· Offer to send the research when finished.
· Ask if there is any chance that they can put us in contact with someone else within IKEA that we can interview.
· Ask if we can contact her again for follow-up questions.
Appendix 2: Introduction Letter to Participants

Hello!

If you are receiving this e-mail you have made us very happy by agreeing to take part in an interview with us! This e-mail is a brief description of who we are, what we are doing, and what we ask of you.

We, Adam Larsson & Simon Schiehle, are currently writing our Bachelor Thesis and will be graduating with a Bachelor’s Degree from the “International Business Programme” at Umeå University in June 2016.

As a topic for the Bachelor Thesis we will be investigating what strategies IKEA, as a truly multinational company, uses to deal with cross-cultural challenges.

The background to this choice of topic is how the business environment as of today is constructed. Barriers for trade and business have gradually been decreasing, which has led to internationalisation and globalisation of business. Barriers for the movement of people have also decreased, which has led to more and more people working outside the borders of their own countries.

In IKEA, the workforce is diverse and oftentimes include people from many different nationalities, each with different cultural backgrounds. Language barriers and differences in social customs, values and habits are all challenges that we assume can be present within an office in IKEA. Additionally, when working at an office within IKEA, one is probably conducting cross-border business with for example manufacturers, producers, suppliers or distributors where the challenges become even more evident.

Our aim is to investigate what makes IKEA successful when it comes to managing a diverse workforce. We want to find out what challenges an employee might face and what training, strategies and solutions there are to deal with such situations.

To collect data, which will be used as a foundation for our thesis, we will be interviewing some 10 people working in different positions at IKEA. The people taking part in the interviews are not expected to prepare in any way and can be answering solely based on own experiences. The purpose of this e-mail is simply just to give a hint on what we will be asking questions about.

Some practical information:
- We will protect the anonymity of the respondent if desired.
- The interviews will be held through Skype.
- Each interview will take approximately 45 minutes (not more than 1 hour).
- The interviews will be semi-structured; where we will have a set of prepared questions, but also where we will be flexible about the order of the questions etc., depending on the answers of the respondent.

Due to a limited time frame when writing a thesis, we would very much like to set a date as soon as possible for a Skype interview.

We would like to express our sincerest appreciation for your participation in our study! Without your experiences and insights, we would not have the material needed to conduct our study. Your contribution is invaluable to us. Thank you!

Best regards,
Adam Larsson & Simon Schiehle