From time to time, papers around a theme of current interest are assembled into a volume for ease of access to interested readers, and sometimes with a view to establish a compilation that makes essential reading on new insights not yet sanitised for journal publication. Volumes of edited works sometimes record a memory of research agendas. This volume presents fourteen chapters on the theme: learning in the internationalisation process of firms bundled into three parts. Findings associated with a common research project undertaken in five countries, Denmark, Finland, New Zealand, South Korea and Sweden, are reported. It is asserted that these five countries provide a useful setting for firm internationalisation studies as they can claim some heritage with successful internationalisation. Part 1 is largely conceptual, presenting the internationalisation process of the firm in the Uppsala University tradition. Part 2 focuses on knowledge accumulation in firms and its transfer within organisational units and across borders. Knowledge translation and foreign market entry issues completes Part 3. The volume is relatively modest at less than 300 pages, with regular journal-sized chapters.


Pivotal to this volume is the Uppsala University research program on internationalisation, commenced in the early 1960s by Sune Carlson, and reported on in 1962 in the Skandinaviska Banken Quarterly Review, 43 (2): 48-51. A flourishing stream of research ensued, following the widely cited Uppsala internationalisation process model of the dynamic interplay between a firm’s knowledge development and its increasing foreign commitments (Johanson and Vahlne, 1977). The Uppsala program has seen a rich lineage of investigations, across a diversity of applications, collected in a library of yellow-covered working papers and doctoral dissertation monographs. Until relatively recently, these studies have not been as well-represented in the scholarly journals as one might have expected in the light of the influence that the Uppsala model has had on firm internationalisation studies. A partial explanation could lie in the methodologies used earlier in this program that relied upon idiographic enquiry, until lately not overly appealing to the emerging international business discipline mainstream journals. While the Uppsala model has received its share of critique, it remains apposite to our better understanding of the firm internationalisation process with its key proponents responding that the criticisms advanced “…should perhaps not be primarily an argument
against the process model … but rather an argument for development and differentiation of the model” (Johanson and Vahlne, 1990: 14). It is in this spirit that the current volume of edited studies has been compiled.

Part 1 sets out the original Uppsala process model with the first chapter by Johanson and Vahlne reminding the reader of the methodologies adopted by the early researchers and the absence of an explanation of Swedish internationalising firms' behaviours in the theory of the day, viz. Vernon's product life cycle. Grounded in Edith Penrose's argument that the growth of a firm is contingent upon its ability to develop on its resources (knowledge about resources, as seen by Uppsala) and the constraints placed on decision-making by limited knowledge (as advanced in the Cyert and March and Ahroni's behavioural theory of the firm), Johanson and Vahlne reinforce their explanatory empirical orientation, rather than a prescriptive push to make recommendations on rational patterns of internationalisation. The editors of this volume next provide a very useful articulation of the historical development of the Uppsala model vis-à-vis other process models and speculate on its vitality in the light of the emergence of the born global and the impact of the Internet. Petersen, Pedersen and Deo Sharma look further to modernise the model in the new era of technological sophistication and our improved understanding of knowledge characteristics, while Chetty, Eriksson and Hohenthal begin the suite of empirical studies with a comparison of collaborative experiences and internationalisation across the five countries of interest.

Part 2 includes six chapters on knowledge accumulation and knowledge transfer with a case study by Lindstrand on network experiences and ABB in the Czech Republic, and a survey on supplier knowledge across Denmark, Sweden and New Zealand. Bjerre and Deo Sharma report on key account management and knowledge accumulation and transfer through a case study of Nordisk Kellogg. Hohenthal explores changing organisational memory and internationalisation, concluding that knowledge need not be acquired by direct experience, calling for some revision of the original U-model. Network depth and diversity issues are reported from a survey in New Zealand, Korea and Sweden undertaken by Chetty and Eriksson. Blomstermo and Choi provide an early model of knowledge translation and estimate it against their five-country data using LISREL. Four studies relating to foreign market entry conclude the book in Part 3. New Zealand's telecommunications industry is investigated by Patterson and Chetty for evidence of cooperation to compete internationally, while Choi, Eriksson and Lee investigate the Hyundai Motor Company for evidence of knowledge translation in its internationalisation, and Daewoo's internationalisation into Poland. Larimo concludes this volume with case investigations of two Finnish born global firms using an amalgam of the U-model and Luostarinen's (1979) POM model.

This volume provides a reminder of the manner in which the Uppsala internationalisation process model developed and evolved (which will not allay the concerns that its opponents voice) and it provides recent case and survey evidence on various dimensions of firm internationalisation. Its cases, now published, could provide for varied interpretations by readers steeped in other literatures. It is a worthy addition to our international business literature as scholars remain searching for more complete understanding of the firm internationalisation process(es).

References


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