“As the twig is bent, so grows the tree”
A study of the influence of Swedish corporate culture in managing ethical dilemmas in Brazil

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"As the twig is bent, so grows the tree" – Alexander Pope, (1732). Referring to that one’s actions are dictated by behaviours learned.
Abstract

Throughout history, the Latin American region has faced inequalities in the form of ethical issues that derive from institutional corruption, bribery and negligence. Today, the region is facing an ongoing shift in terms of emerging market potential, whilst influences from global trends are establishing roots. The developed opportunities have earned attention from foreign actors, whereas the prospect of the Brazilian market has received considerate devotion from Swedish companies, that are considering Brazil as a major entry point into the region. The historical influences in relation to cultural differences presents challenges in the management of business relations, as well as in the ethical dilemmas that may arise. The purpose of this thesis is to obtain an understanding concerning the significance within the relation between Swedish corporate culture and facing ethical dilemmas in international business, with the particular focus of the Brazilian market. This thesis is based on a qualitative study in the form of interviews with five represented Swedish companies, in order to gain deeper understanding of the complexity and intangibility behind the corporate cultural phenomenon, as well as related experiences with the concentrated market. Moreover, this study is based on a deductive research, given that the specific relation between Swedish corporate culture and managing ethical issues in Brazil is quite unexplored. Thus, it felt required to gain relevant insight prior to this research.

The theoretical foundation of this thesis is based on a literature review that is divided into acknowledged concepts of internationalization, culture and business ethics. In turn, the theories discussed are relevant to establish a connection in the form of a synthesis that makes sense of the complexity and intangibility that is surrounding the topic of ethical dilemmas, due to differentiating cultural influences on the notion of business ethics and its implementation. The literature review has in turn acted as substance in the analyzing of the presented empirical data gathered through interviews, where the empirical findings are first displayed case by case and followed by a cross-case analysis.

The outcome of this research argues that the corporate cultural values have a significant role in the way Swedish companies can use ethics as a notion of simultaneously shaping the outside perceptions, based on inside operations. Networks are further emphasized as an aspect of transition in the relation between Swedish companies and the Brazilian market, where dilemmas occur when disturbed by differentiating cultural influences. In terms of profitability and long-term sustainability, the extent of implementation where ethical values go, can act as a reinforced tool in terms of creating attractive visibility on the international market.

**Keywords:** Internationalization; Brazil; Sweden; Culture; Corporate culture; Business ethics; Corporate Social Responsibility (CSR)
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1 Introduction chapter

This chapter contains a background to introduce this thesis and to provide an insight to the chosen topics of business ethics in Brazil Swedish Corporate culture. The background is followed by a problem discussion, where the relevance of the topic and the research gap is discussed in order to gain a deeper understanding behind the choice of subject. With the problem discussion as a base, a research question is formulated along with the stated purpose of this thesis. Finally, the chapter ends with delimitations of the study, as well as an outline model to display an overview of the thesis that follows.

1.1 Background

In 2017, the Brazilian construction conglomerate Odebrecht was exposed to the world as the culprit in one of the largest corruption scandals in history. The magnitude of the event involved methods of corruption to assure 100 projects in 12 countries, including the payment of bribes to the amount of 3.3 billion dollars. As a result, the following consequences affected not only Odebrecht, but everyone involved (Lopez, 2017). The scandal resulted in an investigation of one third of the Brazilian government, whilst the former CEO of Odebrecht, Marcelo Odebrecht, was convicted to serve 19 years in prison. As for the once successful company, revenues dropped dramatically and Odebrecht mitigated their number of employees from 180 000 to 80 000 during the exposing of the scandal (BBC, 2017).

Moreover, the scandalous event also gave rise to protestors with the intention of highlighting the inequalities that have been present in the Latin American region throughout history; whereas ethical issues, such as corruption, bribery and negligence, are partial reasons for those inequalities. Consequently, the protestors of the large corruption scandal demanded that people should be held responsible for their actions in order to break the spiral and avoid similar situations in the future. Simultaneously, Odebrecht has stated their intentions to return to the global market in a more ethical way, by giving commitments in their last annual report (BBC, 2017). Despite the good future intentions, events of this sort combined with the historical inequalities highlights some of the dangers that lie within entering the Latin American business environment, promising as it may be. The Brazilian market in particular, is one of the largest emerging markets that is displaying rapid growth with promising long-term potential according to Lynn, Wang and Mehlum (2011), whom also expect them to belong to the world’s largest economies in the next decades. What this case entails in relation to the facts, is that this attractive business environment might also challenge entering actors; as they may face an exposition towards situations of ethical characteristics, where the question of individual company values become tested and proved under real life circumstances.

In terms of seeking out the prospects of the Brazilian market, Lynn et al. (2011) stated at the beginning of this decade that in comparison to other rapidly growing emerging markets, Brazil has just recently started to demonstrate significantly more accessibility by lifting trade barriers and opening up its markets. The gradual process has in turn
attracted foreign actors; whereas Swedish companies have turned their focus towards this major market of the Latin American region. According to reports by Business Sweden (2015), the Brazilian market is acting as an entry point for a large number of Swedish companies, as it is also serving as a base for expanding into South America for many of these companies. As for the Brazilian market alone, the majority of these Swedish companies are only remaining present in this large area, due to the growing prospects of individual sectors. In addition, the reports also state that Brazil has become a major importer of Swedish industrial goods, which in turn emphasizes the mutual beneficial relation that is continuously growing between these two markets (Business Sweden, 2015).

Concerning this growing establishment by Swedish corporations into this foreign market environment, the relation to the history of ethical issues that has followed the entire Latin American region is highlighting one of the challenges within maintaining such relations. According to Hamilton and Webster (2015), the establishment of operations abroad is often exposing corporations to the dilemma of adapting two different standards; meaning that throughout the operational activities between two parties, one of the essential discussions becomes concerned with whose standards should be applied in the ongoing value exchange. The significance in the matter lies within the notion that several companies tend to be attracted to the idea of their own cultural values appearing as the standard. This notion may implicate dilemmas of ethical characteristics that are acting upon differences in perspective; which in turn is due to the differences in culture and values (Hamilton & Webster 2015). Moreover, as standards are a result of cultural perspectives, companies thereby become challenged to approach their international operations with a holistic view. In terms of the role of emerging markets such as Brazil, Cavusgil, Ghauri and Akcal (2013) explore their meaning further by stating that they have an essential role in the current global economy, as well as its future development. Therefore, with further consideration to the cultural differences, the relevance of maintaining business in a proper manner becomes a vital aspect of managing the relations between developed markets, such as Sweden, and emerging markets such as Brazil. The residing differences are bound to have an impact on the relation, that in turn is bound to expose companies to ethical challenges and dilemmas – which has become a highly relevant discussion for the upholding of global business (Crane & Matten, 2010).

In further exploration of the relevance of ethics, the issues and notions discussed can be gathered into the concept of business ethics. This concept in turn, derives from the ethical discipline that observes how our moral standards apply to our decisions in everyday life. Moreover, it is also concerned with whether the standards applied to situations are supported by rationality, and also the question of what said rationality is according to each society. As for where business operations go, ethics serve the purpose as a moral direction of right and wrong (Velasquez, 2002). It is also in general concerned with the practices of organizations as an entity, as well as the actions of leaders and employees, and whether these can be contemplated as morally acceptable. This entails that the moral foundations supporting ethical behavior include perceptions of fairness and harm (Cremer & Tenbrusel, 2012), which can be translated into business conduct. In terms of ethical
dilemmas, they are faced at work by leaders and employees on a daily basis. By putting the notion into a larger context, the international business environment provides all the more complex challenges of ethical nature, as the entering actors may be exposed to issues that are existing in the foreign environment – such as the issues of inequalities and corruption Brazil has faced. Besides the complexity behind foreign environments, there is also a need to account for that with the increased number of stakeholders, comes an increased responsibility for behaving accordingly. This is even more applicable in international business, as the respect for differentiating cultures, regulations and overall values need to be considered (Treviño & Nelson, 2011). In turn, this changes the direction of this discussion, by moving from the macro environment to the organizational micro level.

In terms of implementing ethical practices into business, it can be explained through the development of organizational codes of conduct. Ethical codes are notions for control, which are implemented by companies in order to influence the organizational climate and behavior. Moreover, it has been argued that codes of conduct are an essential part of incorporating value in business decisions. Additionally, ethical codes can be regarded as a way to institutionalize a firm’s values and morals, in the attempt to create standards for the specific organizational culture. Adams, Tashchian and Shore (2001), argue further that the process of combining codes of conduct with corporate culture can serve as a compass for both leaders and employees in facilitating ethical business decisions. What each company needs to consider in terms of such decisions, is that they cannot escape their legal obligations and responsibility for each individual employee and the actions they undertake in the firm’s name. In considering this fact, an organization may increase the possibility of avoiding unethical behavior that could result in illegal situations and issues (Adams et al., 2001).

A company’s incorporated values in terms of cultural ethics can be considered a part of the larger picture, which makes it a component in the total organizational culture. Furthermore, the corporate culture and individual practices are closely related, and in a way, also co-dependent. By assuming that each individual employee is acting accordingly to the collective values of a company, it can be assumed that the relation is shaping the constitution of the residing organizational culture – which in turn includes the values that lay the foundation for how ethical challenges are approached (Treviño & Nelson, 2011). By considering the significance of facilitating ethical values on an organizational level, the following actions of such implementation will have an influence on how the corporation is generally perceived through its actions. In terms of Swedish corporate culture, the current perceptions concerning its general values lies within the ability to adapt to a dynamic environment (Bjerke, 1998). However, at the same time, the Swedish corporate culture is imprinted by a structural approach, along with the value of respecting its surrounding environment and actors; which is one of Sweden’s succeeding factors on the international market (Lindblom, 2009).

Today’s business environment has developed a new sense of responsibility, whereas the implementation of concepts such as Corporate Social Responsibility (CSR) is bringing
new value to the table in terms of economic benefits and image. According to Smith, Palazzo and Bhattacharya (2010), stakeholders are responding to consumer values and requirements that companies should take responsibility for the environment they operate in; which in turn has changed the stakes for the entire value creation process and supply chain. Being as such, organizations may additionally find themselves in a position that requires adaptation or further enhancement of the organizational foundation from which employees act upon when facing challenges of ethical characteristics (Hansen, Dunford, Alge & Jackson, 2016).

1.2 Problem discussion

The relevance of corporate culture in terms of business decisions is connected to the residing values of each society. There has been an ongoing discussion of a common agreement concerning issues related to business ethics, as well as how ethical dilemmas could be managed across cultures (Weaver, 2001). The background problematizes the issue concerning standards and how they are characterized by differentiating values across cultures, which gives rise to the question of whose standards should be adopted throughout the value exchange and relationship between two or several parties. In relation to the discussion of common agreements concerned with ethics, this also implicates that the differences in values across cultures has an impact on the overall perspective towards what is considered morally acceptable related to business. In turn, these perspectives have an impact on shaping the operational environment for all parties involved, which creates a need for certain common grounds regarding ethical behavior.

As previously stated, Cremer and Tenbrusel (2012) argued that the standards in question for each individual culture is supported by moral foundations concerning fairness and harm. By returning to the issue of determining which standards should be applied, Weaver (2001) contributes to the discussion further by stating that initiatives by corporations that are considered appropriate in one cultural context, may not be applicable in another setting. At the same time, conflicts may ascend from differentiating perspectives overall in terms of what is perceived as the normative practice that involved actors conform to and consider to be rational (Weaver, 2001). In other cases, perhaps as displayed by the Odebrecht scandal in Brazil, the rationality per se may be influenced by other motives, and thereby result in harm where the surrounding environment is concerned. In order to characterize a situation as an ethical issue, Crane and Matten (2010) provides a number of identifying factors that generalize the assumptions. First, the decision is prone to affect others, meaning that the issues of ethical nature are considered beyond the self. Secondly, ethical dilemmas are characterized by the notion of choices, giving them several options in the matter of decision making. Finally, the decision in question should be relevant in terms of ethics to one or more parties.

Moving beyond the philosophical definitions, as previously stated, the role of emerging markets are increasing on a global scale. Lynn et al. (2011) explain that the display of promising growth is attracting foreign companies to enter these markets, whereas this fact aligns with the interest from Swedish companies in the Brazilian market. However,
Cavusgil et al. (2013) mean the attractiveness is also exposing corporations to values and practices they may not be familiar with in their home market. The increasing desire to explore uncharted territory and take advantage of opportunities may result in the involvement of typical ethical issues; such as a case of corruption and bribery that introduced this thesis. The presented Odebrecht scandal serves the purpose of displaying the relevance of business ethics, as well as showing how severe the consequences could become for a company if questions and situations of ethical characteristics are not managed appropriately. The Brazilian company ended up hurting their image, as well as affect the entire Latin American business region through the corruption and bribery scandal. In terms of the organizational level, it is clear that there was a lack of incorporated values within Odebrecht to serve as guidance in the ethical situation that arose, which could also stand as the reason for their involvement. In addition, when assessing situations that involve corruption and bribery, differentiating perceptions need to be accounted for. These perceptions are in turn related to the residing culture and social conditions. In several cultures, gifts and different types of payments are recognized as bribes, whilst in others, this is merely a part of relationship building. Hence, a cautionary approach should be taken into consideration whilst facing situations of those characteristics, in order to choose appropriate paths in ethical dilemmas as such (Cavusgil et al., 2013).

To further explore the cultural impacts on ethical decision making, Oumlil and Balloun (2017) mean that several theories have previously discussed that culture is believed to be one of the significant factors in influencing ethical decisions. In reference to history, culture is still being widely regarded as an intangible phenomenon. However, one of the drawn conclusions has been that businesses tend to regard their involvement in ethical questions through their role in the respective society that they operate in; meaning that the role of each individual company is related to their sense of responsibility (Oumlil & Balloun, 2017). Companies with larger impacts on the environment as well as involvement in the society seem to tend towards having a more significant effect on others, meaning beyond the self. Additionally, this returns to one of the key aspects by Crane and Matten (2010) in determining the moral foundation of an ethical decision. The relation between a company, a society and its individuals are all interconnected through culture, meaning that their actions are bound to have a considered effect on one another.

Steers, Nardon and Sanchez-Runde (2016) are exploring the role of the individual further in their argument that ethical standards do not derive from organizations itself, but from its people. Hence, the determination of what is ethically right or wrong in terms of actions has a direct link to a company’s employees, executives and managers. As a result, the responsibility to act ethically and do right by each society lies within the individual perception; one that is taught to act according to the culture it exists in. In addition, this is also the case for the culture that lies within organizations. The cultural phenomena itself is a distinctive factor among nations, as previously discussed, which provides a similar case for organizational operations. In order to understand the effect of corporate cultures, it can be valuable to consider how they are reinforced and what evaluative components are critical to the process (Steers et al., 2016). The problematization of managing ethical
dilemmas is followed by the notion of distinctive perspectives in terms of culture, which means that one optimal solution in one context is not necessarily bound to applicable in another. Moreover, the recognition of how culture has an impact on daily operations, practices and solution when dealing with ethical dilemmas, highlights the connection to a company’s corporate culture even further. Thus, that potentially makes it one of the significant factors in determining the course in managing ethical dilemmas that may arise in international business operations.

1.3 The research gap

The relationship between ethical issues and cultural influences have received considerable attention in literature. Oumil and Balloun (2017) stress that culture is considered to be the fundamental influence in the decision-making process in terms of ethics, as well as one of the main aspects shaping the rise of ethical situations in general. However, questions remain as to how cultural differences and similarities impact ethical practices within business. Accordingly, there is a recent call for research to create further understanding within different cultural contexts and their disciplines. In turn, this is where a study of the relation between Swedish companies and their establishment in the Brazilian market can contribute. Furthermore, since the Brazilian market holds such potential and has gained a particular focus from Swedish companies, due to its size and opportunities, it is worthy of further research. In terms of differentiating contexts and disciplines, Adams et al. (2001) proves that the discussion of corporate culture in relation to facilitating ethical business decisions has been ongoing for years. However, whilst normative approaches to conform to and consider rational have been established, the remaining question considered with appropriate standards is one that continues to have an influence on the overall management of ethical issues in international business, as well as its complexity. In this case, the complexity refers to how each individual operation usually perceives their own practices as the standard approach, and how this standard in turn becomes the approach towards ethical challenges. Moreover, the input of individual managers, executives and employees is constantly acting as a contributing factor to the governing organizational culture that is facilitating the framework from which decisions derive.

The discussion arising concerning the chosen topic reveals that literature has tried to identify a general ground for managing ethical dilemmas, which includes the continuing identification of normative approaches from which companies can adapt to. The discussed research includes a certain set of frameworks for dealing with ethical issues from a global and common perspective, which is not always applicable due to differences between cultures and countries. The theoretical gap that has been identified is a lack of guidance in terms of the relation between managing ethical issues and corporate culture, with a narrower focus on certain cultures and countries. Thus, this thesis aims to analyze the Swedish corporate culture more closely in order to examine its relevance in managing ethical dilemmas, with a focus on the emerging market Brazil. This research is expected to contribute with a deeper understanding of how Swedish corporations implement
notions of ethical dilemma management, as well as to what extent the management of ethical issues is a part of the corporate culture and influenced by it.

1.4 Problem definition
With the established focus on Swedish corporate culture in relation to the internationalization and cross-cultural ethical dilemmas encountered in the Brazilian market, the research question of this thesis is as follows:

How does Swedish corporate culture affect the management of ethical dilemmas encountered in the Brazilian market?

1.5 Purpose
The purpose of this study is to obtain an understanding concerning the significance within the relation between Swedish corporate culture and facing ethical dilemmas in international business, with a focus on the emerging Brazilian market. By analyzing the business operations of five Swedish enterprises and their internationalization process to this region, the cultural perspective is examined in relation to the moral standards that follows with ethical dilemmas in business.

1.6 Delimitations
The focus of this study lies within how corporate culture can be used as a framework for managing ethical dilemmas in international business. However, in order to investigate this matter, this study includes an overview of the Swedish and the Brazilian national cultures, since it acts as an basis of the corporate culture. As the research is emphasizing the Swedish corporate culture, the scope is thereby limited. Furthermore, the limitations also include a focus on Swedish enterprises that are already internationalized around the world. To further limit the scope, the main attention is pointed towards the internationalization to the emerging market Brazil.
1.7 Outline

**Introduction** – The first chapter presents a background of the topic and a problem discussion, followed by the main research question and purpose of this study. Also, the chapter consist of a delimitation section.

**Literature review** – The second chapter contains a literature review where the theories are presented. Furthermore, the chapter illustrates and connects the main theoretical concepts together.

**Methodology** – The third chapter presents the choice of method for this thesis, as well as describing the research process. The chapter include the choice of approach and how data was collected and interpreted.

**Empirical findings** – In the fourth chapter, the empirical data is presented along with empirical findings. Each case is presented separately and the chapter contains an interpretation of the data collected from interviews.

**Analysis** – In the fifth chapter, the literature review is connected with the empirical findings. The chapter also includes a discussing of the findings, similarities and differentiating factors.

**Conclusion** – In the sixth and final chapter, a summarize and conclusion about the findings from the analysis are presented. It also includes a presentation of the answer of the research question with implications and limitations, along with a proposal for future research.
2 Literature review

In this chapter, a literature review for the chosen topic of this thesis is presented. The chapter is reviewing the different theories in relation to the background section and the formulated research question. The theories include internationalization; in order to understand the initiation of conducting business in Brazil, along with culture; in order to assess influences, and finally the concept of ethics; along with the common implementation and translation into CSR initiatives. Besides this, with the literature review as an helping aid, there is a presentation of a theoretical synthesis model which combines the use of theories in order to create a deeper understanding.

2.1 Internationalization

Companies all over the world are competing against each other on a global market and as a result, both products and services are flowing between locations without borders in mind. This process is generally defined as globalization and due to the interconnection between countries, a lot of companies choose to penetrate new foreign markets in order to expand their sales. By expanding internationally, companies receive the opportunity to enter more profitable markets which could result in better access to worldwide information and development. The expansion into foreign markets can be explained through the process of internationalization, which implies that a firm is expanding any part of their internal or external business activities (Hollensen, 2011).

2.1.1 Internationalization triggers

In order to protect business operations and detect opportunities, companies need to constantly be observant of their surrounding environment. The motivations for a company to internationalize can be divided into two categories; proactive and reactive triggers. The first category of internationalization triggers, proactive, refers to companies that strive towards reaching strategic changes and actively initiate the internationalization process. In contrary, the reactive motivations are acting as responses towards the dynamic environment and its demands (Czinkota & Ronkainen, 2007).

Furthermore, proactive triggers are generally more common in company start-ups, due to the willingness to achieve rapid growth (Johanson, Blomstermo, & Pahlberg, 2002). Some of the proactive triggers that motivate companies to expand their business abroad is the potential profitability and business growth. If a company possesses a unique product or a technological advantage, it can provide further sales opportunities. Another trigger could be economies of scale, whereas the sales to a foreign country to increase the production could generate a competitive advantage. Additionally, by operating on an international scale, the access to information can be used to gather data about consumers and competitors, as well as used as an advantage in future business (Czinkota & Ronkainen, 2007). To remain relevant on the international market, companies need to interact with foreign suppliers to gain access to business networks. In turn, this interaction can result in useful information for future network development. Also, proactive business decisions involve the active search for international opportunities, rather than waiting for
them to appear. In order to do so, it is crucial for organizations to maintain regular contact with the foreign markets, as well as remaining perceptive towards new business opportunities. As an additional result, a company can also be more prepared for changes in the environment and sudden unpredictable events (Hollensen, 2011).

Balanced against, reactive triggers emphasize the responses of companies to pressure and threats in both the domestic- and foreign market. Companies may feel a certain fear of losing market shares to competing actors on the market, which could cause damage to their position (Hollensen, 2011). The situation today involves high competition on the market, which triggers companies to internationalize in order to potentially grow. Meanwhile, the companies that choose not to, may risk losing opportunities to enter new markets and thereby risk their current position in the domestic market as well. Furthermore, to expand abroad could also aid in the resistance of being outcompeted by foreign companies that desire to enter the domestic market, meaning that the targeted market is expanded (Czinkota & Ronkainen, 2007). According to Czinkota and Ronkainen (2007), reactive triggers can further entail that companies that can not benefit from their full capacity need to respond to opportunities that can broaden the distribution of the fixed costs, where internationalization could be a solution. Another reactive trigger could be the proximity to customers in other countries, meaning that smaller physical distances to other markets could initiate an internationalization process as a result of accessibility (Hollensen, 2011).

2.1.2 Mode of entry

In an internationalization process, the choice of entry mode is the crucial decision. Entry mode can be explained as a selection of strategy that can be used during the entry into foreign markets (Brouthers, 2002). According to Albaum and Duerr (2008), the decision of which type of entry mode also decides the level of involvement and control over the foreign market. A company can evaluate a country’s capabilities in order to find the most suitable entry mode for internationalization. Furthermore, the entry strategy is guided by market size, market potential and business environment (Cavusgil et al, 2013). Followed by decision of which type of entry mode that should be implemented, it is crucial to adapt it due to the consequences that the change could generate (Brouthers & Hennart, 2007). Furthermore, the entry strategy needs to adjust to environmental changes in order to increase the resource commitment (Meyer & Tran, 2006). According to Johanson and Vahlne (1993), a company should choose an entry strategy that requires less commitment and is adapted to its market. The chosen entry mode can be executed by marketing activities or production and it could also be defined as an agreement between two countries. The agreement in turn determines which entry mode the companies are allowed to use in a specific country (Sharma & Erramilli, 2014).

Moreover, the most common entry mode is through export, which companies are using as a first step to establish themselves on international markets (McNaughton, 2001). The phenomenon of export could be explained by products that are made in one country and sold to another. By using export as an entry mode, the company can gain the benefits of
high flexibility, minimal risks and control. However, the concept of export can be divided into either direct or indirect export, which also could be referred to as trade-based entry modes. The indirect export can be explained as no direct responsibility or control that lies within the manufacturing firm, instead, the activities are handled by another company in the foreign market. In contrary, in terms of direct export, the manufacturer is in charge of carrying out the international sales (Hollensen, 2011).

Furthermore, Brazil is classified as an emerging economy due to the high economic growth in the country (Meyer & Tran, 2006). Hence, Brazil is an attractive market to establish business in, although there lies a certain risk of the involvement with business in emerging economies. When companies enter these markets, they have to choose an entry mode that requires less commitment. In order to manage the differences that lies in the behaviour among people during encounters on foreign markets, exports could be the easiest entry mode due to the low involvement (Johanson & Vahlne, 1993). Moreover, in this type of entry mode, the company’s operations are concentrated on one country. Also, one advantage of export is that there is no need for costly operational facilities in the host countries. On the other hand, the negative effect of export could be the mitigation of opportunities to gain knowledge about the local market and its competitors (Johnson, Scholes & Whittington, 2008). However, export is preferable when a company does not prefer to get too involved in the foreign market or do not require the ability to develop differentiated products. In conclusion, the entry mode should be avoided if the company sees a potential return through other entry modes that are considered high instead (Agarwal & Ramaswami, 1992).

According to Kogut and Singh (1988), the external environment and cultures of countries can have an effect on the decision of entry modes. Kogut and Singh (1988), further argues that a large distance between countries also equals a more distant organizational characteristic. In turn, this could lead to conflicts and difficulties between the countries and could also have negative effects on the expansion. Hence, it is important to control and consider the foreign country’s culture in order to choose the right entry mode.

Besides export as a mode of entry, other ways to enter foreign markets include intermediate- and hierarchical modes. First, an intermediate mode includes a contractual agreement, where the level of risk is higher than export, although still lower than a hierarchical mode. Both the control and the ownership are shared and the new form of business can be explained as a joint venture. Second, the hierarchical mode can be explained with the term of internalizing, where the level of risk increases along with the control, while the flexibility is mitigated. In other words, this form of entry mode is referred to as an investment mode and mostly known as foreign direct investment. However, both the above mentioned modes of entry involve establishing a local presence to a different extent than through export modes (Hollensen, 2011).
2.2 Culture

The phenomenon of culture is a broad concept that is applicable in most contexts. In the
certain context of individuals, all persons convey different patterns of feeling, thinking
and acting as a result of impacts and learning throughout a lifetime (Hofstede, Hofstede
& Minkov, 2010). In international business, the importance of culture among nations has
increased during the last two decades. According to Leung, Bhagat, Buchan, Erez and
Gibson (2005), the extensive increase mostly derives from the timeless work by Hofstede
first done in 1980, which proves the impact of national cultures on main business
activities.

Furthermore, Hofstede et al. (2010) stated that nations are usually dominated by strong
forces that works in order to integrate further. Hence, nations that have existed for a long
while consist of dominant pillars of one language, one political system, one system of
education and so fourth. This controls the nation and tries to imprint a certain way of
thinking, acting and feeling for its belonging citizens. It can be equally compared to a
certain way of mental programming, integrating a society to acquire a certain culture. As
a conclusion, Hofstede, Garibaldi de Hilal, Malvezzi, Tanure and Vinken (2010) describe
that:

“culture is the collective programming of the mind that distinguishes the members of one
group or category of people from others” (p.1).

Moreover, the classic work by Hofstede (1980) included research within forty countries
in order to analyze and compare national culture, where the concept of mental
programming within nations and their impact across nations were investigated. The
concept of mental programming can be referred to the culture that is learned and
imprinted from early childhood and throughout the whole lifetime of an individual.
Hofstede (1980) means that the mental programming constitutes an important part of
national culture, as well as highlights the different values that has clear dominance within
one nation compared to another.

Moreover, the research was concluded to four dimensions in order to measure national
culture, where the different countries would be compared and given scores. The
dimensions included Power Distance, Uncertainty Avoidance, Individualism and
Masculinity (Hofstede, 1980). Years later, two further dimensions were added in order to
enlarge the classic work; Long term Orientation and Indulgence (Hofstede et al. 2010).
Below follows a short explanation about the cultural dimensions by Hofstede et al.
(2010).

Power Distance
This dimension refers to the attitude of people about unequal distribution of power in a
society. Not all individuals obtain the same power in a society and whether the gap is
accepted or not refers to dimension of high or low power distance.
Uncertainty Avoidance
The dimension of uncertainty avoidance refers to the extent of uncertainty in facing ambiguous situations in societies. It can be explained as a question about the future, where the two options are control (high degree of uncertainty avoidance) or gamble (low degree of uncertainty avoidance).

Individualism versus Collectivism
Individualism versus collectivism refers to the self-image of people in a society and whether they prefer to express themselves as a part of a group (collectivism) or as independent people (individualism).

Masculinity versus Femininity
This dimension can be explained by motivation among people. The masculine term refers to competition and gaining material possessions, while the feminine term instead refers to quality of life and enjoying the situation.

Long term Orientation
This later added dimension refers to the orientation among societies and whether they strive to keep traditions and norms or prepare for the future by following trends. A high score on a long-term orientation can be explained as a pragmatic approach, where the focus lies on the future. On the other hand, a low score on long-term orientation can be explained as a normative society with focus on keeping things the way they are.

Indulgence versus Restraint
This dimension was also added later and refers to the extent of how people are meant to enjoy their lives or hold back on their desires. In a society with a high score on indulgence, it is acceptable to cater needs, while a restraint society has more control over its inhabitants.

With above discussed dimensions in mind, business has due to the large scale of globalization turned culture into a significant topic within ethical research. Currently, the international business environment is characterized by unethical practices between countries since the attitude against ethics vary. Furthermore, along with the globalization follows ethical dilemmas that is a common encounter for managers of global firms around the world. Contrasting values among cultures may influence the behaviour in terms of ethics, which international business is affected by. Although, by analyzing cultural differences and gather knowledge in advance, it could generate a deeper understanding that in turn also could result in an enhancement of understanding ethical notions within international business (Okpara, 2014).

2.2.1 Corporate culture
Approaching issues on an internal and external level within a company includes the results of developed assumptions from its employees. These assumptions are part of creating the corporate culture that is significant for managing business ethics. A corporate
culture can be both positive and negative behaviors and affects a company’s atmosphere, which in turn creates brand identity and customer loyalty. How the company looks like on the inside, reflects on the outside. A strong corporate culture comes with many benefits that are significant for companies and with a strong identity, a company can keep the values coherent (Han, 2012). Furthermore, the values that the corporate culture is imprinted by, is affecting the business between companies and how they interact with each other. Additionally, vision is a powerful tool that can reflect the company, and the values are necessary to achieve a company’s vision (Garmendia, 2004). According to Alton (2017), the values are a guideline for the ethics and with the employees and management, the overall culture of a company can be created.

Moreover, the corporate culture has expand in line with the current global trends and competition. In previous years, the corporate culture has been significant to make the company more visible and more attractive. Companies can use their culture to show the outside world how they work and deal with ethical dilemmas (Overbeeke & Snizek, 2005). However, the corporate culture is different in every country and it is difficult to change a corporate culture, since companies interlock a set of roles, processes, values, and assumptions which are the substance of a company’s culture (Denning, 2011). The modern workplace is continuously changing, whereas in many situations the corporate culture can be implied in different manners. However, an adaptation to other cultures helps the company with their business relation and process. For a company’s survival and for future development, it is significant to adopt the corporate culture to the companies they currently doing businesses with, since the corporate culture aids the company in manging business transactions with other customers (Schein, 2009).

2.2.2 Swedish corporate culture

Swedish companies are known for working innovatively and for their tendency to export (Birkinshaw, 2002). Furthermore, Swedish companies are perceptive to find new markets, business opportunities and are competent to adapt to changes in the business environment (Bjerke, 1998). Further according to Bjerke (1998) the Swedish corporate culture is characterized by equality between genders, professions and generations, which generates to a low level of power distance in Sweden. In general, the differences in social classes are minimal and the residents in Sweden have the same rights, rules and laws (Bjerke, 1998).

Sweden is characterised by individualism, which means that people have freedom and challenges in their work (Hofstede et al. 2010). The equality that resides in Swedish companies generally generates an attractive working environment and enables the employees to be treated fairly (Bjerke, 1998). In the Scandinavian countries there is a commitment to democratic values and there is a vertical communication in Swedish companies, which makes it easier for the employees to confront their managers and be able to affect their business environment (Philipsson, 2004).
In business, the level of tolerance of uncertainty is high in Sweden and that makes the country less resistant to changes, as well as making them more able to apt new ways of innovations which has a lot of important consequences in the world of businesses. Swedish companies are known to be structured, following rules and laws and people in Swedish companies respect other cultures. In addition, as previously stated, Sweden is attractive on the international market thanks to their adaptability to other countries (Lindblom, 2009).

2.2.3 The institutional concept
The concept of institutional theory is aspiring to emphasize the actions and practices that are the underlying forces within an organization or governing state. This refers to the actions followed by given assumptions of how an organization or society is acting in relation to its surroundings, as well as the formal and informal set of rules that may interfere with the notion of what is considered the rational approach in some cases. Furthermore, the concept is embodying how organizations continuously evolve into stable entities, whilst they are operating in dynamic environments (Eriksson-Zetterquist, 2009); meaning that the shaped institutions could be understood as a stabilizing force in order to create certainty where uncertainty is residing. In turn, this idea may be an explanation of how employees are able to make sense of their working environment. In an effort to create a unified explanation of the concept and its theoretical components, Scott (2008) provides the following definition:

‘Institutions are comprised of regulative, normative and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life.’” (p. 48).

The context of this definition can be deciphered by looking at its key components, which includes the relation between regulative elements and associated activities. In order to create further understanding, Scott (2008) relates these acting components to the function of structures, meaning that the structures in question are given identifiable objectives for the sake of creating a relatable framework. These frameworks are usually recognized as rules, norms and cultural-cognitive viewpoints that are acting as symbolic systems; which is recognized as a central function within the institutional concept (Scott, 2008). However, in contribution to a culture’s logics and systematic construction, Hallett and Ventresca (2006) added to the idea by emphasizing another key aspect; which is the people that are inhabiting the created structures and sustaining them through reproductive behaviors and interactions. With that contribution being stated, the theory and concept itself is underlining the significance of social interactions as a fundamental aspect in creating patterns that are assisted by sanctioning powers in order to be embodied and upheld (Hallet & Ventresca, 2006); which is the supporting force of upholding any cultural setting and providing power and meaning to organizational cultures and their functions.
2.3 Business ethics

The concept of business ethics has been stated as a moral direction of right and wrong (Velasquez, 2002). As it is an aspect of everyday business, which can be applicable in daily operations, the concept derives from business consequences and its impact on the social environment; resulting in practices such as CSR (Porter & Kramer, 2011). Although the subject has received positive recognition throughout recent years and codes of conduct have been developed within companies and countries on a global scale, research shows that it is still an ongoing process. Wood (2017) questions whether the impacts of a globalized world has created a better place from an ethical perspective or not, while there are uncertainties concerning the future. However, the remaining global responsibility still lies within the citizens of the world in order to prepare for a better business environment in the future.

2.3.1 A philosophical input: Consequential ethics

Since the beginning of political and economic systems, each society has witnessed continuous developments of ideologies concerned with fairness and ethics. To this day, a number of philosophies from the past remain, as they have manifested themselves in way that continues to provide meaning; whereas one of these remaining concepts is Utilitarianism. In 1892, Hodder argued for its position by explaining that the philosophy is concerned with the resulting consequences of actions, meaning whether the intended actions will result in happiness or unhappiness for the largest amount. Thus, the identified consequences will thereby metaphorically base the intended actions with a level of intended pleasure and absence of pain, which is determined by the largest quantity of each in decision making processes (Hodder, 1892). In turn, this form of consequential ethics is remaining relatable to the decisions made within business and organizations. According to Brady and Wheeler (1996), utilitarianism has mainly been emphasized as a significant element of behavioral models for business ethics; making it an incorporated element of the individual decision making systems that operate simultaneously with additional internal and external factors that influence business decisions.

However, as the utilitarian concept aspires to identify and evaluate ethical situations through its potential consequences, it does not identify the nature or type of consequences specifically; which leaves some room for other socially constructed ideas, in terms of managing purposes (Brady & Wheeler, 1996). Nevertheless, ethical situations are assessed through morality, which descend from differentiating values. In turn, individual values and beliefs are not necessarily bound to moral foundations; yet they remain significant for the course of business. Bosupeng (2017) highlights this significance further, by implying that businesses today are considering their profits in relation to the moral obligations in a more extensive matter, meaning that the responsibility is generally being all the more acknowledged. Moreover, even though ethics partially remains without clear definitions, it is argued that its significance lies within the ethical reasoning and development – as it is acting as a foundation from which actions are defined as right or wrong; which explains the significance of applying consequential ethics such as the utilitarian concept. The notion of considering that actions should benefit the greatest good
for the greatest number of individuals can become a vital aspect in the decisions it may aspire (Bosupeng, 2017). Consequentially, ethical values and beliefs inspired by such may result in influencing daily operations in a more ethical manner, as well as influence the overall corporate values that are developed and conducted in business environments.

2.3.2 Business ethics in Brazil

The rising importance of ethical aspects within effective incorporation is a constant reminder of its interdependence with a free and democratic market (Tsalikis, Seaton & Shepherd, 2014). As organizations all over the world are turning more global in order to compete on an international market, cultural differences are constantly affecting and obstructing a smooth practice between two parties. Bekuun, Stedham and Yamamura (2003) further argue that there is a certain potential where business ethics could be influenced by the national culture of a country or a region. In Latin America, the topic about ethical considerations within business is a persistent and a never truly solved issue. For many years, the region has been characterized by scandals of corruption, bribery and impunity as a result from many years of dictation in most Latin American countries. In turn, the ethical standards of the region have had deep effects on both organizations, individuals as well as economical systems (Arruda, 1997).

In Brazil, there are a lot of organizations, both national and international, that have dealt with ethical issues at some point. For decades, there have been efforts to mitigate the spread issues about low ethical standards within the country in order to see an end of corruption, bribes and impunity. For example, certain codes of ethics to behave in accordance with the effect companies have on society has been implemented for companies and individuals to follow. However, the answer about how well this have succeeded in order to really mitigate the problems in real life is blurred (Arruda, 1997). As a result, Brazil has since 1990 applicated and revised both anti-corruption laws and anti-bribery laws in the country to further deal with the problems that still arise within business (Varriale, 2012).

2.3.3 The role of Corporate Social Responsibility

The earlier stated relevance concerning CSR in today’s business environment is linked to several elements that influence the value creation process. According to Manasakis (2018), [...] ‘’CSR has become a mainstream business practice, attracting broad attention from business, consumers, academics, and policymakers, leading firms to account for the social and environmental footprints of their activities’’ (p. 486). The strategies of implementation are in turn resulting in social and environmental considerations in the form of codes of conducts, which were earlier discussed as guidelines for conducting ethical business practices through the adaptation of values. In turn, the codes that are related to CSR practices are measured as broadly accepted, which further indicates that the significance is commonly recognized (Manasakis, 2018).

To exemplify one reasoning behind CSR implementation, the work of Porter and Kramer (2011) displays a number of social impacts that may derive from the aspiration of
companies to achieve competitive advantage, whereas some of these relate to; environmental impacts, the safety-, skills- and health of employees, as well as supplier access and viability. Furthermore, the discussion surrounding the concept of shared value, which is one of the implications of CSR, has gained all the more attention in developing countries and disadvantaged communities; where the recognition as viable markets is an ongoing process in a global sense. One of the markets that are gaining continuously increased attention in this case is the Brazilian market, since it provides the opportunity to reach millions of new consumers. Additionally, even with its current social challenges, this particular emerging market is, as previously stated, showing increasing prospect that is resulting in all the more interest from foreign actors. Combined with the concept of shared value, there are profitable solutions to be sought in terms of social problems as well; which further highlights the global attractiveness towards CSR practices (Porter & Kramer, 2011).

In terms of the role of CSR within organizations and their daily operations, Puncheva-Michelotti, Hudson and Michelotti (2018) argue that the responses to CSR initiatives and activities by individuals are linked to personal benefits that are perceived by such actions. In turn, this can be regarded as further motivation to undertake such actions from an internal perspective that is combined with the external factors previously discussed. This can additionally also be said for the potential result of stakeholder support within a company’s active industry (Puncheva-Michelotti et al., 2018). Nonetheless, Hansen et al. (2016) explore the relation between the individual employee and an organization’s CSR activity further by adding the notion that employees continuously evaluate the context of their working environment; in order to comprehend and make sense of its activities. Consequently, one aspect of the search for context involves the perception of fairness, as well as attitudes and behaviors of top management actions concerning ethics, alongside the CSR practices and activity. In turn, the researchers suggest that ‘[..] employees look outward to observe how their organization treats people outside of the organization – via CSR activities and initiatives – and process this information internally, almost as if the CSR activity were directed toward themselves’” (p. 651); meaning that the level of value in what is interpreted may have an impact on the actions undertaken by the employees in the company name (Hansen et al., 2016).

As for the results of company actions, the benefits of incorporating CSR as a source of value creation may contribute to a competitive advantage on both the domestic and international market. Manasakis (2018) further argues that initiatives such as charitable donations and investments in business processes or sustainable production technologies may result in valuable and rare resources. In turn, these resources are both sustaining and attracting new stakeholders; which further argues for the economical and marketing benefits of CSR.
2.4 Theoretical Synthesis

The model below demonstrates how the presented theories for this thesis is creating a holistic view of the components, where the acknowledged concepts connects in the form of a synthesis in order to make sense of the complex notions and intangibility. By connecting the different theories, it becomes clear that the complex components are not firmly operating in a strict path, instead, the small parts together affect the outcome. In turn, an understanding can be gained about the different theories and a connection can be drawn between the Swedish corporate culture and the management of ethical dilemmas in Brazil.

Figure 1: Theoretical synthesis
3 Methodology

This chapter contains the chosen method for conducting this thesis. The methodology is describing the reasoning behind the choice of a deductive approach and a qualitative research, as well as how data is collected, interpreted and presented in a valid and reliable way with ethical considerations in mind. An operationalization that divides internationalization, culture and business ethics is visible to demonstrate the foundation of the conducted interviews. Furthermore, the chapter includes an explanation of how the selection of cases were condoned and the reasoning behind the choice of a multi-case study.

3.1 Deductive research approach

The deductive research process starts with the already existing knowledge and theories that are based on an overall set of known assumptions (Ghauri & Grønhaug, 2010). In this thesis, the research derives from a theoretical perspective, and therefore a deductive approach is most suitable. The literature review provides the research gap with significant information and a better understanding of how Swedish companies are adapting their corporate culture to ethical challenges (Watt, 2007). In a deductive approach the research starts with a hypothesis or research question of what the researcher wants to analyze. After the setup of questions, the collection of information and data begins to collect the information that is needed in order to answer the research question (Ghauri & Grønhaug, 2010), in this case, the question of how Swedish corporate culture has an affect on ethics in the Brazilian market.

Furthermore, the connection between theory and empirical data describes the research approach with the aims to come across the gap among academic statements and empirical experiences (Edling & Hedström, 2003). A deductive approach derives from logic (Alvesson & Sköldberg, 2000), and is associated with less risk than an inductive approach. Additionally, the deductive approach is the relationship between theory and the result (Ghauri & Grønhaug, 2010).

3.2 Qualitative research

To gain a deeper understanding of the Swedish corporate culture, the chosen method for this thesis is a qualitative research. In order to answer the research question, the qualitative method is acting as a framework for providing profundity and the flexibility that this thesis requires. Larsen (2010) characterizes a qualitative method by a smaller scale, where the research is conducted face-to-face, usually by interviews or observations. To be able to explain the chosen phenomenon in an adequate way, interviews were conducted to gain a broader understanding of the reality of situations (Kothari 2004). Denscombe (2010) further states that studies that have their background in the exploratory stage, can together with a qualitative approach provide details that are necessary to implement the study. Thus, our study is based on this approach.
As stated earlier, the aim of this research is to understand how Swedish companies are managing ethical dilemmas, as well as how the companies are adopting the corporate culture to their purpose. According to Rossetto (2014), the interview questions hold value for the research process, and with profound content, the analyze can provide information in order to fill in the identified research gap. This statement further argues for why a qualitative research was the most suitable method in the process of answering the research question of this thesis. Throughout our research, the purpose was to gather information from companies that operate internationally, to get an overview of how they have dealt with ethical challenge within the Brazilian market.

Further advantages of a qualitative research are that the questions, almost every time, are answered. In addition, the use of supplementary questions can lead to more extensive information, unlike quantitative methods of larger scale, where the answers can be limited and exclude significant information (Denscombe, 2010). Therefore, a qualitative method provides us as researcher, as well as potential readers, with a deeper understanding of how the Swedish corporate culture is perceived in different companies, and how they have influenced the managing ethical dilemmas in the Brazilian market. Through conducting interviews, we had the benefit of asking open questions that helped us create an overview of the phenomenon and also gain more relevant insight to the topic.

3.3 Case study research design

According to Yin (2018:26), a research design can be defined as [. . .] “a logical plan for getting from here to there”. In this case, the word “here” can be explained as the questions to tackle, while “there” refers to the certain conclusions about the specific questions. In between, there are a few steps to be found, both small and major, in order to find the right path. Furthermore, Ghauri and Grönhaug (2010) also argue that a research design can be regarded as a plan, where the final goal is to explore the empirical research in order to connect it to the problematization of the research. However, a simple way of comprehending research design is to regard the connection between the questions to study and how to gather the relevant data in order to analyze the results of the research (Yin, 2018).

Moreover, since a qualitative research includes different approaches such as surveys, experiments or case studies (Denscombe, 2014), a certain importance lies within the choice of an appropriate research design, which has a main purpose to connect the evidence with the research question in order to make it trustworthy and relevant (Yin, 2018). In the choice of an appropriate research design, Denscombe (2014) argues that a case study in qualitative research can bring a depth in understanding a certain event or experience, while Gomm, Hammersley and Foster (2000) state that there is a wider amount of detailed informations in case studies, compared to survey collections. At the same time, Yin (2018) means that a case study is the most suitable method when the research question starts with a “how” or “why”, such as in our case.
For this research, we chose to make a case study design. The reason behind our choice is due to the depth we aimed to reach in our gathered information. Since the cases include interviews about certain events and experiences, we considered a case study design as the most relevant research method in order to gather trustworthy and information of relevance. Furthermore, this research aimed to collect more detailed material, rather than general information. According to Denscombe (2014), case studies aim to analyze the specifics in order to highlight the general, which was our intention as well, since our intent was to find patterns of the connection between Swedish corporate culture and guidance in the managing of ethical dilemmas, by looking at certain cases. Also, Yin’s (2018) statement about the connection of case study and research questions of “how” and “why” gave us an argument to choose a case study design. However, in order to relate the research question with our empirical findings, we agreed that there was a need for a deeper understanding of the phenomenon in specific cases instead of general information to apply in our research.

3.3.1 Multi-case study design
Conforming to Gomm et al. (2000), the number of cases examined is the most important decision when conducting a case study design within a research. Yin (2018) states that there are two various ways, single-case and multiple-case studies, to take into consideration in terms of choosing an appropriate number of cases. The single-case study involves an individual case alone, while a multiple-case study instead focuses on several cases within one research. Although both ways of conducting a research are regarded to be appropriate in order to gather relevant information, the multi-case study is the most preferable in order to gather more valuable contents with more than just one perspective (Yin, 2018).

This thesis aimed to gather information from a multi-case study, in order to analyze the topic from a wider perspective. By doing so, we could stay objective in our research and also emphasize the differences in the events and experiences among the respondents. All events and experiences of an internationalization process to Brazil are unique among the companies and a multi-case study allowed us to analyze the gathered information of the different events. As a result, we agreed that a multi-case study would give us more reliability than a single-case study research, as well as mitigate the risks of becoming subjective by giving a more truthful picture from a wider perspective.

3.3.2 Purposive sampling
Merriam (2009) describes sampling as the selection of certain characteristics within the chosen cases to investigate. Silverman (2013) argues further that purposive sampling is what allows a researcher to choose a certain case for a research study, in order to gather the right information. Although, there has to be a presence of critical thinking and caution in the decision of a purposive sampling strategy. In other words, the purposive sampling can be regarded as the best helping aid to understand the actual problem as well as the research question (Creswell, 2014).
Furthermore, Merriam (2009) divides sampling into two different categories, which are probability and nonprobability. The clear distinction between the two is the procedure of how the samples are chosen, where the term of probability refers to a more general and random selection that is not appropriate for a qualitative study. Instead, the nonprobability contains certain criteria for the chosen samples, which is also more appropriate for a qualitative study. Hence, a purposive sampling strategy can be regarded as a nonprobability way of sampling, as it contains more analyse and closer determination in relation to the cases.

Due to our chosen topic, a clear distinction was necessary to highlight the preferred characteristics of what we required in terms of investigation. Therefore, we chose the purposive sample strategy to find cases that would be suitable for our research and as a first step, we identified three main criteria as guidance for the selection of companies. First, since we aimed to explore the Swedish corporate culture, a natural first distinction was to only include companies that originates from Sweden. Second, since this thesis also aimed to investigate the ethical considerations bound to the Brazilian business market, we applied a final limitation that the companies had to be active on the Brazilian market. With this discussion as a base, the points below explain the two main criteria for how the selection of cases was done during the process of purposive sampling. The criterias were the following:

The companies had to:
1. Be originally from Sweden
2. Be active on the Brazilian market

Besides the above mentioned points in the choice of cases, it was also relevant for us to set up criteria in the selection of respondents for this thesis. Hence, we formulated two standards in the process of selecting the right respondents for interviewing. First, in order to have had the chance to embrace and take part of the corporate culture, we decided that the respondents must have been working for the company for at least one year. Second, since this thesis aimed to explore the Brazilian market and potential experienced ethical dilemmas, the respondents also needed to possess knowledge about the involvement in the Brazilian market. Based on this discussion, the following criteria were formed:

The respondents must:
1. Have been working for the company for at least one year
2. Have knowledge about the company’s involvement in the Brazilian market

3.3.3 Introducing the cases

With the purposive sampling as a base, we were able to select five appropriate cases to serve as a foundation for our empirical findings. In the investigation of relevant cases, we searched for companies that had the chance to fulfill all of our required criteria and contacted them for potential interviews. Furthermore, we used our criteria for respondents in order to interview the right persons at the companies that could give us some insight in
the corporate culture and the involvement in the Brazilian market. In order to create a clear holistic approach of the selected cases, an illustration in form of a table that presents the companies and their respondents follows below.

<table>
<thead>
<tr>
<th>Company name</th>
<th>Interviewee</th>
<th>Foundation year</th>
<th>Manufacturing business</th>
<th>Duration on the Brazilian market</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Norden Machinery</strong></td>
<td>Christian Vickle – Area Sales Manager</td>
<td>1877</td>
<td>Tube filling systems</td>
<td>Approximately 35 years</td>
</tr>
<tr>
<td></td>
<td>Margita Blomdahl – Customer Service and After Sales Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Leax Group</strong></td>
<td>Hans Jansson – Vice President</td>
<td>1982</td>
<td>Vehicles, mining and constructions, agriculture, telecom and general industries</td>
<td>Approximately 6 years</td>
</tr>
<tr>
<td><strong>Roxtec</strong></td>
<td>Per Mattsson - Executive President of Human Resources</td>
<td>1990</td>
<td>Cables and pipe seals</td>
<td>Approximately 12 years</td>
</tr>
<tr>
<td><strong>Company Alpha</strong></td>
<td>”Miller”</td>
<td>1979</td>
<td>Technology driven company</td>
<td>Approximately 20 years</td>
</tr>
<tr>
<td><strong>Company Beta</strong></td>
<td>”Williams”</td>
<td>1904</td>
<td>Products for healthcare</td>
<td>Approximately 40 years</td>
</tr>
</tbody>
</table>

*Table 1: Introducing the cases*
3.4 Data collection

The data can be collected through either a primary or secondary data collection (Ghauri & Grønhaug, 2010). Moreover, the data that is collected can be found in the surrounding environment through empirical theories, interviews, empirical findings and so forth (Merriam, 2009). The primary and secondary data are suitable for different purposes, depending on the research method and topic. The primary data is usually used when providing more relevant information within a specific research problem, whilst the secondary data is usually used to establish the right methodology and literature review to the research (Ghauri & Grønhaug, 2010). This thesis is based on the observation of the main primary data, along with partial aid from secondary data; in order to analyze and answer the research question.

3.4.1 Primary and secondary data

This thesis is mostly considered by primary data, because of the detailed information that is necessary in order to analyze the scientific gap. The primary data was collected from primary resources, and collected by us as researchers. The primary resources were collected through interviews with different Swedish companies who operate in the Brazilian market. In turn, the primary data presented were collected by us as researchers, without any intermediaries. In this type of qualitative research, a collection of data consisting of mainly primary data is considered to be more reliable. Merriam (2009) argues further that through conducting interviews, the researcher can create an understanding of how people interpret their environments.

The topic this thesis is based on is hard to measure with help from surveys, so by interviews, we could obtain a more reliable picture of the phenomenon, and also collect the information that we cannot gather from books (Ghauri & Grønhaug, 2010). Moreover, primary data collected through interviews, is most suitable for this type of research due to the sensitive topic. With interviews, we could collect information about the Swedish corporate culture through an employee’s perspective along with experiences to get an overview of how their company looks like. It also gave us a more reality picture of how Swedish companies are managing ethical dilemmas with the Brazilian market. Furthermore, Ghauri and Grønhaug (2010) explain that interviews can be approached through either face-to-face, email, Skype meetings, or by phone. Also, Denscombe (2010) explains further that interviews can lead to a good contact between the interviewees and authors because it contributes to alternative clarifications when necessary. Before the interviews, we pre-formulated questions related to our topic in order to create comprehensive material. It provided a foundation to build our research on and also gave us a deeper understanding of the topic. This approach was suitable, as it reduces misunderstandings and we had the ability to ask supplementary questions during the interviews.

In contrast, the secondary data are parts of someone else’s research, theories, works and results, and is usually collected as complementary to the primary data (Silverman 2003). The secondary data can be found in our empirical findings, where Hofstede’s cultural
dimensions are analyzed, as well as information about the companies included in this research. First, the reasoning behind using secondary data from the Internet based on the work of Hofstede was due to our lack of resources to analyze Sweden and Brazil on a national level. This implementation contributed with a broader picture, in the sense of how operations work and the reasoning behind certain behavior among people. National cultures are bound to have an impact on the corporate cultures that are developed within the respective countries. Hence, we believe that highlighting these aspects were significant for our research. Second, the use of secondary information about the chosen companies for this research was an active choice in order to save time during the scheduled interviews. In doing so, we could remain relevant to the topic of our research and make the most of the settled timeframe with each company.

3.4.2 Structure of interviews

Interviews can be used as a data collection method to gather truthful information. This type of data collection is used to gather information about a complex phenomenon (Denscombe, 2010). The interviews can be collected through; semi-structured-, structured- and unstructured interviews (Merriam, 2009). To get an overview of peoples’ opinions, an interview can be used to understand emotional states, feelings, and experiences, thereby it is possible to get a deeper understanding of the research and discuss the case in detail (Denscombe, 2010).

This thesis is conducted through a semi-structured interview, due to the qualitative method in consideration. The questions in a semi-structured interview are formulated in the same way for everyone in order to get an as equitable picture as possible. To have the same questions for all the companies makes it easier to compare the answers between the interviewers. Moreover, the response options are open, which means the interviewees can develop their answers and formulate responses with deeper meaning. A semi-structured interview allows the researchers to be more flexible and is more appropriate when researching a complex issue, such as the chosen topic. When structuring the interview questions, it is important to understand its purpose and direct the questions to fit that purpose (Denscombe, 2010). Hence, we decided upon a semi-structured interview due to its flexibility and the opportunity to have open dialogs with the interviewees. Additionally, we addressed the questions to the respondents and provided them with the opportunity to speak more widely about the topic. By using this type of method, it gave us the opportunity to ensure the quality of the answers.

Before the interviews took place, we prepared the respondents by informing them of the topic and what we wanted to research. This preparation enabled the respondent to get an overview of the case, and also prepare relevant information before the interviews. In terms of further preparation, a more detailed interview guide was organized in order to get a profundity of the topic. Furthermore, the interviews were held in Swedish, in convenience for our respondents, but the questions are translated into English in Appendix A. According to Holbrook, Green and Kronsnick (2003), face-to-face interviews provides the highest quality of answers, whilst an interview by phone may not. The interviews with
Norden Machinery, Roxtec and Company Alpha were conducted face-to-face, whilst the interview with Leax Group was conducted through Skype, and the interview with Company Beta was held by telephone; due to the geographical location. Although, considering the awareness of our sensitive topic, we consider that in some cases, it may be easier to get more truthful answers during a telephone interview than face-to-face, since the interviewees may feel safer to be more honest in their implications without direct eye-contact.

3.5 Operationalization

The concept of operationalization in a deductive approach refers to the assurance of bringing clarity from used concepts in the research to definitions. Saunders, Lewis and Thornhill (2009) further defines operationalization as “the translation of concepts into tangible indicators of their existence” (p.597). Moreover, Patel and Davidson (2011) explain that operationalization is a way to generate a linkage between the concepts and the real world. Hence, below follows an overview about the questions used in the interviews of this thesis (Appendix A) and their relevance to the theoretical concepts in order to clarify for the reader and to create a linkage to the real world.

<table>
<thead>
<tr>
<th>Concepts</th>
<th>Interview Questions</th>
<th>Rationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Background</td>
<td>1-3</td>
<td>These questions are considering the background of the respondent, which includes their position, years of operation and their overall relation to the Brazilian market.</td>
</tr>
<tr>
<td>- position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Brazilian Market</td>
<td>4-6</td>
<td>To provide an understanding of the Brazilian market, these questions are covering the overall knowledge and profitability concerning the activity within this market.</td>
</tr>
<tr>
<td>Background/ Prior Knowledge</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- attractiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- activity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- relation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internationalization process</td>
<td>7-8</td>
<td>In order to further analyze the relation to the Brazilian market, this section covers the internationalization process; which includes the course of action and approach, as well as the level of preparedness prior to the experience.</td>
</tr>
<tr>
<td>- entry mode</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- relationship building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- preparation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Culture</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
To attain a comprehension about the corporate culture, this section of questions are treating the relevance of the concept for each corporation and its realization. Additionally, this also involves the level of cultural adaptation in relation to the Brazilian market.

The questions in this section are treating some institutional aspects, in order to gain further understanding of how the corporate culture is maintained.

Through these questions, we aim to gather information concerning the significance of ethics within each corporation, including how it is incorporated into daily operations.

In order to highlight individual experiences for each corporation, this section is treating questions concerning experience and the significance of corporate culture in these encounters.

Conclusively, we chose to finalize our interviews with two hypothetical questions based on reactions on related situations. These questions also aim to contribute to the cases where no dilemmas might have been experienced in real life.

| Corporate culture  | Institutions | Ethical Aspects |
|--------------------|--------------|-----------------|-----------------|
| - relevance        | - formalization | - Corporate Ethics | - reflections |
| - socialization    | - conflict management | - mediation | - ethical guidelines |
| - adaptability     | - unofficial order | - CSR | - CSR |
| - paper vs. reality|              |                  |                 |
| 9-12               | 13-15        | 16-19           | 20-23           |

**Table 2: Operationalization**
3.6 Method of data analysis

This thesis is, as stated, a qualitative study. Moreover, it can be difficult to analyze the qualitative data, since this type of information collection can give a significant amount of data that is difficult to interpret. According to Ghauri and Grønhaug (2010), the collected data requires a profound analysis in order to be understood and gain insight to the researched topic. In the research of the qualitative method, the empirical findings are based on the method that is included in the deductive data approach (Bell, 2006). According to Beatty (2002), the empirical data and analysis can be presented through either a cross-case analysis, or analyzed separately. In this thesis, the empirical data is presented case by case, whilst the analysis chapter follows with a cross-case analysis; since the similarities and differences between the cases are connected to the literature review and discussed simultaneously.

Moreover, in order to analyze the qualitative data, Miles, Huberman and Saldana (2013) have presented three distinct stages to simplify the process. The first step is data reduction and sorting, followed by data display as the second step, whilst the last step is the conclusion and arguing of what the data has generated. In the reduction and sorting, the data was selected, focused and simplified. In this thesis, the empirical data was specifically collected and reviewed thoroughly and simplified in order to suit the research. The empirical data is in turn presented through three different parts; internationalization, culture and business ethics. In the second step, the data is further displayed to suit the final step, which is the conclusion; where the data is interpreted. Furthermore, according to Miles et al. (2013), in terms of the second step, the identification of the data is the aim, where the analysis must be controlled by us as researchers. In this step, the focus is to highlight the significant parts of the interviews. Conclusively, the final step is where the data has been connected to the literature review and analyzed through the connections.

Additionally, in order to analyze the collected data, we decided to take notes during our interviews, while simultaneously recording them. By doing so, we had the possibility to go back to the recordings and resume, if there were any questions concerning the responses. This was a great advantage, since the interviews were held for 45 minutes each, and it was difficult to take advanced notes during the entire process. After the interviews were held, we decided to transcribe the notes in order to easier transform them into the chapter of empirical findings. In turn, this also gave us the opportunity to find connections between the interviewees’ responses, which we later used in the analysis. According to Merriam and Tisdell (2016), the mix of data and the explanations that are collected through interviews, leads to the conclusion of a research. In accordance, the interview questions aided us during the process of researching the topic, as well as answering the research question. The interview questions were partially the basis of our thesis, and since we had the advantages of being three authors, the analysis generated a deeper discussion of the content, which made it possible to interpret the interviews from different angles. Conclusively, the answers that we received from the interviews were suited to our literature review and together with the collected data it was possible to discover a pattern.
3.7 Quality of research  
During the process of conducting a research, it is essential that the content is accurate, since it counts as one of the core beliefs within research. Accuracy can be regarded as a form of criteria to distinguish between common sense, by proving research findings to be both more trustworthy and improved (Denscombe, 2010). According to Yin (2014) and Kumar (2014), there are two main aspects to examine in order to verify the accuracy of the research; validity and reliability. Together, the two considered aspects maximizes the quality of a research by providing the investigation with both valid and reliable content (Golafshani, 2003).

3.7.1 Validity  
Kumar (2014) regards validity as an instrument’s ability to measure accuracy in order to create a valid research. If a researcher manages to use instruments to investigate what is designed and planned to investigate, the research is considered valid. Denscombe (2010) further argues that it is essential for a researcher to analyze and interpret the collected data in a correct way to create validity. This can further be explained by the concept of respondents validation, where researchers allow interviewees to read the interpreted data before publishing it. Although, a question could arise about who is deciding what counts as valid or not (Kumar, 2014). Of course, this question target both the person in charge of the research, as well as both experts in the field and readers of the research paper. Furthermore, Kumar (2014) explains another way to increase the validity of a research as triangulation, which allows researchers to improve their interpretation of gathered data by analyzing it from different angles in order to create a wider perspective.

With these statements as a foundation for our research, we find it relevant to discuss that our instruments in this thesis serves as valid due to the chosen method of quality. By interviewing individuals from different companies about their experiences, we had the chance to collect truthful answers stated by the respondents, that turned out to be relevant for our thesis. Moreover, we chose to send our interpreted and analyzed data to our respondents before publishing our thesis. In that way, we had the chance to gather feedback from the respondents in order to correct any misinterpretations. Also, by using a multi-case study with five different companies as representatives, we had the possibility to analyze and interpret the gathered data from a wider perspective due to the different angles. In addition, we chose to study our topic both before and during the process of conducting our research, in order to create a deeper understanding and to be able to use a wider perspective during the analysis.

3.7.2 Reliability  
According to Yin (2018), the main goal of achieving reliability within a research is to mitigate the errors and biases in a study. The concept refers to the outcomes of studies, where researchers that acquire the same procedures as earlier tested, should reach the same results as well as conclusions without just copying the results. Denscombe (2014) further argues that there is no certain way of knowing for sure that a research is completely reliable. Thus, the research should reflect processes that are visible to other researchers.
in order to assess the applicability and reasonability within the procedures and decisions. Besides these perceptions of reliability, Kumar (2014) states that the difference between individuals also matter in the process of outcomes, due to their individual expressions and interpretations. As a result, there is an aggravation of reaching the same outcome during procedures time after time.

In order to create a reliable thesis, we used a clear methodology to explain our procedures throughout the process, where our readers can easily interpret and understand the different steps taken and the contribution for their relevance. Through this, it is also possible to understand how we collected the data and how we chose to interpret it as well. We as researchers, would argue that being clear creates a certain trustworthiness for the potential reader, which can also increase the amount of reliability. Furthermore, while conducting our interviews, we created a distinct operationalization of the questions and their content. We also chose to use the same questions for all the representatives, in order to gather equivalent data that could easily be measured in relation to each other. Besides, the purposive sampling in our thesis can further implicate reliability due to the similarity between the companies and their relevance to each other.

3.8 Ethical considerations
In a qualitative research approach, researchers may encounter issues of ethical characteristics. These characteristics are in term linked to informed consent procedures concerning the participants of the research in question (Creswell, 2013). Merriam (2009) elaborates on the matter further by emphasizing the importance of considering the ethical aspects involved in the collection of data and the interpretation of it. Besides these general perceptions of the ethical relevance, Denscombe (2014) points out four factors that can serve as guidelines in the process of conducting a research from preparation to fulfilment. The points are the following (p.309) and below follows a brief discussion about the points;

- “Protects the interests of the participants”
- “Ensures that participation is voluntary and based on informed consent”
- “Avoids deception and operates with scientific integrity”
- “Complies with the laws of the land”

“Protects the interests of the participants”
According to Denscombe (2014) this guideline refers to the prosperous of the participants in a research and the avoidance of suffering among them. There is an unwritten rule that the persons participating in an interview should not feel worse afterwards than what they did before. Yin (2018) further argues that there should be a protection from harm to the participants in order to keep the research ethical. In the process of our research, we offered total anonymity to our participants as well as to the company as a whole. The choice was made after the interview, in order for the participants to detect the questions first. In addition, there was a completely free will to avoid answering any questions that may be perceived as uncomfortable as well as being recorded during the interview or not. We all
agreed that these considerations was of great importance to our research, due to our chosen topic that can be regarded as sensitive in the international business section.

“Ensures that participation is voluntary and based on informed consent”
This factor brings up the importance of voluntarily among the participants and states that the persons in advance need to know about the topic in order to decide if they want to participate or not. Consequently, there should be a clear statement about the voluntarily in advance together with sufficient information (Denscombe, 2014). However, when we reached out to potential participants, we explained our topic to create an awareness of the sensitive area. Based on that, the persons on the company could themselves decide about the participation in our research, which made it completely voluntarily.

“Avoids deception and operates with scientific integrity”
Denscombe (2014) states that there is a need for openness among researchers, in order for participants to know what the researchers are doing and for what purpose. In that sense, there is a possibility to avoid deception that could be harmful to the representatives. Silverman (2013) further argues that this is especially important in terms of sensitive topics and also states that a participant should not feel worse than before the involvement in an interview of a research. In order to avoid deception and keep the research honest in our research, we were open with our chosen topic and the sensitivity about it. In our request of potential interviews, we explained that we aimed to search for the connection between Swedish corporate culture and the managing of ethical dilemmas, which made our purpose clear to our possible representatives.

“Complies with the laws of the land”
For this principle, Denscombe (2014) explains that it is crucial for a research to be conducted within the laws of the land. Although this may seem like obvious, the course within the laws does not always have to equal an ethical action. Due to our sensitive topic of ethical dilemmas in international business, this is a certain important point to consider for us. We are researching about concepts such as bribery and corruption in Brazil and to protect our interviewees and ensure that they stay within the lines of the law as well as for ourselves, we offer total anonymity within the whole process. Furthermore, during the process of conducting this thesis, we have been meticulous about sources and copyright in order to stay lawful.
4 Empirical findings

This chapter consists of the data that has been collected through interviews and general research of the case companies. The chapter is divided into; National culture, Internationalization, Culture and Business ethics. Moreover, the empirical findings includes the differences between Brazil and Sweden through Hofstede’s different dimensions, followed by an introduction of the case companies along with a presentation of their representatives. Finally, the chapter is based on a summary of the case companies representatives’ perceptions of Swedish corporate culture and their experiences with the Brazilian market.

4.1 National culture: Sweden versus Brazil

With Hofstede Insight (2018) as an helping aid, it is possible to examine and compare the national culture of Sweden and Brazil by given scores on the different dimensions. Below follows an explanation of the dimensions by Hofstede Insight (2018) with Sweden and Brazil in focus, in order to get a deeper understanding about the Swedish national culture and how it differs to Brazil.

Scores on; Brazil versus Sweden

![Figure 2: Own figure with data collected from Hofstede Insight (2018)](image)
Power Distance
On this dimension, Sweden score 31, which is relatively low. People within the Swedish society does not accept power distance, instead there is a decentralized distribution of power that prevails in society. In business, organizational managers count on their employees in order to cooperate instead of exercise their power to show the higher position. Furthermore, the communication is informal and everybody is expected to contribute. At the same time, control is not preferable among individuals and instead, people in Sweden tend to prefer independency. In contrast, the culture of Brazil strives to respect the hierarchy and due to the high score of 69, there is a high acceptance of inequalities concerning power. Instead of a cooperation within an organization, the manager of an organization has a clear position above the others.

Uncertainty Avoidance
Sweden scores relatively low on this dimension as well. With the score of 29, it is clear that Sweden has no problem facing uncertainty situations or that they are constantly trying to avoid them. The attitude in the Swedish society is relaxed and flexible, and without unnecessary rules, as well as there is a certain tolerance for abnormality. Hence, the informal society does not find innovations as a threat, but instead regard them as opportunities. For Brazil, the score of 76 on uncertainty avoidance is significantly high. In comparison to Sweden, the Brazil society has a need for formalisation and rules to follow. In that way, they can live a life of structure. Although, the passionate Brazil inhabitants still have a need to enjoy life beyond the formalisation by relaxing, dancing and spending time with their loved ones.

Individualism
The score for Sweden on this dimensions is 71, which makes the country a society of individualists. In Sweden, there is a certain focus on the individual, where everyone stands on their own and the expectation on the individual is that they should take care of themselves and their closest family only. Also, Swedish people tend to lose their self-esteem and feel guilt when crime or offence is occurrent. On the other hand, in Brazil, the score of individualism is low with 38. Instead of standing on their own, the Brazilian society is already from birth integrated into groups with strong strings. In business, the relationship building is of great importance and the first business meeting often includes that the two parties should get to know each other before cooperation.

Masculinity
With the low score of 5, it is clear that Sweden is far from a masculine society. Instead, there is a femininity that dominates the society with a certain focus on life quality. According to Swedes, everyone should be included and there is an importance of enjoying life with a focus on spare time and work in harmony, as well as solve conflicts by compromising. A famous word in Sweden that could explain the whole culture is “Lagom”, which could be translated into something that is in a perfect amount; not too little and not too much. Furthermore, in close connection to “Lagom” is law of Jante, which is a law of fiction that points out that people should not think they are better than
others. In contrast, Brazil scores intermediate with 49 on this dimension, which makes the country almost as masculine as feminine. Although, as Sweden scores 5, Brazil is a lot more masculine than the country of “lagom”.

**Long Term Orientation**

On this dimension, both Sweden and Brazil scores intermediate, meaning that none of the countries has a dominance of either a pragmatic approach or a normative society.

**Indulgence**

On this last dimension, Sweden scores high. With 78 in score, Sweden has a significant dominance of indulgence in the society. As an explanation, Swedish people enjoy life by listening to their inner impulses and desires in order to live beyond the norms. At the same time, Sweden is characterized by positive and optimistic vibes that permeate the whole society. Brazil, on the other hand, scores 59, which means that they, as Sweden, encounter more indulgence than restraint in the country. Brazil also enjoys the optimistic vibes and value spare time, as well as realising their impulses.

4.2 Cases

The companies presented in this thesis are all established and based in Sweden, while a part of their operation is conducted in Brazil. The representative interviewees from these Swedish companies were interviewed in order to get an insight of their business operations in the emerging market of Brazil, as well as their internal corporate culture. For the interviews, the representatives needed to have both knowledge about and experiences from the Brazilian market and its connection to the company as a whole. Furthermore, the interviews were conducted on five Swedish companies with a total amount of six interviewees and they were completed between the 24th of April and the 9th of May, 2018. All of the interviews were scheduled for 45 minutes, where three of them were completed through a face-to-face meeting, one via the technological platform Skype and one via a telephone call.

4.2.1 Norden Machinery

Norden Machinery is located in Kalmar and the company is world-leaders on their market for manufacturing tube-filling machines. The company is a part of the Coesia Group and sells machines to all over the world, with export as the main mode. The machines of Norden have been delivered for over 80 years and in present day, the tube-filling manufacturer is operating with approximately 1400 customers in 60 countries (Norden Machinery, 2018).

From Norden Machinery, there are two representatives. The first is Margita Blomdahl, Responsible for Customer service and After-sales, and Christian Vickle, who works as an Area Sales Manager. Both interviewees have experiences from the Brazilian market and have in present times actively contact with the country and the representative sales agents located there. Margita Blomdahl has a lot of experiences of the Brazilian market, since she has been working at Norden Machinery for 15 years. In contrast, Christian Vickle has
only been working at the company for one year, yet he is responsible for the sales area in USA, Mexico and Brazil. Both Vickl and Blomdahl agree on the point that Brazil is an interesting market for Norden Machinery to operate in, although it contributes with a lot of challenges.

4.2.2 Leax Group
Leax Group is a company located in Köping, Sweden. The company produces advanced components and systems to industries of commercial vehicles, mining and constructions, agriculture, telecom as well as general industries. Leax Group is establishment in three continents and it is a fast growing company. Furthermore, they have factories in Sweden, Latvia, Germany, Hungary, Brazil and China, which gives them closeness to their customers. Also, the company has a so called “hard-to-beat” competitiveness due to their global presence and low costs (Leax, 2018).

Hans Jansson is the Vice President and Department Manager for Leax Group and also the representative for Leax in this thesis. Jansson has got eleven years of experience from the Brazilian market and in addition, he is doing business trips to Brazil four to seven times per year. Even if there is a large cultural difference between Brazil and Swedish, Jansson has a good relation to the country and is familiar with both the Brazilian culture and market.

4.2.3 Roxtec
With location in Karlskrona, Sweden, Roxtec produces sealing solutions for cables and pipes by a unique technology. The system is safe, flexible, smart and simplifies the design, installation and inspection. Due to that, the products of Roxtec are visible all over the world, which includes both on land, at sea and underground. Furthermore, the company was founded in 1990 by Mikael Blomqvist and has customers in more than 70 countries as well as subsidiaries in 25, where one of them is located in Brazil (Roxtec, 2018).

The representative from Roxtec in this thesis is Per Mattsson, the Executive President of Human Resources worldwide, that works within the group management. Mattsson is responsible for the human resource questions, which concerns Roxtec on a global scale and he has been working at the company for more than seven years. Moreover, Matsson is working with a focus on the corporate culture for Roxtec, as well as guiding the company throughout the dealing of ethical dilemmas on the business market. Despite his involvement in the international environment, Per Mattsson does not have any actively contact direct with the Brazilian market.

4.2.4 Company Alpha
The company “Alpha” and the representative “Miller” are pseudonyms, since both the company and the representative required anonymity.
Company Alpha is a large component in the recycling of a specific toxic element. Alpha has a high level of service and presence, while they maintain the highest possible value of the recovered material. With a few hundred successful installations worldwide, ten machines are installed in Brazil.

Miller has been working at company Alpha for more than one year and is inserted in the Brazilian market by actively keeping contact with the country. The representative works as a Project Manager by leading them from start to end, as well as handles all purchasing and the budget of the company.

4.2.5 Company Beta

The company in this part will be referred to as Company ‘‘Beta’’. The interviewee wished to be anonymous and will hence be referred to as Williams. Williams has been accepted to contribute to this interview from the sales manager at Company Beta.

Company Beta provides products and solutions for healthcare. The company employs over 10,000 individuals worldwide and has operations in over 40 countries. They sell their solutions and products in more than 150 countries and the production is conducted at facilities in Brazil, among others.

Williams was active in the company from 1979 until he retired in 2013. During his time at Beta, Williams was responsible for the sales in the Latin American market. For a time, Williams was raised in Brazil and lived there for approximately 16 years with his family. This has resulted in advantages during his work at Beta, since Williams had the benefit of previous experience with the Brazilian culture.

4.3 Internationalization

4.3.1 Norden Machinery

Blomdahl states that Norden Machinery has a strong relation with their business connection in Brazil and it is constantly an ongoing process. The Brazilian market is not the primary customers of Norden Machinery today, although, Blomdahl states that the market has the opportunities to evolve. According to Vickle, Brazil is an interesting and profitable market and in fact, he further emphasizes that the large market requests all of the products that Norden Machinery is offering. Due to that, Vickle states that it was the pull and push effect that triggered Norden Machinery to enter the Brazilian market, while the demand and the size opened up a way for an internationalization to the country. Blomdahl points out that the involvement in the Brazilian market is consisted by agents, and through that cooperation, the company can gain advantages and improve business due to their familiar relation to the market and the culture. Blomdahl further points out that the process with the agents is considered through a network that connects them with Norden Machinery. As a result, the internationalization process became easier.
Conforming to Blomdahl, Norden Machinery has been active on the Brazilian market since the 1980’s. The representative Blomdahl states that the mode of entry into Brazil was network based, since there was a lack of knowledge about the language and culture, which makes the linkage between agents and Norden important in terms of the business process. Furthermore, Vickle mentions that the choice of entry mode gained several advantages, where one of them includes the low level of risk-taking. According to Blomdahl and Vickle, the local anchoring is important, since the agents in Brazil create a significant relation between the Brazilian market and Norden Machinery. Vickle states that the benefit of the establishment in Brazil is the geographical location that results in the possibility to cover parts on both Central- and South America. However, he points out that Norden Machinery only produces products according to demands from their customers and he also mentions that these continents require local adaptation due to the cultural difference to the local customers.

4.3.2 Leax Group

According to Jansson, Brazil is a large market with potential for domestic establishments, although, he points out that the strong import duties complicate the export to Brazil. Jansson further states that in the process of conducting business with Brazil, the customers require a local presence that includes a good relationship. He mentions that Leax is performing business on a global scale but on a local level, which there is a need for in the Brazilian market. However, Jansson further states that the European market does not have the same requirements in comparison to the Brazilian, hence, it is tough to create a footprint that lasts.

Moreover, Jansson emphasizes that in the choice of entry mode, there was a need for a strong relationship-building with the customers. He further mentions that it has been challenging for a few years in Brazil due to recessions, although, Jansson has a belief that the country starts to recover, which also could result in increased business for Leax. The representative emphasizes that the most important factor for a good relationship is to be attentive by listening to the customer and be responsive in order to grow together, as well as to spot the opportunities of an establishment. He also points out that this relationship took approximately four years to build up, which included a research for localizations, potential employees and the establishment of facilities abroad.

4.3.3 Roxtec

Mattsson states that Brazil is a special market with a lot of opportunities that attracted and triggered Roxtec to enter, which in turn assisted Roxtec in their international growth. He also adds that Brazil is an uncertain market due to the contrasts to Sweden in culture, ethics and morals. According to Mattson, Roxtec has been active on the Brazilian market for approximately a decade, where the business growth started with one person selling Roxtec’s products through a distribution company, resulting in the growth into a larger market.
Furthermore, Mattson mentions that Roxtec did not have the capital that was needed to build up the company all over the world from the beginning. He states that in order to enter the international market, the company started to build up a network with help from subsidiaries. Mattson emphasizes that with this aid from the subsidiaries, Roxtec could minimize the risks of doing business internationally since the process is being spread out in the company chain. According to Mattsson, it took around two years to build up the business relation, before the actual business could take place; since the customers have big demands on the products and its solutions.

4.3.4 Company Alpha

According to Miller, Company Alpha is marketing themselves through professional agents that are selling Alpha’s machines. Miller states that the company “owes” the entire world, but do not own any factories, thus, the machines are their gold. He further emphasizes that the company is specialized on their products and that the Brazilian market has chosen them as their supplier. The choice of entry mode was, according to Millers, through a network and intermediaries which are located around the world. Miller points out that the element they are working with is never going to disappear, therefore the business is always relevant. However, he also mentions that the market is starting to be saturated due to the need for recycling the elements, and as a result the process will start over and the business will start to grow again.

Furthermore, Miller states that Alpha’s relation to Brazil is good and the agents that are working in Brazil are active. He also mentions that they are cooperating with a company from Germany which has led to a larger market share. The internationalization process has, according to Miller, been aided with help from fairs, agents, and networks. Also, he states that they have been established on the Brazilian market for approximately 20 years due to export.

4.3.5 Company Beta

Williams states that one of the factors that triggered Company Beta to enter Brazil was the large size of the market. According to Williams, the focus from the beginning was to develop the local industry and the local production. He states that this was done through a joint venture, meaning that they were brought together with other markets. The entry mode was, according to Williams, through the agents that manage their business in Brazil. He also emphasizes that they are world leaders in their market, which has aided their good reputation around the world. However, Williams further points out that when they entered the market, they felt welcome and a great relationship was built from start. He states that Brazil is a profitable market with possibilities to make profitable business, and he believes that from his previous experiences, together with the agent’s way of managing business, has lead to a large market share. Furthermore, Williams was raised in Brazil and is hence familiar with the culture and language, which has been an advantage in the involvement of conducting business in Brazil. He describes the internationalization process as natural, since he possessed previous experiences from Brazil that helped to open up the opportunities of the market.
Moreover, Williams states that the agents have to create a good relationship with the customer, since the relation is of higher significance than the products. He mentions that it is essential to choose the right agents from start, otherwise the company may lose around two-three years of businesses. It takes time to educate the agents and build up these relations with the customers, yet, Williams explains that the benefits of having agents are that the company can keep the costs down since there is no production on site in Brazil.

4.4 Culture

4.4.1 Norden Machinery

According to Vickle, Norden Machinery possess a corporate culture that can be explained as both customer- and solution oriented, where focus lies within finding a solution for customer problems. Blomdahl further states that due to the complexity of their products, Norden Machinery is constantly following up on their machines throughout their life-cycle by after-sales management and hence, the customer is not only buying a product itself, but a familiar relation as well. Besides that, Vickle describes the corporate culture of Norden Machinery as open and full of opportunities, where initiatives are appreciated and put into use. He further states that there is room for differences among individuals and it becomes clear towards the contrasting markets they are working towards. Also, both Blomdahl and Vickle points out the importance of the corporate culture of Norden Machinery, where Blomdahl describes it as individuals that strive for the same goals as well as towards a satisfying working environment, and Vickle as a promotion for a pleasant atmosphere.

Furthermore, due to the openness of the corporate culture, Vickle states that in the process of recruiting new working members to Norden Machinery, the fit between the potential new employee and the corporate culture is not significantly essential, instead, he means that differences are okey. Blomdahl agrees and further mentions that a fit to the corporate culture is not the first thing they are searching for during the process, instead, personality and knowledge are more relevant. Although, to create a clear picture internally, Blomdahl states that Norden Machinery is annually mediating the corporate culture, as well as conducting staff appraisal where development and personal goals are discussed. She means that despite the fact that Norden Machinery is an old fashioned company that sometimes experience difficulties to modernize the thoughts about human resources, the parent company Coesia has been a helping aid along the way with implementations that clarify the importance of appraisals, processes and development.

Vickle explains that working for Norden Machinery entails a flexible work due to the constant customer contact, although, there is a distinct framework. Blomdahl agrees that there are certain developed processes of how the work should be done, even though it is does not have to be strictly followed. Also, Vickle states that there is an informal order of certain key persons that goes beyond positions. Blomdahl explains that due to the old
fashioned aura of the company, a hidden hierarchy is existing, although without any perceptions of a hidden agenda. In terms of conducting business in Brazil, Blomdahl further states that Norden Machinery has a flat organization in comparison to Brazil that is largely hierarchical. She means that in order to get something done in Brazil, there is a need to approach the top executives.

Moreover, Blomdahl explains that there is a need to be observant and well aware of cultural differences in international business. She also points out the importance of taking the other culture into account as well. Vickle means that in the context of international business, Norden Machinery have to adapt more to the Brazilian culture than vice versa. Also, he means that there is a need for them to be accommodating in order to satisfy the customers with solutions, for example when unwarranted problems suddenly occur. Finally, Vickle also highlights the differences of the corporate culture between Sweden and Brazil. He means that in Brazil, the culture is stronger than in Sweden and that there is a need for sharp elbows to get anywhere, while organizations in a way are forcing the teamspirit to grow stronger with certain corporate- and project clothes, which seems to be a successful way.

4.4.2 Leax Group

Jansson describes the corporate culture of Leax Group as clear, strong and entrepreneurial driven, where having fun at work is an essential pillar. Jansson further states that corporate culture is crucial for the 11 active corporations that constitutes Leax Group and between the different parts there is an ongoing, yet healthy, competition occurring. According to the representative, Leax Group has spent a lot of time and effort in order to create a unity by spreading the culture to all their established factories around the world. He means that the exchange of information is strong, where mediation of the culture covers all the units and is occurring on a daily basis by briefings, as well as information on their internal website. In addition, Jansson further highlights the importance of the fit between potential new employees and the corporate culture of Leax, in order for the person to enjoy the working environment and vice versa. He explains that during the recruitment process, attitudes are more important than education and all new employees receive an introduction about the values of the company. Furthermore, Jansson emphasizes that there are clear guidelines in both the work of the organization and for his position. He means that the board group of Leax, together with the separate groups of managers, design a process of strategies including goals and activities to follow for the upcoming five years. In addition, he mentions that there is no informal orders beyond positions that affects the culture in the company.

In terms of the internationalization process to Brazil, Jansson argues that Leax was well prepared for the potential encounters of cultural differences. Due to his previous working place, where he worked for several years in close connection to the Brazilian market, he means that he had the chance to learn about the culture in advance, which resulted in better preparation for Leax. When it comes to cultural differences, Jansson finds three significant characteristics that differ between Sweden and Brazil in terms of business
environment; bureaucracy, the tax system and criminality. He describes both the authorization processes within the bureaucracy and the system of taxes in Brazil as complex in comparison to Sweden, as well as highlights the broad spread of criminality and poverty that are parts of the everyday life in Brazil. In addition, Jansson points out a fourth difference that divides Brazil and Sweden, which involves the view of creativity and innovation. He means that in Brazil, they do not take advantage of innovation for further development, instead, the work is characterized by taking orders and relying completely on the management for directions. Thus, the company has partially adapted the teams of the Brazilian facilities after the Swedish culture. Due to the large cultural gap between the countries, the representative for Leax means that, during business, there is a need to adapt the corporate culture more to the Brazilian. Finally, he describes the Brazilian business culture to be based on relationship building, in comparison to Sweden which he considers to be more professional.

4.4.3 Roxtec

Mattsson defines corporate culture as a concept containing a lot of ingredients that together influence companies. For example, Mattsson highlights the importance of concrete core values for Roxtec, instead of fancy words, in order for everyone to understand and for the company to be able to live up to them. He means that Roxtec puts a lot of effort in the maintenance of their corporate culture, meaning that it is strong and coherent throughout the whole company. He further states that Roxtec is a worldwide company that is constantly growing, and thus, the maintenance can be challenging. Due to this, Mattsson describes that all new employees need to travel to Karlskrona for a basic education, where the first day revolves only around the corporate culture and the core values, regardless if they are sellers in Brazil or employed at inventories in the United States. In turn, he means the fit to the corporate culture is more important than formal competences. Furthermore, the interviewee explains that the strong corporate culture and what Roxtec stands for is one of the reasons that he wanted to work for the company in the first place. For Mattsson, it is important for him to be able to identify himself with the company in order to look people in the eye, while at the same time stand for what Roxtec mediates.

Conforming to Mattsson, in order to operate ethically, Roxtec is guided by core values that are combined with their codes of conduct. He claims that the company puts a lot of effort in both the core values and the codes of conduct to manifest itself within the organization and this is something they strive to live up to no matter the geographical location. In addition, Mattsson states that although Roxtec is a flat organization, visible informal leaders have a strong driving will to develop. However, he explains that simplicity is one of their core values where prestige counts as nonsense and is not a part of their corporate culture. Furthermore, Mattsson describes the culture in Brazil as stronger than in Sweden, and explains a cultural clash as the distinction in ethics and morals within business. Still, he means that for Roxtec, there is no acceptance to do business in another way, and hence, Mattsson means that the market needs adaptation to the global culture of Roxtec instead of vice versa. No matter what, the representative stresses the importance of doing business in accordance with the core values and codes
of conduct. In terms of preparedness for potential cultural clashes, Mattsson explains that Roxtec was well prepared since they have already been established on the market by acquired distributors. In that way, Mattsson means that they did not have to start from scratch.

4.4.4 Company Alpha

Miller describes Company Alpha as a slim organization, where the corporate culture is not similar to large scale enterprises. Therefore, he finds it hard to describe, although he highlights that the most essential part is that all individual employees should strive for the same goals that also goes in line with the goals of the company as a whole. Miller states that the corporate culture is strong and that they on a daily basis are discussing what they strive to achieve. Also, Miller explains that the company possess regulations to a certain extent, but they still remain flexible in order to make decisions about changes. However, due to the strong bonds between the individuals in the slim organization, the representative further highlights the importance of selecting the right person during a recruitment process in order for the new employee to fit in the corporate culture in terms of interests, goals and strengths.

Furthermore, the representative of the company argues that the Brazilian market requires adaptation in order to do business. He means that due to the large extent of political and governmental involvement in business in general in Brazil, it is crucial for the company to adapt in some ways. In addition, Miller describes the largest clash between the two cultures as this external threat. However, he points out the differences between regions in Brazil and means that it always depends on location and company.

4.4.5 Company Beta

Williams describes the corporate culture of Company Beta as product-oriented, where he also expresses his confidence towards their products. During his time of operation within Beta, Williams has travelled a lot and has been a resident abroad, and from those experiences he further describes the lack of functions for human resources supporting employees across borders. Although, the representative means that he still is grateful for how well they have treated him along the way, as well as explains his notice of the constant development and improvements of the company, especially concerning the increase of human resources. Besides, Williams states that he mostly has been responsible for his own actions, which can be explained by total flexibility within the working environment.

In the initial stage of the internationalization process to Brazil, Williams explains that his residential-experiences from the country helped both him and the company to prepare in advance for potential cultural clashes. The representative states the language as the most extensive cultural clash, but since he speaks Portuguese and is well familiar with the Brazilian culture, the cultural clash was not that severe for the company. At last, Williams describes that the Brazilian culture requires adaptation, where the Swedish culture is in a
way, put aside. Despite that, the company has never resided towards adapting their own corporate culture in order to maintain their business in Brazil.

4.5 Business ethics

4.5.1 Norden Machinery

In terms of conflicting areas, Blomdahl states that import and the general price image face the most resistance within international business. During a bargain process, she means that the company tries to uphold their values by not giving into demands that compromises their own way of business. In some cases, the company may end up losing customers to local suppliers, which is not unusual when dealing with the dilemma of price image, since the Brazilian economy is still under development and their prices are rather expensive in comparison. The cases related to import are sensitive in another matter, since they may involve requests that go beyond official business; which is where the company’s ethical guidelines and common sense play a bigger role, according to both Blomdahl and Vickle. Blomdahl explains further that the mother company Coesia has provided clear guidelines concerning bribes and an anti-corruption policy. Vickle adds to this further by explaining that ethical guidelines are easy for him as a younger salesman to follow, while he understands that it may have been harder for previous generations with more experience. However, he states that any type of “shady business” is not a part of their operations, and adds further that it is clear within Swedish business that bribes and additional bargains are not an option, which is easy to identify with in relation to Swedish culture. In terms of experiences with such cases, he has not received such demands himself from a customer, but he has knowledge of agents that have lost business deals due to their unwillingness to pay.

Furthermore, ethical conduct is considered more as given, rather than something that needs clear objectives, according to Blomdahl; whom hopes that everybody considers it the same. Additionally, Vickle contributes with stating that ethical conduct is about being able to stand behind your actions and reason. In cases of bribery in the form of gifts, Blomdahl discusses that this was regarded differently during previous years, since the Swedish culture used to involve more festivities in relation to business – which is similar to Brazil. However, this is not the case today, and she feels that they have adapted the same changes in Brazil. According to Vickle, the ethical guidelines state that they are not allowed to give away gifts or special amounts through a spending-account; the limit only allows dinner invitations to a certain level. Also, he adds that the reality is in accordance with what they are allowed to do, and that the main purpose of having ethical guidelines is to ensure the company reputation by standing by their actions – it is simply about making a statement. Blomdahl adds further by stressing that even though it is common within several cultures, there is nothing for the company to gain by involving or implicating themselves in bribery. In terms of further responsibility, Blomdahl explains that concepts such as CSR are hard to apply in their case, since their product is not aimed towards an end-user. With that being said, there is no current product that is developed
for a specific sustainable cause; yet the company is generally perceived as "clean" according to her, which is relevant for their image.

The relation between corporate values and managing decisions is appearing naturally, Blomdahl explains, meaning that it is occurring logically. The intentional focus is more towards producing products with a good value that the customer can benefit from; the rest is done to their best ability. Furthermore, Blomdahl states that being that they are a typical Swedish company, they keep good track of their agents. In cases that would involve bribery or corruption, she explains that no employee can state that they had no knowledge of the consequences, since they are all required to review the rules. The company would in turn have an immediate reaction and even though they would not display it, they would take action. Vickle states in this case that he is unsure of whether the company would be strict enough to let an employee go, however, a similar following event would not be tolerated. When asked about his own stand towards situations of this sort, he first jokes about acting typically Swedish by keeping it to himself and discussing it with others by the coffee machine. Then, he states that it is simple, meaning that he would find it disappointing if another employee were to withdraw from their collective values and drag them all down in the process. He would then, as a first step, appeal to the employee in question and suggest them to turn themselves in, rather than expose anyone. In terms of such situations, Blomdahl rounds up the interview with stating that ethical consideration is something that comes naturally, and that each implemented standard is passed on through cultural notions.

4.5.2 Leax Group

According to Jansson, Leax Group operates by an own code of conduct with guidelines to maintain all the way from their employees to their customers, as well as third parties. Since practices and actions are often displayed in media, the company is careful with not participating in anything they can not support that would for an example speed up a process. Jansson exemplifies this by sharing an experience the company had with the Brazilian customs, when one of their machines got stuck. The company received clear signals that the process would speed up if they were to pay a certain amount, however, the company chose not to compromise their values, which resulted in the machine remaining with the customs for 18 months until it eventually broke down. Furthermore, Jansson explains that the implementation of ethics and moral leads back to the common values which state that lying and cheating is not compatible. He evolves further by emphasizing that this is not an issue in Sweden per say, since we have a background of healthy values. In contrast, he means that this is harder to comprise in a country as Brazil, with a history of corruption that stretches generations back. However, since the 1980’s generation and forward, there is an ongoing cultural shift where bribes and corruption go; since the Brazilian population does not accept the increase of assets on the cost of others to the same extent.

In terms of drawing a line, an anti-corruption policy is part of their codes of conduct, and bribes in the shape of either the previous mentioned situation, a ski trip or gifts of any
other form is not a part of their operations. Jansson evolves further on this by stating that the primary purpose of ethical guidelines is to ensure that the business environment in general is kept clean, and that business is not conducted on the expense of others – which includes the notion of responsibility. Furthermore, the social responsibility that follows a developed business is, according to him, a part of succeeding. Leax Group has implemented a number of CSR practices on a local level, which includes for an example the tax revenues that contributes to development in their active communities, as well as smaller initiatives such as supporting associations and activities for youths and children in need.

Moreover, Jansson evolves further on the experiences with ethical dilemmas and explains that the forepart of the discussion is revolving around bribes. Another occurrence involved a large business deal with another company, where the person in charge of the market received a question from a material supplier concerning the price; meaning that the material supplier took for granted that the price involved bribes, as if it was a natural question. In turn, Jansson means that they were surprised by the assumption that they would accept a bribe, but knows that it is not an uncommon way to choose a supplier by in Brazil. Furthermore, he states that they do not adapt to other cultures in that manner, but remain by their own values. Jansson also believes that there is a certain comfort within other companies to know that they are dealing with a Swedish organization, where he refers to the general perceptions within international business of Sweden being honest and honorable. Jansson also gives credit to organizations such as Volvo, Scania and ABB that have developed a good global reputation, meaning that there is a type of ethical advantage of being a Swedish company. In cases that involve corruption and bribery, Jansson makes it clear that if an employee were to be involved in such actions, the sanctions would be an immediate termination, where he himself would execute the decision – since the company has a zero-tolerance.

4.5.3 Roxtec

According to Mattsson, the developed codes of conduct and business ethics is an important aspect of Roxtec’s operations; meaning that deviating from the set up rules in terms of customer contact and situations into unethical behavior is not allowed. He further adds that the company is very strict in the matter, whereas they are otherwise quite humane. Since there is no room for withdrawal, they have experienced having to let people go, since it also is a matter of maintaining their own credibility. Furthermore, these implemented codes entail, for an example, that there is no room for discrimination of any kind and that child labor is not allowed. Mattsson explains further that the applied CSR practices goes hand in hand with these questions as well, and also that they have just finished a project in southeast India; where the village in question is now free from child labor. The interviewee himself visited this area and describes that it left one of the strongest impressions in his life, and that there is a similar project going on in another village in central India. In terms of the company’s CSR practices and initiatives, Mattsson evolves further by stating that they have two purposes; whereas the first is to have a positive impact on their active surrounding environments, as well as to create an internal
dignity and pride for their employees.

Moreover, as he explains that business ethics is a fundamental aspect of their codes of conduct, questions and actions concerned with bribery and corruption are not allowed to occur in any form. In the discussion regarding the involvement in the Brazilian business environment, Mattsson states that the company has no direct experience with issues of ethical characteristics, since the company is specifically strict in this matter. If an event or issue were to arise, the company has an anonymous whistleblowing system implemented, meaning that there are precautions in place in the case of such events. However, although there are no current indications of anything uneven going on with the Brazilian market, he adds further with stating that it is better to be clear with where the company stands in the issue, rather than end up risking that subgroups within the company may create their own rules. If this were to occur, it may have an influence on both the collective values the company wants to represent, as well as risk that situations could get out of hand if individual initiatives were to meddle with the ethical guidelines. By stating this, Mattsson means that there is room for adaptation within the company, however, not in terms of deviating from the codes of conduct – even if the company ends up losing a business deal.

In that sense, Mattsson means that their core values along with established codes have rather helped them in a sustainable perspective, meaning that the company may have lost business deals in the process, yet have gained from it in the long term perspective. In the discussion of unethical actions and practices such as bribery or corruption, he makes a clear stand throughout the interview that an employee who chooses to conduct such practices would immediately be removed from the company operations. For him personally, it would be an immense disappointment and he would not make any exceptions in terms of terminating the employee in question, due to that this is simply not how they condone their business.

4.5.4 Company Alpha

In terms of ethical guidelines, Miller states that these have not been clearly established as a set of rules, since they are such a slim organization. Simply put, he means that the company operates by acknowledging equal worth and being able to stand behind your actions. However, even if they are a slim organization, the company feels that they have a role in terms of making the world a better and cleaner place, meaning that they feel responsible to. Miller states that the company is currently working on a CSR initiative to create a safe recycling procedure related to their industry, yet, it is still an ongoing process.

When it comes to their operations, Miller claims that the company has not established an anti-corruption policy, and that a part of their business is about taking risks in high-risk countries, which includes Brazil. As for their experience with the Brazilian market specifically, he describes that the company’s service engineer that works on site has experience with situations of unethical characteristics; where the situations are related to
the place he lives, as well as to the places where he installs the products. Miller exemplifies by describing experiences; such as that the service engineer was only allowed to visit the customers on scheduled appointments, that the customers did not take responsibility for the own mistakes they made during the process, as well as their unwillingness to pay for or correct something that they have sabotaged themselves. Furthermore, Miller describes that the service engineer also sensed the level of corruption involved with business, since payments were received from different banks. However, the service engineer meant that this specific matter was not related to the company in question, but rather a governmental issue; since the corruption is revolving around institutions of the state itself.

Furthermore, the question of adapting the company values to suit other standards in business deals is not one of their practices, according to Miller. He means that their approaches are mainly based on their own experiences and values, whereas he feels that the values are in a way based on the newer demands of the business world; meaning that they are relatable to the generation he grew up in. However, deviations from these values have occurred in the past, when one of their agents received contacts from other agents in Brazil and sold products on the side, instead of going through their established partners. In this case, there were no sanctions involved, even though it came to the knowledge amongst the employees. However, Miller states that if he himself had the mandate to take actions, he would; since bribery is what it is. It is neither acceptable in business terms nor in accordance with the corporate values that they stand for, therefore, he would have removed the employee in question from the company operations.

4.5.5 Company Beta
In relation to ethical dilemmas and experiences with the Brazilian market, Williams emphasizes the relations between the agent the company had in place and their business relations, meaning that this is an important link in the case of issues of such characteristics. Generally, since he was a part of the company for a long time, he feels that if they had a good agent in place that understood the differences in terms of culture and systems, they would not end up in complicated situations concerning unethical behavior. By stating this, the interviewee emphasizes the importance of the agent in place even further, and also adds that the agent was in charge of closing every business deal on site. Since the deals were closed on site and not through a large physical distance, he claims that there was less room for a direct ethical conflict to occur, and that it instead resulted in a higher perception of good will between all parties involved.

In questions concerning corruption and bribery, Williams states that the question is very controversial, since there have been occurrences of situations where the people it concerns have not been held responsible for their actions. By this, he means that some business deals have been left unfinished, and therefore there can be no claim or accusations of responsibility since they are no longer contemporary, and therefore lost their relevance. In cases that involve unethical behavior and practices, Williams admits that he has been unwilling to hear about it, and that bribery has occurred, yet he has turned a blind eye
towards it. However, he evolves on the matter further by exemplifying that the former Brazilian president was incarcerated, and means that it is getting all the harder to hide and cover up such actions, meaning that they are getting easier to discover. Yet, he still believes that bribery occurs during business deals in general, even if the environment has developed new demands. Although, he claims that this was something that he never wanted to be a part of or implicate himself in, whilst the knowledge of agents that were involved in such practices remains with him.
5 Analysis

This chapter contains the final analysis of this thesis, where the empirical findings are connected and related to the literature review. The chapter is displaying the similarities and differences between the findings, together with a comparison of the collected data. Furthermore, this chapter will follow the structure of: Internationalization, Culture and Business ethics, where the three parts will be analyzed one by one through a cross-case analysis.

5.1 Internationalization

Czinkota and Ronkainen (2007) established that companies need to remain observant of their surrounding environment, meaning that it serves the purpose of detecting opportunities; whereas the opportunities are detected through either proactive or reactive triggers. The proactive triggers can be supported by the claims of Vickle and Williams, who state that Norden Machinery and Company Beta were triggered to enter the Brazilian market due to its size. In addition, Vickle also emphasizes the geographical location and potential for profitability concerning their product as triggering, as well as describes the Brazilian market as interesting in general. In turn, this reconsiders the proactive trigger motives presented by Czinkota and Ronkainen (2007) in terms of expanding business abroad in order to gain potential profitability and generate business growth. Hence, the factors presented so far are motivated by proactive triggers for internationalizing to Brazil; which relates to detecting of the potential of this emerging market and its opportunities. Furthermore, Vickle explains it as a pull and push effect, where demand acted in relation to the profitable size in terms of triggering an internationalization. This entails that there were was a reactive trigger involved in the process as well, in form of the pull effect to their products. Moreover, both Jansson and Mattson share the opinion that the large market potential was a triggering factor for Leax Group and Roxtec to establish business in Brazil. Mattsson emphasizes the uniqueness of this particular market further, since it has aided Roxtec in their international growth. What Jansson and Mattson both entail, can further be implied as proactive triggers. In contrast, the factors that triggered Company Alpha to internationalize are characterized as more reactive, where Miller explains that the Brazilian market chose Alpha instead of vice versa; which is explained as a response rather than a proactive action, that also is supported by Hollensen (2011).

Hollensen (2011) further explains that to establish a presence and remain relevant on an international scale, companies are dependent on interacting with foreign suppliers in order to gain access to business networks. Blomdahl emphasizes the strong relation between Norden Machinery and their Brazilian network, referring to the agents on site, meaning that they have gained advantages to improve their business establishments, due to the agents’ familiar relation to the market and residing culture. Thus, it can be seen that a local anchoring is a significant element in terms of establishing a presence. In turn, this also relates to the further statement of Hollensen (2011), which describes this interaction as relevant to gain useful information for future network establishments. In Roxtec’s case,
Mattsson explains that the company did not possess the required capital from inception, and as a result, they started to build up a network with the help from subsidiaries in order to enter the international market. In terms of establishing relations on site, Jansson explains that in the process of expanding the business on the Brazilian market, the customers require a local presence; which includes a good relationship. Hence, it can entail that networks are required in order to establish more sustainable and extensive business operations.

According to Cavusgil et al. (2013), the entry strategy to a new market is guided by market size, market potential and the business environment. More extensively, Kogut and Singh (1988) explain that the external environment and cultures of countries can have an effect on the decision of entry modes. In accordance, Williams describes that since he possessed previous experience and knowledge of the Brazilian culture, the internationalization process came natural for Company Beta, with him as a form of anchor to the culture. As a result, he means that this helped uncover the opportunities of the market. Furthermore, this can be supported by Jansson’s prior experiences, where he had the chance to learn about the Brazilian culture in advance, which could later be implemented in the entry process of Leax Group. This shows that the prior experiences and knowledge was an helping aid, as well as contributed in the choice of entry mode. Moreover, the cultural knowledge and control prior to the entry of a market is highlighted by Kogut and Singh (1988) as well, meaning that conflicts and difficulties that can have a negative impact on the expansion can be mitigated if the proper entry mode is chosen. In relation to this, Blomdahl states that due to Norden Machinery’s lack of knowledge about the language and culture, a network based entry mode was implemented to create a linkage in the business process. Furthermore, Miller also explains that the choice of entry mode for Company Alpha was through a network and its consisting intermediaries. Jansson further emphasizes the importance of networks in the choice of entry mode in terms of relationship-building with the customers. Again, a connection can be drawn considering that if there is no sufficient knowledge and experience about the culture in advance, a network based entry mode can be the appropriate approach. Also, to establish business to a further extent, a network is necessary in terms of creating a local anchor.

Besides the importance of networks, McNaughton (2001) states that the first step of establishing business abroad is usually through export. Hollensen (2011) further states that export as a mode of entry could mitigate the risks within the expansion process. In these terms, Vickle explains that in addition to the importance of networks, export as an entry mode gained several advantages for Norden Machinery, whereas one of them includes the low level of risk-taking. However, in contrast, the entry of Company Beta can be characterized as an intermediate mode, which was executed through a joint venture where they were brought together with other markets. The reasoning behind this entry was, according to Williams, due to the focus on developing the local production and industry. This can be related to further statements by Hollensen (2011), which indicates that the intermediate mode encompasses establishing a local presence to a larger extent than through export modes, still, at a higher risk since the ownership is shared. However, both Company Beta and Norden Machinery are product-oriented and still, they chose
modes of entry that differentiated in level of involvement and risk.

Conclusively, Johanson and Vahlne (1993) characterizes Brazil as an attractive market, yet with a precautionary risk of involvement, since it is an emerging economy. Hence, companies are advised to choose an entry mode that requires less commitment. Moreover, Johnson et al. (2008) provides an argument that can be discussed in relation to the statement by Johanson and Vahlne (1993). This counter argument by Johnson et al. (2008) entails that even though the risks are smaller through export, there is also a negative effect in the sense of mitigated opportunities in terms of knowledge about the local market and its competitors. Regardless of the mode of entry, all companies, in one way or another, highlight the significance of a local anchoring in the Brazilian market environment; which is where the real required element lies.

5.2 Culture

Bjerke (1998) states that the Swedish corporate culture is generally characterized by perceptiveness in terms of finding new markets and business opportunities. According to Han (2012), a company’s corporate culture is an outside reflection of the inside operations. A further implication by Han, is the several benefits that comes with a strong corporate culture; which can result in a strong identity with coherent values. In terms of reflecting company values and creating a unity, Jansson explains that the corporate culture at Leax Group shapes a form of cohesion between the 11 different unities. Furthermore, Mattsson also highlights the reflection of the operations, in the sense of emphasizing the significance of concrete core values in Roxtec’s case; meaning that simple concrete values are prefered over fancy words in order to create a holistic clarity. In the case of Leax Group, creating a unity can be identified as a visible strength from an internal and external perspective, whereas the concrete values in Roxtec’s case argue for how the company operates on both levels as well. In addition, Overbeeke and Snizek (2005) mean that a corporate culture has to follow the pace of the expansion, and in accordance, Mattsson states that as Roxtec is constantly growing on a global scale, each new employee is required to participate in a basic education about the culture and values within Roxtec. Moreover, Overbeeke and Snizek (2005) emphasize the history of the corporate culture’s significance in that it has been a tool towards achieving visibility and attractiveness. This can be referred to the statement by Mattsson and his ability to identify with the company in order to stand behind each action. In addition, Williams argues for the pride he feels towards the products of Company Beta. To explain how this relates, there lies a certain attractiveness in having confidence within the products as well as the organizational values that are displayed and represented. In turn, believing in the operations creates a form of trust that provides to a more attractive position on the market in general.

Furthermore, Schein (2009) distinguishes a continuous change within the modern workplace, where the corporate culture is visible and applied to different extents. Miller explains that while the corporate culture is clear in terms of striving for the same goals, he finds it hard to describe the specific underlying values to an outsider. In turn, this relates to the concept of institutional theory; which Eriksson-Zetterquist (2009) highlights
as the underlying forces within organizations in the form of both formal and informal rules, in order for employees to make sense of their working environment. What Miller means, is that even though the corporate culture is hard to describe, it is still an enacting force, being that the employees ensure the corporate culture by discussing what they want to achieve and the means to get there on a daily basis. By doing so, an agenda can be identified as a form of replacement where there is a lack of a defined and visible corporate culture, in the attempt of making sense of the working environment. Vickle further elaborates on the matter of what drives an organization, being that there is room for differentiation within the organization, and thereby a certain openness for flexibility. However, both Vickle and Blomdahl state that during the recruitment process within Norden Machinery, the match between the individual recruit and the corporate culture is not the first consideration. What makes sense in the corporate culture of the company, is their product and relation to customers; making the core values consisting around the products. This is further evolved in the sense of personal development concerning their employees, since the company is annually mediating the corporate culture in relation to staff appraisal, where the personal development is focused on.

Moreover, in terms of informality within organizations, Mattsson discusses that there lies a potential within informal leaders and their will to develop, and further explains that simplicity is one of the core values of Roxtec. In that matter, prestige is not preferable and also not a part of the corporate culture. This can in turn be related to the national cultural dimension by Hofstede et al. (2010), who describes the masculinity and achievement for “prestige” as higher in Brazil compared to Sweden, which also is conformed to by Vickle; meaning that there is a need for sharp elbows to do business in Brazil. The view in terms of prestige according to the Swedish national culture can further be related to the law of jante and the term “lagom”, which is a constant reminder of not standing out too much. Furthermore, Bjerke (1998) states that the corporate culture of Sweden often is characterized with a low level of power distance according to Hofstede’s scale, whereas Blomdahl evolves further on the matter, by describing the largely hierarchical structures within Brazilian organizations. By stating this, she means that in order to get something done in business with Brazil, there is a need to approach the top executives; whilst in contrast, Norden is characterized as a flat organisation with a more flexible structure where conducts are not as strict. This relates further to institutional theory, considering that it implies the formality and informality concerning conducts and appropriate behaviors discussed by Eriksson-Zetterquist (2009). By exemplifying further, Williams explains that during his time at Company Beta, there was a complete flexibility and responsibility concerning his work. Yet, he expresses that in combination, there was also a lack of supporting human resources for employees across borders; which in turn can be seen as making the formalities of the organizational conducts blurry. In terms of this, Miller also emphasises the vague regulations within Company Alpha. These statements by the interviewees can be referred to as notions of individualist behavior presented by Hofstede (2010), where the focus is shifted towards the individual to a much larger extent in terms of responsibility and flexibility, as well as the personal development. However, since institutions with its formal and informal rules are a part of manifesting the corporate culture, it also provides an implication of how strong the said
corporate culture is; as well as how it can be implemented in terms of solving concrete situations by using the corporate values, such as in ethical situations for an example.

In the further discussion of upholding structured behaviors, Hallet and Ventresca (2006) emphasizes the social interaction as fundamental in terms of institutions, meaning that they give power to the created patterns. In relation to this, Jansson emphasizes the exchange of information through social interaction as strong, meaning that the communication on a daily basis through briefings and sharing information is a part of mediating the corporate culture at Leax Group. Whereas Mattsson emphasizes that the parallel between the individual recruit and the corporate culture is an essential part that goes ahead of the formal competencies. In turn, these aspects can be regarded as concrete patterns associated with the strength of the corporate culture, where more concrete values can be identified as more visible daily applications within operations.

Furthermore, Lindblom (2009) expresses that the level of tolerance of uncertainty is high in Sweden, which enhances the opportunity to make use of new innovations. According to Jansson, a large extent of the Swedish business environment is characterized by innovations and creativity, whilst he means that in Brazil, the view on innovation differentiates in the sense that it is not as encouraged and that direction is strictly provided by the management. In relation to Hofstede’s uncertainty avoidance dimension and the empirical comparison between Sweden and Brazil, the interpretation of reality according to Jansson is coherent with what theory implies. Moreover, since the empirical findings about Hofstede’s collectivistic view in Brazil entails that relationship building is a significant aspect when initiating business deals or a cooperation, this can again be related back to uncertainty avoidance. By building relationships, it is possible to mitigate the risks by getting to know your counterpart, which is emphasized as a significant aspect of condoning business in Brazil in general by the representatives. In contrast, since Sweden displays a lower level of uncertainty avoidance than Brazil, this can be linked to what Miller states about Company Alpha and their willingness to dive into uncertain environments in terms of their business in high risk countries. With this being said, a clear distinction is visible between the Swedish and the Brazilian business environment, where the relationship aspects is considered from a network perspective in terms of entering the Brazilian market for Sweden. On the other hand, from a Brazilian perspective, the relationship-building is an essential part of the entire process in the sense of the collectivistic society.

Bjerke (1998) further states that Swedish companies are generally known as competent to adapt to changes in the business environment. In addition, Lindblom (2009) means that due to this adaptability, Sweden has become attractive on the international market. In accordance to this, all represented companies with the exception of Roxtec, argues that the Brazilian market requires a certain adaptation in order to do business. However, in terms of adapting the own corporate culture, the companies share different opinions. For an example, due to the differences identified by Jansson in the Brazilian society in terms of bureaucracy, tax regulations and criminality, a cultural gap was identified that required adaptation from their corporate culture. Miller further agrees that the bureaucracy in the
form of the external threat from the Brazilian government has created a cultural gap that also requires adaptation. The above mentioned aspects displays a clear cultural crash between Sweden and Brazil, which can be further supported by Lindblom (2009) who states that Swedish companies are known to be obedient in terms of rules and laws, as well as respecting other cultures, including corporate cultures. In addition, the empirical findings concerned with Hofstede’s individualism dimension shows that Swedish people in general lose their self-esteem and feel guilt when crime is involved or when they have done something wrong. Hence, the theory combined with the empirical findings clearly demonstrate an obvious cultural clash, since the governing systems surrounding the Brazilian market may implicate some challenges that require adaptation in order to do right by both parties. Additionally, Williams also implicates that in the adaptation to the Brazilian market, the Swedish corporate culture is in a way put aside.

In contrast, Mattsson explains that the business market instead needs adaptation towards the global culture of Roxtec, not the other way around. However, what he means is that there is no other way to do business for them, since the business should always be in accordance with the core values and codes of conduct. Thus, it can be implied that whether a company chooses to adapt or not, the process should be aligned with the core values that the company in question wants to represent. Moreover, Schein (2009) also implicates that the adaptation of the corporate culture to other companies and markets is crucial for the survival and future development of a company. Thereby, a dilemma can be seen in that companies need to be able to adapt to survive, whilst remaining true to their core corporate values; which is common in dilemmas of ethical characteristics. Conclusively, Overbeeke and Snizek (2005) suggests that the corporate culture in fact could be of potential use in dealing with ethical dilemmas, which parts of the empirical data displays.

5.3 Business ethics

Wood (2017) states that business ethics has received positive recognition throughout recent years, as well as considerate development in terms of implementation in the form of codes of conduct within companies and countries globally; yet, it remains an unsolved issue that is still widely discussed in research. Hence, the interpretations as well as implementations differentiate on a number of accounts. In accordance with this, both Jansson and Mattsson describe that the there are clear ethical guidelines in forms of own developed codes of conduct. In this case, it can be seen the ethical codes of conduct provided within the organizations has set up distinctive values that are easily communicated. Furthermore, in the case of Norden, the mother company Coesia provides ethical codes of conduct to serve as guidelines, whilst both Blomdahl and Vickle explain that the guidelines have an intertwined role with general common sense in terms of decision making. In addition, Vickle explains that the codes concerned with bribery and corruption comes natural for him to follow, whilst he understands that it may not have been as easy for previous generations. In turn, this relates to both the historical characteristics of the Latin American region, concerned with bribery and corruption explained by Arruda (1997), as well as the statement by Jansson, who means that the
newer generations have different perspectives and requirements where questions of ethics are concerned. This statement by Jansson was in turn explained in reference to the changes that are occurring in the Brazilian business environment, yet, it can be regarded as a form of influence on the demands that are characterizing the global development in terms of ethical business conduct. Additionally, Williams further draws reference to the matter, by stating that unethical business practices are getting all the harder to hide and easier to discover. As Williams can be regarded as a form of spokesperson for previous generations, since he was active on the Brazilian market with Company Beta between 1979 to 2013, this means that he has actively experienced this shift and its changes.

By further emphasizing the notion of common sense formerly stated by Blomdahl and Vickle, Miller also explains that whilst Company Alpha has not established as clear guidelines, such as anti-corruption policies for an example, he highlights the notion of common sense, through being able to stand behind your actions. According to the former philosophy explored by Hodder (1892) and further developed by Brady and Wheeler (1996), actions are pre-measured in terms of consequences in the form of the happiness or unhappiness it will result in for the largest amount. Furthermore, Brady and Wheeler further highlight that this aspect is a significant element of behavioral models for business ethics, where the individual decision making is involved. In turn, this can be related to the emphasized common sense involved by the interviewees. Thereby, making the statement of the involved common sense and the values it derives from, an influential aspect in terms of deciding on the actions and business practices that will lead to the most proper internal and external consequences in terms of what is ethically right. In relation to this, Blomdahl explains ethical conduct as more given than in need of clear objectives, whereas she hopes that this general consideration is shared. Vickle further adds a description of ethical conduct as simply being able to stand behind your actions. Hence, it can be seen that the question of ethical conduct is in many cases influenced by individual perspectives on morality, which is a differentiating matter in cultural terms.

Moreover, Brady and Wheeler (1996) further explain that the individual decision making process also involves internal and external factors that influence business decisions. This can be further related to the concept of CSR, and how Puncheva-Michelotti et al. (2018) links both the personal and strategic benefits perceived by CSR initiatives. Mattsson explains that for Roxtec, the CSR practices have the two purposes of creating a positive impact on the surrounding environments the company is active in, as well as creating an internal dignity and pride for their employees. Besides the purposes, he describes their current project in India and the liberation from child labour, which serves as an example of how external strategies in the form of responsibility can contribute to a positive image, as well as how the internal benefits relate to the personal pride the employees can take in what the company contributes to. Likewise, Miller explains that the company feels a certain responsibility for the environments they are active in, whereas they are currently working on creating a safe recycling procedure related to their industry. In accordance to this, Manasakis (2018) describes that donations as well as investments in sustainable technologies can result in valuable and rare resources that have competitive advantages. In turn, the initiatives by both companies can be considered as strategies that contribute
to an attractive visibility on the international market. However, CSR implementation is not limited to the mentioned practices. Jansson describes the CSR initiatives at Leax Group in a similar matter, yet on a local scale, that for him is a natural part of succeeding; which returns to the consequential discussion by Bosupeng (2017) in that businesses today are considering their profits in relation to moral obligations, and thereby recognizing it further. These statements by both Jansson and Bosupeng indicates that responsibility is regarded in a somewhat relation to the rate of success in the form of profitability and growth, which in turn takes shape in the form of CSR practices and initiatives. According to Manasakis (2018) CSR practices are characterized by being measured as broadly accepted, which creates a general recognition of the concept. As a result, the initiatives by companies and their consequences may be visible and transferable to a certain extent which inspires similar actions. Thereby, giving the concept further recognition as well as contribute to clarify the relevance of ethics and codes of conducts within the business environment even further.

Another aspect related to business ethics is the general national impact. According to Philipsson (2004), Sweden is committed to democratic values, whilst in contrast, Arruda (1997) emphasizes the history of dictation in Brazil; which has had a deep influence on the ethical standards in terms of organizations and individuals. Miller emphasizes the Brazilian government as an active external threat, meaning that their constant involvement is influencing business processes; such as the event displayed by their service engineer that revolved around the governmental institutions. Furthermore, in the experienced encounters of ethical dilemmas, Jansson means that the company chose not to compromise their values by remaining true to their implementations of ethics and morals, which are referred to as having a background in the ‘healthy’ Swedish values. In terms of consequential ethics, the decision by Leax Group to abandon the machine instead of getting involved with bribery can relate to long term consequences in the form of creating a sustainable image. Thereby, the commitment to values is chosen over shortcuts, in order to create long term sustainability.

Even further related to the national cultural dimension of individualism, the involvement in such practices relates to a feeling of guilt and lost self-esteem where the Swedish culture is generally concerned by Hofstede et al. (2010). This implicates that the corporate values in relation to the general Swedish cultural perceptions acted as a combining force in the decision making process. Meanwhile, Miller describes Company Alpha’s encounters with the general perceptions of the Brazilian culture as differentiating from Sweden in terms of guilt and not standing behind the faulty actions, in the sense of owning up to errors and correcting mistakes. In a way, this can be interpreted as a way of avoiding ethical consequences in a way that the Swedish culture is not associated with. As a result, the cultural influence in this case, have a direct impact on corporate behavior; which influences questions concerned with ethics.

On the other hand, Williams states that the question of ethical dilemmas is controversial, since even though he did not involve himself in unethical practices such as bribery and corruption, he chose to turn a blind eye in terms of his own co-workers and their
involvement. This in turn relates further to the statement by Bosupeng (2017), that the individual values and beliefs are not necessarily bound to moral foundations. Even though the cultural generalizations can act as an aid in finding connections between cultural values and ethical dilemmas, the line is not always necessarily distinctive and clear, regardless of the cultural values from where decisions descent. The fact that Williams chose to turn a blind eye without considering consequences, questions the generalized perceptions of the Swedish cultural values to some extent as well, yet, with caution in terms of the circumstances. In contrast, Miller explains that if he had the mandate to take actions in such a case, he would, since he emphasizes that bribery is simply what it is. Additionally, Vickle expresses the disappointment he would feel if such an event would occur, as well as the need to take action. Yet, considering that Norden Machinery is still an old fashioned company, he was unsure of whether the company would be strict enough to let an employee go the first time around in such a case. In turn, this relates back to the previous discussed perspective that revolves around the differences in perceptions and practices of generations. Thus, the imprinted morality in cases of business ethics is not simply black or white. Bosupeng (2017) clarifies on the matter, by arguing that while the subject of ethics remains partially without clear definitions, the significance lies within the reasoning and development that shapes the foundation for definition of right and wrong. In turn, the argument answers the questioning by Wood (2017) of how the global citizens can prepare the business environment for a better future, since the reasoning and development process shapes the evolution of perceptions.
6 Conclusion

The last chapter contains an interpretation of the analysis of the previous chapter and includes an answer to the research question. Furthermore, the interpretations and the answer to the research question is followed by theoretical and practical implications, as well as identified limitations that have influenced the findings of this thesis. Finally, the chapter ends with a number of relevant suggestions for future research in order to contribute to further understanding of the researched topic.

6.1 Answering the research question

This thesis was introduced with one of the most scandalous corruption events of our time, surrounding the Brazilian company Odebrecht. The protests that were a following consequence of the corrupt actions highlighted the inequalities and demanded change. This case is a demonstration of history, as well as a remaining concurrent issue in terms of ethical business practices. Since Brazil has developed into an attractive emerging market and has estimated to become one of the largest global economies with long-term profitability, the case further entails the need for a change in terms of establishing sustainability and responsibility in a sense that goes beyond profit. In turn, this opens up the discussion of ethical business conduct, as well as how foreign actors contribute to this process. In terms of the discovered interest in the Brazilian market by Swedish companies, this process becomes a highly relevant matter due to the corporate influences on the general business environment. Where research is concerned, the notion of Swedish corporate culture in relation to the management of ethical dilemmas in the Brazilian market is rather vague; resulting in the discovered research gap that is the basis for this study. Hence, this thesis has the purpose of answering the following research question: How does Swedish corporate culture affect the management of ethical issues encountered in the Brazilian market?

By reviewing the empirical data concerning the internationalization processes, a conclusion can be drawn concerning the relevance of networks and relations in terms of Swedish companies establishing businesses in Brazil. In one way or another, each company highlighted the significance of the business relations, regardless of the mode of entry. Thus, the business relation can be regarded as the foundation for a constant connection, which is where influences are processed. In that sense, since the business relation is about giving and receiving value, this can be argued for as the translation process where misinterpretations and dilemmas can arise. In terms of this translation process, it can be seen that the voices of cultural perceptions and interpretations are constantly present. The empirical data reveals that the corporate cultural values have a significant role in the way Swedish companies conduct their business, as well as how significant the individual identification with said values is. In turn, it can be argued that the association with the corporate values is a way of standing behind your actions and making sense of the operating environment. In addition, it can be indicated that the association goes both ways, being that it could be used as a tool for influencing business processes and actions that are taken in the company name. Hence, it can be indicated that
the inside operations are reflecting the outside perceptions, in the sense of creating visibility and attractiveness on the open market. With that being said, actions and practices such as ethical conduct are about making a statement, in that it is a direct reflection of what a company represents.

In addition, since it can be argued that corporate culture derives partially from national cultural values, the empirical findings display a certain amount of national differences between the two countries. In turn, by analyzing the differences, it can be suggested that the national cultural clashes influence the corporate values and operations, and thereby disturbs the translation signal; which is the business relation. From theory and context, it is clarified that the Latin American region has historically suffered from inequalities and ethical issues which continues to influence business processes through corrupt institutions. Thereby, when the democratic Swedish values that influence corporate operations, encounter these historical influences, there is a possibility for a cultural clash in terms of ethical dilemmas. It can be defended that the connection between cultural influences on the management of ethical dilemmas becomes clear; in that perceptions derive from the values consisting around the national culture, as well as the corporate cultural values from which companies make their decisions. Hence, it can be claimed that in terms of ethical conduct and the implemented codes of conduct within corporations, ethical practices takes form in the notion of being able to stand behind what you represent as an individual employee, as well as in a larger context in the form of the company.

However, based on empirical findings in relation to the historical context, a conclusion can be drawn that there is an ongoing transition process where the different generations are concerned. It can be argued that the historical ways of doing business are facing a shift, in the sense of the new demands, such as ethical codes of conducts and influences from global trends and CSR initiatives. In turn, it can be seen through experiences discussed in the empirical data that the historical influences are fading, in the sense that ethical misconduct is getting easier to detect and that there are profitabilities to be gained in maintaining the company image. To conclude, it can be defended that through implementing business ethics as a form of institution within the corporate cultural values, with the belonging notion of sanctions and maintenance in the form of social constructs, can generate a developed perception where ethics is concerned; being that it is a way of establishing standards through institutionalizing values. Ultimately, the connection is revealed through the corporate reflection of values and the statement it makes through practices conducted in the company name. As the title of this thesis states; as the twig is bent, so grows the tree.

6.2 Theoretical implications
Research regarding ethical issues in relation to cultural influences has received considerable acknowledgement in literature. However, the relation between corporate culture, and the Swedish corporate culture in particular in alliance with the management of ethical issues is presenting an unexplored research gap. Hence, this study of the Swedish corporate culture in relation to the ethical issues encountered in the context of
the Brazilian market, contributes to a deeper understanding of the underlying complexity within applying cultural values to the ways ethical dilemmas are managed. The conclusions drawn in this thesis identified the implementation of corporate cultural values as a significant tool in both ensuring the ethical values in accordance with the company beliefs, as well as creating an attractive visibility on the open market. In terms of reflecting the desired values, this study has been able to identify that there is a need for choosing an appropriate mode of entry during an internationalization process to Brazil, that is in close relation to creating a functioning network. Additionally, there is a further need of translating the cultural standing points along with the ethical codes of conduct and the CSR initiatives in order to create visible and concrete values that reflect from the inside and out.

6.3 Practical implications

The empirical findings in this thesis show that the network process has made it easier to establish business in Brazil, as well as investigated that the Brazilian market has a lot of opportunities that attract Swedish companies to enter. Hence, in this study, it shows evidence that the Swedish corporate culture and culture in general, have impacts on the ethical decision-making process and it is proven that cultures are a significant factor of influencing ethical decisions. In turn, this results in the conclusion that culture is an intangible phenomenon and the involvement in ethical questions is a responsibility from the respective society.

Furthermore, a suggestion for Swedish companies is to prepare and expand their networks in order to better understand the market and during the way gather knowledge of the differences in cultures between the countries. The result of the research supports the assumptions that companies have to remain by and trust their corporate values in dilemmas when they are unsure of the outcomes. Therefore, generally speaking, it is significant to always consider the long-term effects in order for an improved management of the ethical dilemmas that can arise. Moreover, it can be suggested that Swedish companies have to implement core values in relation with their codes of conduct in order to have concrete guidance.

6.4 Limitations

During this research, certain limitations appeared that influenced the research, which in turned also affected the outcome of this thesis. The idea from the beginning was to initially interview at least three respondents from each company that possessed different positions, in order to get a more holistic picture of the corporate culture. However, the number of representatives from the case companies was limited, since there were no opportunities for that number of representatives to make time for an interview. Also, not all representatives had experiences of ethical dilemmas in Brazil, or a clear picture about the corporate culture and its implementations. Hence, the cases had to complement each other in order to make assumptions from the limited collected data. Another limitation was the small range of companies to interview, due to the purposive sampling of Swedish companies in the Brazilian market. Furthermore, considering the chosen topic and its
sensitivity, another significant dimension could have been to require anonymity from all the respondents, as well as conducting interviews on the telephone instead of face-to-face. In that way, it could have resulted in a better comfort for the respondents to discuss more openly about encountered dilemmas.

6.5 Suggestions for future research

This thesis has emphasized the relation between Swedish corporate culture and the managing of encountered ethical dilemmas in the emerging market of Brazil, as well as filled in the research gap of how this relation can contribute for companies to stay attractive on the global market. Due to the limitations of this study, the outcome of this research has given rise to interesting topics for further examination:

1. To further investigate Swedish companies established in other emerging markets with cultures outside of Latin America. By investigating further on other emerging markets, and not only Brazil, it could bring more extensive understanding for how the Swedish corporate culture is used during encounters of ethical dilemmas in other countries and cultures.

2. To further investigate Brazilian companies and their corporate culture for more extensive comparison. Through this suggestion, a deeper comparison could be conducted in order to see differences on an organizational level between the countries instead of only the national level.

3. To further investigate more extensive studies on an organizational level. Through investigating more on the organizational level by approaching more than one representative, a holistic view of the company and their operations can be gained in order to better understand the influencing factors.
References


Appendix A
Interview Guide

**Background**
*The interviewee’s role*
What is your position and what are your working tasks?
- How long have you worked for the company?
What is your relation to the Brazilian market?
- Have you visited Brazil in a business context?
How personal is your contact with the company’s clients?

**The Brazilian market**
*Background*
What was attractive about the Brazilian market?
How long has the company been active on the Brazilian market?
- Is it profitable?
How is the general relation to the Brazilian market?

*Internationalization*
How did the internationalization process to Brazil look like?
- How did you enter the market, and why did you choose this approach?
- What were the pros and cons with the chosen approach?
- Would you have done things differently today?
  How long did it take to build up the relation with Brazil?
Do you consider that you were well prepared for the cultural clashes that could emerge?
- What is the most severe cultural crash you have encountered during the internationalization process?

**Culture**
*Corporate culture*
What does corporate culture mean to your company?
- How important is it to you?
- Do you consider the corporate culture to be strong?
- How would you describe the company atmosphere?
- How is the corporate culture communicated and how often?
  How important is it that new recruit fits in with the corporate culture?
To what extent do you consider that the Brazilian market requires adaptation towards their culture?
How does the portrayal of the corporate culture look in relation to reality?

*Institutions*
Would you say that there are actual set of actions, certain guidelines or no regulations concerning how to execute your job?
How are conflicts managed within the company?
Have you ever perceived an informal order that goes beyond formal positions?

**Ethical dilemmas**

*Company ethics*
How do you reflect upon ethics and how do the top executives regard ethics?
- What do you consider to be ethical practices within a company?
  Are ethics and moral communicated in relation to the corporate culture?
  Do you have any ethical guidelines?
- If yes, what do you consider to be their primary purpose?
- Are they implemented in the daily operations?
- Do you have a specific anti-corruption policy?
  What role do you consider your business to have in society, do you feel a certain responsibility?
  Have you implemented any CSR initiatives?
- Do you experience that you have a significant responsibility to act “ethically correct”?
- How do you personally perceive your role?

*Experienced dilemmas*
Have you experienced, or been close to experience, any ethical dilemmas with Brazil so far, or do you know of another employee that has?
- If yes, how did you resolve this?
  Have you ever experienced the need to suppress your own culture in order to do business in Brazil?
- Is there a certain adaptation according to different standards?
- Would you say that the corporate culture provides values as a basis for decision making?
  What role does the management of ethical dilemmas play in your success?
  - How do you believe that the company would respond to an employee that had received bribes or been involved in a corruption case? What would the sanctions look like?
  - How would you personally react if it came to your knowledge that an employee had received bribes or been involved in a corruption case?