INTRODUCTION

In the global business markets of the day, more and more businesses are dependent on “the discovery, enactment, evaluation, and exploitation of opportunities - across national borders - to create future goods and services” (Oviatt & McDougall, 2005, p. 540). This is the primary subject of the disciplinary field of International Entrepreneurship (IE), which by definition combines international business and entrepreneurship theories (Coviello & Jones, 2004; McDougall & Oviatt, 2000). Couple of decades ago internationalization was seen as a process of internal decision making and gradual knowledge creation and committing to international markets (e.g. Johanson & Vahlne, 1977). Later the importance of inter-firm networks in internationalization decisions has been emphasized (Johanson & Vahlne, 1990, 2003, 2006, 2009). Similarly the entrepreneurship research has moved from examinations of entrepreneurial traits and entrepreneurial firms (e.g. Lumpkin & Dess, 1996; McClelland, 1965) towards study of socially embedded behaviors, through which new business opportunities are created and effectuated in networks (e.g. Sarasvathy, 2001).

The IE research has intensively studied the phenomenon of international new ventures (INV) stressing the antecedents and the necessary and sufficient conditions for the existence and success of this specific type of a firm (e.g. Autio et al., 2000; Chetty & Campbell-Hunt, 2004; Madsen & Servais, 1997; Zahra, 2005). In accordance with the developments in its root fields, recent IE research has emphasized the role of networks in INV development (Coviello, 2006; Harris & Wheeler, 2005; Johanson & Vahlne 2003, 2009). A couple of studies notice the social embeddedness of internationalization and role of social networks in international entry (Agnadal & Chetty 2007; Ellis 2000; Komulainen, Mainela & Tähtinen, 2005). However, quite little attention has been paid to the core of the network, the teams involved in the establishment of international operations. Even less is known about the dynamics of the teams and influence of team member changes with development of international opportunities.

The existence of teams of individuals behind INVs was clearly denoted in the earliest INV studies (Jolly et al., 1992; Oviatt & McDougall, 1994) and Reuber and Fischer (1997) already emphasized the interaction and joint decision making among management team members of internationalizing small firms. There is some recent research elaborating on the influence of teams on international operations of INVs, which, however, is about quantifiable issues, such as the size of the team (De Clercq & Bosma, 2004), experience of the team (McDougall et al., 2003), member turnover (Ucbasaran et al., 2003), and equity ownership (Zahra et al., 2005). The social dialogues between the team members and the changes in the responsibilities of the establishment teams with members of different nationalities have received little attention.

The present study follows over time the establishment of international operations in Sri Lanka by a Finnish high tech firm. As the early development of the operations is strongly based on Finnish-Sri Lankan team and the personal relationships in the markets the study provides in-depth exploration of inter-personal relationships and team dynamics over time. The study aims to answer the question: how
do the operations of international new ventures evolve over time as a result of actions and interactions of the changing cross-national establishment teams?

As a response to the constant calls for further integration and more intense combination of international business and entrepreneurship theory in IE research (see Coviello & Jones, 2004; Madsen & Servais, 1997; McDougall & Oviatt, 2000; Oviatt & McDougall, 2005; Rialp et al., 2005), we use previous research in both fields to develop a framework for determinants of team dynamics in evolution of INV’s international operations. The empirical study is based on a longitudinal single case study. By combining analysis of interviews, emails and memos collected in real time with self-ethnography we re-construct the team dynamics in the evolution of INV international operations. The contribution of the study is based on study of evolution of INV operations as socially embedded creation approached as an interactive process among the core individuals. As a result, the team and social network based effectuation of INV operations is modeled.

REFERENCES


De Clercq, D. & Bosma, N. (2004). Why are some firms more internationally committed than others? The role of knowledge, firm development stage, and optimism. SCALES-paper N200408, Zoetermeer.


