Bachelor Thesis

Africa: Open for Business
Exploring the dynamic business culture of sub-Saharan Africa from the perspective of Swedish firms

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Date: 2016-05-25
Semester: Spring 2016
Subject: International Business
Level: Degree of Bachelor, C-level
Course code: 2FE51E
Abstract

The purpose of the thesis is to investigate the business culture in sub-Saharan Africa by analyzing how Swedish firms perceive and adapt to the business culture. This multiple case study has been conducted with a qualitative method and deductive approach by collecting primary data from five case firms that currently are active in the sub-Saharan region. The literature review presents the following theories: Hofstede’s Dimensions, the GLOBE framework, business relationships and adaptation. The conclusions indicate the differences among the cultures within the sub-Saharan region. This implies that adaptation is required. Additionally, the conclusions also state the importance of relationships by signify both the formal and informal aspects of business relationships.

Furthermore, this thesis can be valuable for Swedish firms that have entered, or plan to enter any of the sub-Saharan markets.

Keywords

Globalization, culture, business culture, sub-Saharan Africa, Ubuntu, Swedish firms, adaptation, relationships, business relations.
Acknowledgement

We would like to take the opportunity to highlight how grateful we are to the contributors of this thesis. Firstly, we are thankful to our supervisor, Richard Owusu, whom along the way has inspired us with his knowledge about the sub-Saharan culture and also supporting us with guidance and inputs about the thesis. Secondly, we would like to thank our examiner, Firouze Pourmand Hilmersson, for valuable comments, feedback and inspiration to new ideas. Additionally, we are also thankful to our respondents, Stefan Axelsson, Sunniva Berlanda Viking, Fidel Elias Hernandez, Jörgen Johansson, and Tom Walsh, that have taken their time to share their expertise and participate in our interviews. We would further like to direct our gratefulness to our opponents and friends, for their support along this journey together with them.

Finally, we are grateful to Linnaeus University and Ekonomihögskolan in Kalmar that has enabled us to write this bachelor thesis.

Kalmar, 25 May 2016

__________________________________________
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Concept Definition

 López

Ø Apartheid: A rigid policy of segregation by economically and politically oppressing the nonwhite population.

Ø Born Global: Born global firms have a global focus in the startup process and commit their resources to international ventures.

Ø Culture: A way of thinking, behaving or working that exists in a place or organization (such as a business).

Ø Guanxi: A concept that describes social networks and relationships in China.

Ø Jeitinho: A concept in Brazil seen as a method of social navigation by circumventing rules or social conventions.

Ø Joint Venture: A commercial enterprising undertaken jointly by two or more parties which otherwise retain their distinct identities.

Ø LSE: Large scale enterprises, with larger share of total employees.

Ø MNC: A multinational corporation or worldwide enterprise are organizations that owns or controls production of goods or services in one or more countries other than their home country.

Ø SME: Small and medium-sized enterprises, whose number of employees fall below certain limits. The limit is estimated up to 250 employees.

Ø Sub-Saharan Africa: A geographical area of Africa that lies south of the Sahara dessert.

Ø Ubuntu: A concept that describes the philosophy of human relations in sub-Saharan Africa. It has been proposed as the basis of African business and social culture.
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1 Introduction

The introduction chapter aims to describe the background and the problem discussion in order to highlight the issue and the relevance of this topic. The problem discussion lays the foundation for the research questions and the purpose of the thesis. The chapter also presents delimitations, which clarifies the boundaries of the study. An outline is presented lastly, to further facilitate for the reader.

1.1 Background

The concept globalization is defined by Oxford Business Dictionary (1993) as “the movement toward economic, financial, trade and communications integration. Hamilton and Webster (2012) describe globalization as interconnections of nations, and the effect of reduced barriers between the nations. Globalization therefore affects the increased integration and interdependence, which also impacts the involvement of businesses that further implies increasing opportunities to expansion (Hamilton and Webster, 2012). Additionally, Albaum and Duerr (2011) stress the importance of globalization and the increasing demands of reduced barriers, competition and innovation between nations and companies, where this trend is expected to continue to grow (Cavusgil et al., 2013).

Although the economic perspective often tends to be the main aspect of globalization, the dimensions of globalization involve additional aspects, whereupon culture represents a major aspect (Hamilton and Webster, 2012). This emphasizes the challenging perspective of the linkage between globalization and culture, where the mutual impact of culture and globalization is describes as culture being an embedded aspect in the whole connectivity process of globalization (Tomlinson, 2008). Moreover, culture is also described as an essential tool in order to understand the practice of management in different countries and regions, which further highlight the importance of culture when a firm decides to enter a new and emerging market (Allen, Miller and Nath, 1988). Different markets vary significantly, which means that cultural understanding is required when doing successful business in a distant market in order to provide the right plan, project or product suitable for the specific culture (Ghemawat, 2007). Additionally, firms must understand the culture to be able to compete with both other foreign firms and local businesses. Cultural understanding is especially important in the context of emerging markets because of the dissimilar characteristics in
comparison to developed markets. Understanding these emerging markets may be difficult, however, manageable (De Mooij, 2009).

According to Trompenaars and Wooliams (2006), due to lack of knowledge and understanding for another culture, it is easy to be judgmental. Therefore is comprehension of diverse and different cultures of high importance in terms of integrating the world and reducing the mentioned barriers. Williams, Han and Qualls (1998) further stress the importance that business-to-business relationships and national culture has been neglected. Therefore, the authors explain that a deeper cultural understanding of how the culture should be managed is required when firms wish to establish in a market with a distant culture.

Culture is embedded in every society, which further includes impact on doing business. This additionally highlights the significant role of cross-cultural management, in terms of both management and relationships, which is further influenced by the level of profitability and sustainable competitive advantage (Hofstede et al., 2010). According to Albaum and Duerr (2011), being effective in a business environment requires understanding and managing the unique requirements that every culture holds. This implies that entering a new market with a diverse business culture is challenging without the appropriate set of tools or knowledge of how to manage the new environment. The culture further impacts relationships, meaning that it is implicit how social networks and influential relationships facilitate business dealings in a distant culture (Tomalin and Nicks, 2014). Tomalin and Nicks (2014) additionally describes cultural concepts as specific and unique for each region and part of the world, whereas an example of this is the concept of Guanxi in China that is described as a cultural phenomenon within the business culture. The concept of Guanxi’s importance relies in networks and relationships. In a different part of the world, other but yet similar concepts may be found (Luo, 2000). In Brazil, the concept of Jeitinho has been emphasized, which is a cultural method of doing business in Brazil (Fernandes, Perallis and Pezzato, 2015). In sub-Saharan Africa, the concept of Ubuntu is seen as highly influential while doing business in the region (Mawere, 2014). Countries within the sub-Saharan region are illustrated in figure 1.1 below.
Moreover, sub-Saharan business culture differs from other cultures, mainly in terms of construction of meetings and negotiating in social contexts and understanding the environment (Ahiauzu, 1986). This further identifies the relevance of investigating the business culture of sub-Saharan Africa, especially since the continent is recognized as the upcoming continent with several of tomorrow's emerging markets (Rosenberg, 2015). Sub-Saharan Africa is one of the fastest growing regions in the world, mainly in terms of the population but also because of the economic growth. This further affects the poverty, which involves one of the major challenges for Africa. Nevertheless, the level of poverty is reducing more in Africa than elsewhere in the world (worldbank.org, 2016), which as a result gives rise to an upcoming and consuming middle class (Cavusgil et al., 2013). Additionally, this implies an attractive region for companies to enter, with growing potential within several industries, such as infrastructure and healthcare. Although, sub-Saharan Africa is a diverse culture in comparison to Sweden, which may create barriers while doing business but the region still provides high potential for Swedish firms that seek to internationalize (business-sweden.se, 2015).

The rise of Africa and the growing interest of sub-Saharan Africa attract both LSE’s and SME’s (Dalqvist, 2015), which mainly is a result from the increasing growth of outsourcing. Additional reasons for growth are, according to the expert on Africa Rebecka Lundgren, employed by Exportkreditnämnden, the demand for raw materials that the African countries provide. The growth is also affected by the increasing democracy, and according to Business Sweden (n. d.) it is also because of the current development of infrastructure. The emerging and rising markets in sub-Saharan Africa are therefore to be counted with and not deselected when a firm plans to internationalize (Rosenberg, 2015).
1.2 Problem Discussion

The previous research concerning culture has been studied widely, mainly from a general perspective. For instance, Hofstede’s (1980) cultural dimensions provide a general view of how cultures are perceived in different regions. Hence Hofstede’s dimensions are relatively long standing, it is relevant to also study other previous research within the field of culture, such as the GLOBE framework (House, 2007). The GLOBE framework highlights culture and is based upon Hofstede’s dimensions, but the research tends to focus more of the leadership aspect. There are also more recent articles discussing culture and how influential culture is while doing business, for example Tomlinson (2008) discusses what effect culture has on globalization. Taylor (2012) further investigates culture with a focus on Africa, also Darley and Blankson (2008) studies the perspective of African culture within the business environment. Additionally, the perspective of relationship and networks has also been previously researched from the aspect of how relationships should be managed in order to achieve successful business operations in a distant culture (Ford et al., 2011).

The importance for cultural understanding has been stressed, especially the emerging markets because of the growing economy that influences economic power (Bernanke, 2010) and besides, emerging markets tends to be culturally distant. Thereof, understanding social and cultural traits in a country reduces the risks and misunderstandings associated with conflicting cultural values (Cavusgil et al., 2013).

Previous research concerning culture in sub-Saharan Africa has been studied by the dimensions of Hofstede (1980). However, according to Yang et al. (2006), the region has not been given as much researched attention in comparison to other regions and continents in the world, such as the emerging markets China and India. The region has not either been given any attention in regards of a comparison of sub-Saharan business culture and Swedish firms. Therefore, research that addresses Swedish and sub-Saharan African business culture will be of use for Swedish firms seeking opportunities in an upcoming continent (Meyer, 2014). Additionally, the mentioned concept of Ubuntu, that may help foreigners to gain deeper understanding of the sub-Saharan core culture, has previously been researched, however not in terms from a business perspective (Brack et al, 2003; Ikuenobe, 2006; Mnyandu, 1997). Since Ubuntu is described as highly influential, this involves the importance of further researching the concept from a
business perspective and its effect on the business culture in sub-Saharan Africa. This identifies a research gap where the gap implies further research of the sub-Saharan region and the influence of Ubuntu from a business perspective, which is of high relevance for Swedish firms that wish to do business in the upcoming emerging markets.

The importance of understanding business culture is to be able to identify opportunities and interesting markets (Meyer, 2014). Differences in culture causes uncertainty and psychic distance (Cavusgil et al., 2013) and entering a new market involves the importance to identify the cultural differences, since lack of knowledge may hinder firms to enter an unknown market. Furthermore, by deselect a region because it is unknown, firms will miss out on the diversity and dynamism that the region composes, which additionally implies that firms will lose potential profits and future opportunities (Taylor, 2012; Widmalm, 1999). Additionally, according to Cavusgil et al. (2013), it may be argued that Western firms and business people tend to be ill prepared when doing business in any distant culture and being unfamiliar with the dimensions of the particular culture. The authors continue by mentioning that a major failure is therefore the tendency to interpret distant cultures within the same framework as ones’ own culture. This further reflects in a practical issue where the uncertainty lies in the Swedish firms’ management of the sub-Saharan business culture, which also identifies the managerial gap in order to avoid misunderstandings and get the most out of the region, where the opportunities must overweight the uncertainties (Cavusgil et al., 2013; swedenabroad.com, n.d.; Widmalm, 1999).

Additionally, Rosenberg (2015) describes the business environment in sub-Saharan Africa as competitive, where Asian and African firms are dominating the market. According to Rosenberg (2015) the competitive situation will continue. This situation further emphasizes the importance of managing the culture and business relationships for Swedish firms. However, entering an emerging market, foreign firms need to build relationships with the right actors and cultivate such relations. Even though many managers are aware of the importance of establishing, develop and maintaining relationships. They may not realize to which extent the cultural differences affect their ability to manage business relationships (Ghauri, 1999).
The cultural differences between Sweden and sub-Saharan Africa are as previously mentioned highly diverse (Cavusgil et al., 2013), however, at the same time the interest of doing business in Africa is increasing (business-sweden.se, n.d.). Therefore it is important for Swedish firms to understand the market that the firms are planning to enter. By creating a deeper understanding for the different cultures in sub-Saharan Africa, companies will be more confident in finding additional potential markets within the region, instead of ignoring the region and miss out of the potential that the upcoming markets holds (Taylor, 2012). The cultural gap between the two cultures therefore makes the sub-Saharan business culture highly attractive to investigate and elaborate further. The thesis aims to contribute with research of how Swedish firms may manage the cultural differences in order to establish sustainable business relationships that additionally creates opportunities in the sub-Saharan region.

1.3 Research Questions

- How do Swedish firms perceive the business culture when doing business in sub-Saharan Africa?

- How do Swedish firms adapt to the perceived sub-Saharan African business culture?

- How does the sub-Saharan business culture affect the relationship between Swedish and sub-Saharan African firms?

1.4 Purpose

The purpose of this thesis is to investigate how the business culture in sub-Saharan Africa is perceived by Swedish firms and how they adapt to the business culture. Additionally, this study elaborates how the relationships between Swedish and African firms are affected by the business culture. It follows an exploratory nature with the intention to provide implications to research and to foreign companies that intend to do business in emerging sub-Saharan markets.
1.5 Delimitations

The study is limited with the following delimitations:

This thesis follows a generalized view of sub-Saharan Africa. According to Darley (2013) there is a need to generalize African culture and make a greater representation of the culture. The sub-Saharan region composes several different cultures and subcultures, although, the indigenous trends of thoughts, cultural influences and value orientation are mainly shared by the majority of the people (Edoho, 2001; Owusu-Frimpong, 2008).

This thesis intends not to consider the size of the Swedish firms, since cultural understanding is equally important whether if the firm is estimated as an SME or LSE. Since all firms get affected by culture, it is rather the business environment that gets affected by cultural management and relationships where the size of the firm is not of relevance.
1.6 Outline

In order to provide an overview of how the thesis is structured is each chapters content and approach presented as illustrated in figure 1.2.

The first chapter introduces the background to the thesis research topic. The chapter further elaborates problem discussion, research questions and the purpose of the thesis together with delimitations.

This chapter presents the literature review that is relevant for the topic of the thesis and the empirical findings. The overall concerned concepts are globalization, culture and relationships.

The methodology chapter features the implementation of the study. The chapter highlights the choice and reasoning of methods that has been made in order to answer the research questions.

The empirical chapter aims to present relevant background of the interviewed companies. The chapter further presents the findings and results from the interviews.

After studying the literature review and empirical findings, the material is analyzed and presented in this chapter.

The final chapter states the thesis conclusions derived from the analysis. Lastly, the chapter includes implications for Swedish firms and for further research.

*Figure 1.2: Outline (Karlsson and Meijer, 2016).*
2 Literature review

This chapter presents the literature review that the thesis is based upon and later is applied to the empirical findings. The literature review focuses on the theories of globalization, culture and relationships, which the chapter is structured after. The chapter concludes with a conceptual framework, in order to further illustrate the interconnection of the theories. The chapter follows a descriptive nature and contains a comparison of sub-Saharan Africa and Sweden as a foundation for the empirical findings and analysis.

2.1 Globalization and the emergence of sub-Saharan markets

In a world where globalization is increasing, it results in affecting the internationalization level of firms that wish to expand to new emerging markets (Cavusgil et al., 2013). Moreover, Kieh (2008) describes that various phases of globalization have had divergent scopes, dimensions and dynamics, where the author further develops the concept of the ‘’new globalization’’ as he argues that globalization is not a new phenomenon. Therefore, the new globalization is impacted by the end of the Cold War, which Kieh (2008) further stresses that the business culture in sub-Saharan Africa is influenced by the dynamics of the new globalization.

As the economies of industrialized countries mature, the growth of these markets tends to stagnate, meaning that emerging markets instead are on the rise (Bernanke, 2010). This further indicates the growing globalization and significant role of emerging markets. According to Cavusgil et al. (2013) the sub-Saharan region is growing rapidly, which further increases the interest of expanding in the region (Cavusgil et al., 2013). Furthermore, even if the sub-Saharan region indicates a promising and upcoming region, Taylor (2012) describes the business culture as competitive, and that there is a perception of the business climate as somehow unmodern, where the author continues to underline the absence of Africa and African businesses in a global context. Taylor (2012) describes sub-Saharan Africa as a continent with opportunities, but he further develops the fact that the region faces obstacles that are important to consider. According to Taylor (2012) issues like perceived corruption, underdeveloped capital markets, inadequate or decayed infrastructure may form challenges for firms that seeks to internationalize to the sub-Saharan region.
Main criticism towards globalization in terms of culture is that it might diminish the local culture. An example of this is how Western ideals have been stated as universal, which will lead to overriding cultural traditions in minor regions. However, evidence indicates that globalization has foster diversity and integration that will lead to ideas being shared and new ways of thinking (Lechner and Boli, 2015).

2.2 Culture

2.2.1 Hofstede’s Cultural Dimensions

It is crucial to understand the diversity among the different cultures around the world, in order to create an understanding of both similarities and differences (Griffith, Cavusgil and Xu, 2008). Further, this is important because the markets are becoming more globalized and therefore an understanding of the cultures in the world is imperative (Huff and Smith, 2008). Hofstede et al., (2010: 520) define culture as “the collective programming of the mind acquired by growing up in a particularly country”. Hence it is the set of the human basic values that is learned whilst growing up. These values will influence how people live their lives, both in a private and a business context. Therefore, Hofstede et al., (2010) further highlight that culture is an important factor to consider in the business environment.

Hofstede’s Cultural dimensions are built upon six dimensions, which are used as tools to analyze and compare different national cultures and placing it into a context (Hofstede, 2001). The dimensions are shortly presented below and followed by a comparison between Sweden and sub-Saharan Africa.

- **Uncertainty Avoidance (UAI)**
  This dimension indicates a society’s tolerance of the unpredictable and how they deal with the unpredictable. This also indicates the extent of how unknown situations are threatening to the culture.

- **Power Distance (PDI)**
  This dimension indicates a society’s acceptance for less powerful members of organizations expect and accept that power is distributed unequally.
- **Individualism and Collectivism (IDV)**

  *IDV* measures the interests of the individual prevail over the interests of the group within a society. A collectivistic society is integrated in a strong, cohesive group, where they protect and work together. An individualistic culture expects that everyone should look after themselves and their immediate family.

- **Masculinity/Femininity (MAS)**

  This dimension calculates the relative strength of masculine versus feminine values in a society. In a masculine society gender roles are clearly distinct; men are successful and career-focused, while women are modest, tender and concerned of quality of life. In a feminine society, both men and women are supposed to be modest, tender and concerned about the quality of life. The gender roles may overlap.

- **Long-term Orientation (LTO)**

  This dimension illustrates how different societies maintain links to the past and use them to deal with the challenges that will arise in the future. Long-term orientation focus on future rewards, particular perseverance, thrift and adapting to changing circumstances. Short-term orientation cultures have their focus on pride, respect for traditions, preservation of face and fulfilling social obligations.

- **Indulgence vs. Restraint (IVR)**

  IVR identifies the degree to which societies have strong norms regulating and suppressing the instant gratification of human drives. Indulgence refers to a culture where it is free gratification of natural human desires related to having fun. Restraint stands for a society where they suppress gratification and regulates it with strict social norms. (Beugelsdijk, Maseland and van Hoorn, 2015; Hofstede, 2010).

However, criticism has been directed to Hofstede’s cultural dimensions. The critics mainly focus on the fact that the cultural dimensions are generalizing cultures and disregard the existence of subcultures within a national culture (Hofstede et al., 2010). According to Baskerville (2003) it is further important that the cultural dimensions make the assumption of equating nations with culture. The author additionally explains that in 2003, Africa identified 98 different cultures divided in 48 countries. However,
there is a dearth of knowledge within the sub-Saharan region and therefore it is easier to generalize the cultural dimensions and to create assumptions. A greater representation and a synoptic view of the African culture makes it easier for foreigners to gain a deeper understanding of the culture (Darley, Luethge and Blankson, 2013).

2.2.1.1 Sweden versus sub-Saharan Africa

This paragraph illustrates a comparison between Sweden and sub-Saharan Africa. Darley, Luethge and Blankson (2013) provide the generalized perspective of sub-Saharan cultural dimensions, while the Swedish comparison is generated from geert-hostede.com (n.d.). Figure 2.1 illustrates the findings.

Note that the article by Darley, Luethge and Blankson (2013) does not consider nor analyze Power Distance and Indulgence of the African concept. Therefore the authors of this thesis have created a generalization by choosing the African countries where the interviewed case firms are active in, in order to create a cultural dimension. However, it should be noted that South Africa differs slightly compared to other sub-Saharan African countries, even though, South Africa is still close enough to make a generalization (Darley, Luetghe and Blankson, 2013).

Power Distance

Africa: Africa's power distance implies that a hierarchical order is accepted to a large extent. The business culture tends to prefer centralization and that subordinates are expected to be told what to do. The ideal boss is a benevolent autocrat.

Sweden: Sweden has a low power distance, which implies that this culture highlights independency, where hierarchy is only for convenience. The power is decentralized and working as a team is preferred. The business culture is direct with participative communication.

Individualism and Collectivism

Africa: Sub-Saharan Africa is a collectivistic society. The African culture focuses on the group as a whole and strives to create harmony and cohesiveness within a group. Loyalty and trust are two important factors in order to build a collectivistic society, therefore it takes time to develop a relationship with sub-Saharan African business partners. Richmond and Gestrin (1998) states that negotiation is a social and personal
interaction in sub-Saharan, and that both parties should be satisfied with the result of the negotiation.

**Sweden:** Sweden is a very individualistic country, whereas the concerns regard the closest family only. The relationship between the employer and the employee is mainly based on mutual advantage and the employee is hired because of his or hers merits and not because of a social network.

**Uncertainty Avoidance**

**Africa:** The sub-Saharan culture has moderate uncertainty avoidance. The desire for change is negatively according to the uncertainty avoidance. These characteristics may affect the negotiation style in a business situation. An example can be joint ventures. In an African-American joint venture the American partners prefer explicit, detailed documents while the African business partner prefer implicit and more broadly termed agreements. This is because the African culture is accustomed to overlapping social and personal relationships (Darley and Blankson, 2008).

**Sweden:** Sweden on the other hand has a very low preference for avoiding uncertainty. This implies a more relaxed attitude, where a low UAI, people believe the importance to keep rules at a minimum and not develop unnecessary rules. Schedules are very flexible and innovation is not a threat towards the society. When it comes to terms of negotiation for Swedes, it is a joint problem-solving process. They prefer detailed documents.

**Masculinity-Femininity**

**Africa:** The African culture is a feminine culture, which implies that they are focusing on relationships and the quality of life. This is of higher relevance than materialism and assertiveness. According to Hofstede (1983) African cultures underrate themselves and their own performance, which may affect their actions and result that no one wants to be superior within a group. The feminine nature is important to consider while doing business since a masculine egos will be counterproductive in negotiations (Richmond and Gestrin, 2003).

**Sweden:** Sweden is a very feminine society. They care about others and the quality of life and prioritize this. The quality of life is how you measure success.
Time Orientation

Africa: the African culture has polychromic time orientation. This means that the culture is reasonable with interruptions that you can be late to a meeting or even miss it. It is common that conversations wandering while discussing important things. This might be difficult for Western societies to understand since it is not efficient. However, Africans believe this is how to take care of relationships in the extended family (Onwubiko, 1991). Kaynak et al (2011) states that while doing business it is important not to consider time.

Sweden: Sweden is estimated in the middle of LTO and therefore it is hard to find a clear preference regarding this dimension.

Indulgence vs. Restraint

Both Africa and Sweden indicates high levels regarding this scale, which concludes that they are Indulgence. This is sign of willingness to realize impulses and desires with regard to enjoying life. A culture with indulgence has a positive attitude and with an optimistic view of the world.

![Hofstede's Cultural Dimensions](image)

Figure 2.1: Cultural Dimensions comparison - Sweden and Africa (Hofstede, 1980).

2.2.2 The GLOBE Framework

In 1991, House conceived the “Global Leadership and Organizational Behavior Effectiveness” research program, further mentioned as “The GLOBE”. The GLOBE framework investigates leader effectiveness and how it is contextual. The GLOBE framework is based upon Hofstede’s cultural dimensions, however, the theory focuses
more on leadership styles and takes additional countries into consideration in the research. Effective leadership is embedded in the societal and organizational norms, in terms of values and beliefs of the employees. The theory explains that a firm must adapt to the culture they operate in. According to Hoppe (2007), the GLOBE is one of the most comprehensive studies to analyze culture and leadership behavior.

The GLOBE is built on earlier findings from Hofstede (1980), Schartz (1994), Smith (1995), Inglehart (1997) and more, in which House (1991) identified nine cultural dimensions. These dimensions are used to establish similarities and differences to understand norms, beliefs and values within different societies (Hoppe, 2007). Two of these dimensions are explained in section 2.2.1 Hofstede’s Cultural Dimensions, which are Power Distance and Uncertainty Avoidance. The additional seven dimensions are as followed:

- **Humane Orientation**: This dimension regards how much the society encourages and reward individuals for being fair, generous and kind to others.
- **Collectivism I (institutional)**: How much organizations and institutions encourage and reward a collectivistic distribution of resources and actions.
- **Collectivism II (In-Group)**: How individuals express pride loyalty, and cohesiveness in their organization and families.
- **Assertiveness**: How individuals are assertive, confrontational and aggressive in their relationships toward others.
- **Gender Egalitarianism**: The degree to which a collective minimize gender inequality.
- **Future Orientation**: The extent to which individuals engage in future-oriented behaviors such as delaying gratification, planning and investing in the future.
- **Performance Orientation**: The degree to which a collective encourages and rewards group members for performance improvement and excellence.

(Hopper, 2007).

The GLOBE places 60 countries into ten different clusters. Cultural similarity is more significant for societies in the same cluster and the differences increase the farther apart that the clusters are, as seen in figure 2.2, where the interesting clusters are highlighted. As illustrated in figure 2.2, the Anglo and Nordic clusters a more similar than the Nordic and African cluster. The Nordic and African cluster has three clusters separating
them which implies that they are not similar, therefore it is important to investigate further to gain a deeper knowledge of the differences (Hopper, 2007).

Figure 2.2 Country clusters according to GLOBE (House et al., 2002)

By dividing the 60 countries into ten clusters, House et al., (2002) was able to analyze leadership characteristics. The analysis developed 21 leadership scales that resulted in six leader styles:

- **Performance-oriented style**: This type of leader has high standards, decisiveness and innovation has important characteristics. This leader wants to inspire people with the help of visions. They create a passion by using core values.
- **Team oriented style**: It is important with common goals and teamwork. Pride, loyalty and collaboration are keywords for the members.
- **Participative style**: This kind of leader emphasizes delegation and equality. The type encourages inputs from other members within the organization.
- **Humane style**: This leader is patient, supportive and concerned about others. It is important with compassion and generosity.
- **Autonomous style**: This leader is independent, individualistic and self-centric.
- **Self-protective/group-protective style**: This leader focus on safety and security for both the individual and the group. It emphasizes procedural, status-conscious and face saving behaviors.

(House, 2004).
Figure 2.3: Societal Clusters and Leaders Styles (House et al., 2002).

Figure 2.3 illustrates the difference in leadership-style regarding Sweden and Africa. In figure 2.3, the Nordic, African and Anglo groups are highlighted. Anglo is highlighted due to the fact that the white African residents in South Africa are included in this cluster.

The criticism towards the GLOBE has been less than the criticism on Hofstede’s cultural dimensions. One main aspect of why this study is not as criticized is because it is more recent and therefore is has not yet been fully analyzed or tested (Shi and Wang, 2010). However, the need for a cross-cultural understanding is growing therefore it is a need for testing the GLOBE framework. It is necessary to establish what can be developed since it is considered to be the most recent in cultural studies (Chhokar, Brodbeck and House, 2007).

2.2.2.1 Sweden versus sub-Saharan Africa

At the performance-oriented scale Anglo and Nordic are higher, which implies that they are high performance-oriented and believe that high standards are important. The leaders in these two clusters believe that they inspire people by the help of a vision. The
African cluster is estimated in the middle of this scale, which implies that it is important to have standards, but it is not the most essential part of being a leader.

In the Team-oriented style the African cluster is slightly higher than Nordic and Anglo, although all shows high levels. This implies that it is important for all leaders to have a collaborative goal and purpose. They also highlight the importance of working together.

The participative style rates the Anglo and Nordic clusters high while the African cluster is rated in the middle of the scale. This means that it is more important for the Nordic and Anglo to get inputs from other members while making decisions. It is important for the African cluster, but not to the same extent.

In the humane style the Anglo and African cluster are at the top of the scale while the Nordic cluster is at the lowest. This means that it is more important for Africa to stress out compassion and generosity while this is not important for a Nordic leadership style.

The autonomous style has all three clusters in the top of the scale. This implies that it is important for all three clusters with an independent, individualistic and self-centric approach to leadership.

Lastly, the self-protective style, the Nordic and Anglo clusters are at the lower end of the scale while the African cluster is in the middle. This implies that they do not emphasize on a procedural, status-conscious behavior. They do not focus on the safety and security of the individual in the group.

2.2.3 Ubuntu

Ubuntu is an African humanistic philosophy and a new concept on how to perceive business in Africa. Ubuntu means Umuntu ngmuntu ngabantu, which in other terms means "a person is a person through other persons" (Karsten and Illa, 2005; Mbigi and Maree, 1995).

One focus of Ubuntu is the role of the individual as an agent and the reactions and relationships within their community. In this way of thinking an individual cannot be separated from the community and a person will be judged in terms of the relationship with others. Therefore, according to the philosophy of Ubuntu, the community is more important than self-interest of the individual. The term “being-with-others” is essential
and implies that the community lives in harmony and embraces both good and bad incidents, such as concerns and anxiety of others (Sarpong, Bi and Amankwah-Amoah, 2015).

“...A person with Ubuntu is open and available to others, affirming of others, does not feel threatened that others are able and good, for he or she belongs in a greater whole and is diminished when others are humiliated or diminished, when others are tortured or oppressed, or treated as if they were less than who they are.’’ (Tutu 1999: 31).

Another important focus of Ubuntu is the diversity and consensus building while improving the community. It is important to understand and respect the similarities and differences of each other within the community, in order to create a safe and atmosphere where people feel free to express themselves. It is crucial to nurture the diversity and use a proactive language which will create a sense of belonging and common welfare (Berkovich, 2014).

Ubuntu is a concept that is challenging to translate to Western language. It is humanity towards other and a belief in a universal bond of sharing. This concept has been lost in the individualistic approach in the Western world of doing things, where they live by the rule of “sink and swim” instead of helping each other (Tutu, 1999). In Western societies the philosophy is diversified. However, it also focuses on representationalism and systematic structuring of knowledge (Chia, 2013), rather than Ubuntu, this tends to give an ontological priority to human relations and knowledge in-situ (Sarpong, Bi and Amankwah-Amoah, 2015).

Ubuntu influences the African way of living and making decisions. It is about the community and they go through good and bad times together (Membe-Matale, 2015). The previous research and studies on Ubuntu have mainly been done in terms of sociology, leadership, and anthropology. This further means that Ubuntu has not been studied from a business perspective, which is important to consider when writing about business culture in sub-Saharan Africa. (Mawere, 2014). In order to develop Ubuntu as a concrete and used term in business, like Guanxi, will stimulate companies to gain a further understanding of Africa as a business culture by establishing themselves in the African region and creating sustainable relationships (Tomalin and Nicks, 2014).
2.3 Relationships

2.3.1 Relationships
Gummesson (2008) clearly states the importance of relationship in human behavior, as the authors further highlight the importance within business as well. Relationships, networks and interaction are therefore an evident part at the core of the business. All firms are dependent on their business relationships to other actors in order to survive, which mean that it determines the survival and development of the company. (Ford et al., 2011). Ford et al. (2011) emphasizes the importance of business relationships by describing that relationships and network constitute the foundation of a firm's business. The authors also argue that firms and organization are not able to perform or operate without their business relationships. This further implies that relationships are a firm's most valuable asset (Ford et al., 2011). Kleinaltenkamp, Plinke and Geiger (2015) state that in a more competitive business environment, customer relationship management stresses the importance of the relationships as an asset for the firm. Kleinaltenkamp, Plinke and Geiger (2015) further describe business relationships as a competitive marketing task by identifying marketing and competition within business relationships.

According to Ford et al. (2011), relationships constitute a part of a wide and complex network, whereas the network spreads across the whole business landscape and industry. The concept is further develops that business relationships are not isolated, which implies that the relationships are all connected to others within the network across the landscape. Therefore, managing business relationships imply crossing the boundaries that many firms may have, by involving numerous individuals, activities and resources (Ford et al., 2011).

2.3.2 Business Relationship Management
Ford et al. (2011) stress the interdependence of business relationships and network, meaning that any type of relationship affects the firm's strategies and operations. Once a relationship is well established, a firm is not enabled to act independently. The authors further present an interaction process, meaning that firms are obliged to interact in order to adapt to their customers, partners and other actors in the network. According to Ford et al. (2011) the process also implies layers of interaction, where the authors describe the layers in terms of distance, such as social and cultural (Johanson and Wiedersheim, 1975). The social distance measures to what extent actors and partners are unfamiliar
with each other and cultural distance refers to the degree norms and values of the two actors differ. The interaction between the actors enables the parties to get to know each other, but also learning and teaching, which further leads to adapting to each other's behavior and culture. Learning from other actors, reduces the uncertainty and the commitment increases. The ability to adapting to a diverse culture and gaining knowledge via the relationships and the network is therefore vital for a firm's success (Ford et al., 2011).

Ford et al. (2011) further discuss that no relationship can develop over time without mutual adaptation by the actors involved. As a result, this means relationship-specific adaptations where adaptation creates mutual dependence and additional opportunities that may develop ties of resources.

### 2.3.3 Adaptation within Business Relationships

In relationship building, trust is a key issue to consider, especially because it reduces uncertainty and risks within the business relationships (Morgan and Hunt, 1994). Hofstede (1980) states that the cultural background is different when the world becomes more and more global and therefore it is important to consider that the actions and attitude towards each other do differ. Therefore, it is important to know how these cultural backgrounds can act together even though they think differently (Weck and Ivanova, 2013).

Trust development is challenging and time-consuming. However, it is important to develop trust in order to create sustainable business relationships. To create business relationships, it is important to create an understanding and thereby adapt to each other’s business cultures. Weck and Ivanonva (2013) focus on importance on cultural adaptation for trust development in business relationship.

In a globalized world it is challenging to avoid other cultures, and therefore it is important to know how, when and why you have to adapt (Weck and Ivanova, 2013). There are several different definitions of the term adaptation. However, Brennan et al. (2003: 1639) defines adaptation as “behavioral or organizational modifications at the individual, group or corporate level, carried out by one organization, which are designed to meet the specific needs of other organization”. Pornpitakpan (1999) further explains this as one individual, group or organization that perceive and adapt to other
cultures behavior, norms and values. In a business culture it is an significant part to understand how the other firm are doing business and the nature of its managements to be able to create a relationship (Weck and Ivanova, 2013). Weck and Ivanova (2013: 212) define cultural adaptation within business relationships as “a process of learning and adjusting to culturally dissimilar business practices of partner firms, resulting from individual norms and beliefs”.

Even though firms are knowledgeable about the cultural difference, it is not certain that firms know how to apply the appropriate knowledge. To be able to adapt to another culture you first need to gain knowledge by theoretical investigation. However, it is important to use it in practice by experience to gain a deeper knowledge (Weck and Ivanova, 2013).

Molinsky (2013) discuss the assumptions about cultural adaptation. The author stresses the importance to actually adjust the behavior when adapting and not just believe it is enough with theoretical experience. Molinsky (2013) further discuss that adaptation is not about dismiss your own values and beliefs. In a new culture it is important to be appropriate and effective, however, you should not compromise with who you are.

2.4 Conceptual Framework

The literature review indicates the interconnection between the theories and how they are related to each other. The chapter mainly entails the significant role of culture and globalization, and how the concepts are mutually influenced by each other. Furthermore, the literature review also shows how culture affects firms that seeks to internationalize, mainly in terms of adaptation that latter influences the business relationships and therefore also the success of business operations in a diverse culture. The main differences of sub-Saharan and Swedish business culture are also stressed, which entails a large gap between the diverse cultures. This further implies the importance of adaptation to a distant culture in order to establish relationships that further lead to successful business operations.

Moreover, the conceptual framework, figure 2.4 illustrates the process of entering the African continent and the influence of culture. The first box in the figure represents when a firm has decided to enter an emerging market in the sub-Saharan region. The
second box illustrates how culture influences this decision, where the seven dimensions derived from Hofstede’s dimensions and the GLOBE Framework are stated in order to create a deeper understanding of the distant culture. The culture aspect is further affected by adaptation, illustrated in box three, where a firm is obliged to identify how the firm should adapt to the culture. The level that firms adapt to the culture also influences the involvement of relationships, the fourth box, meaning that a firm acquires trust and commitment that reflects in successful or less successful business operations in the new market. The relationship aspect further influences the position in the network, the fifth box in the figure, where the position and the powerful network drives the future expansion in the region which opens up new opportunities, both within the market and the whole region. This implies a cycle that the understanding for culture and adaptation to establish relationships will result in further opportunities, where the dashed line linked between the first box and the fifth symbolizes that the expansion results in establishing in new markets with a different culture to consider where the process of this conceptual framework restarts again.

Figure 2.4: Conceptual Framework (Karlsson and Meijer, 2016).
3 Methodology

The following chapter presents the methodological framework that has been used in order to conduct this research and study. The chapter describes the approach, method, research design and data collection that further discusses the most appropriate methods suitable for this study. Additionally, the quality of the research, analysis method and operationalization along with ethical considerations will be presented as well.

3.1 Deductive Approach

When conducting a research, it is important to decide which strategy to use in order to understand the reality of the concept. Researchers must choose an abductive, inductive or deductive approach before starting to analyze the theories and gathering the empirical findings (Jacobsen, 2002). According to Graziano and Raulin (2013), a deductive approach is explained as using hypotheses that will be tested empirically through research. Supporters of this approach argue that the researcher needs to understand the main components of the research problem before collecting the empirical data in order to analyze whether the hypotheses and the empirical findings correspond. However, there is criticism to this kind of approach since it makes the researcher focus on the information they believe is relevant, which implies that the researchers will only find information that support the hypotheses (Jacobsen, 2002).

An inductive approach entails that the theory is generated from empirical data, hence the research is collected before the theory is developed (Graziano and Raulin, 2013). Adapting this approach implies that the researcher collects all the relevant data without preconceptions or expectations in order to latter compile the data. This further leads to the theories that will be chosen. Reasons for choosing this approach are to not neglect any information (Jacobsen, 2002).

A third approach has also been developed, the abductive approach. This approach is used to find patterns to create a deeper understanding. It is of high relevance to note that the abductive approach is not a combination of inductive and deductive approach. The abductive approach developed the empirical scope of application. (Alvesson and Sköldberg, 2008).
Considering all the different approaches the authors reached the decision of using a deductive approach. The authors believe that a deductive approach is more suitable because of the authors’ limited knowledge regarding the subject matter of sub-Saharan Africa. None of the authors have previously studied the sub-Saharan culture and therefore needed to create a better foundation before collecting the empirical data. Based on the theories, the authors have gained a better understanding, which has led to more relevant questions for the interviews and applicable thesis. The theories and models have therefore been carefully chosen.

Moreover, as illustrated in figure 3.1, the authors have reviewed the literature and developed a conceptual framework for this thesis. From the knowledge collected from the theories, the authors conducted an operationalization. The operationalization has led to gathering empirical facts together with additional data collection, that further led to the findings, which were analyzed and compared to the theories. This concluded in a revision of theory.

![Figure 3.1: Process of deductive approach (Karlsson and Meijer, 2016).](image)

### 3.2 Qualitative Method

The research method is described as the procedure of how the study and research is conducted to enable answering the purpose and the research questions of the thesis (Denscombe, 2014). The research methods are mainly separated into two methods, qualitative and quantitative, depending on how the research object should be studied and the role of the theories and the literature (Silverman, 2010). The major distinctions between the two methods are in general if the study is based on words or numbers (Alvehus, 2013). The quantitative method focuses on quantification of collection and examination of theories. Furthermore, the quantitative method is often conducted with a hypothesis and measured by a survey or experimental studies. The quantitative method is therefore describes as structured and formalized, while the qualitative method is more flexible and less structured (Denscombe, 2014). On the contrary, the qualitative method
in general focuses on generating theories with an interpretive approach (Silverman, 2010). Alvehus 2013 further argues for the importance of meaning and significance that the qualitative research method provides.

As the purpose of this thesis is to investigate the how Swedish firms adapt to and perceive the sub-Saharan business culture and how the relationships get affected, the qualitative research method is thereby considered as the appropriate method in order to answer the research questions, and support the purpose of the thesis. This research therefore requires the flexibility that the qualitative method provides (Denscombe, 2014). By conducting interviews, the aim is to gain a deep understanding of the respondents’ reality concerning the perception of the sub-Saharan business culture. Additionally, a qualitative research method is advantageously used in small-scale research projects, which further enables a holistic perspective and a depth of the study (Denscombe, 2014; Yin, 2014).

3.3 Research Design

The type of research design varies among the five major methods, such as experiment, survey, archival analysis, history and case study. The most applicable research design depends on the data collection and the analysis (Denscombe, 2014; Yin, 2014).

Alvehus (2013) describes case studies as a study of an empirical unit such as a country, region, an individual or an organization, that mainly shows its own identity by a distinct behavior pattern or system of meaning that differs from its surroundings. Alvehus (2013) further claims that a case study may also illustrate the study in a wider or general perspective. However, Alvehus (2013) mentions the critics of case studies, which researchers should take into consideration since the possibility to conduct an empirical generalization of a case study may be questioned. Since this thesis investigates and elaborates the sub-Saharan business culture it results in a wider and generalized perspective in order to answer the research questions, which describes the case study design for this thesis. Additionally, Yin (2014) highlights that a case study is applicable if the research questions seek to answer ‘‘how’’ and ‘‘why’’ questions. Yin (2014) further argues for the relevance of case study when the research project consists of an extensive and depth social phenomenon, which will provide a deeper understanding of
the phenomenon. This further emphasizes the significance of a case study design for this thesis.

3.3.1 Multiple case study design
Case studies are separated into two types of cases: single-case study and multiple-case studies. The type of study is dependent on if the study elaborates and involves one or several cases. Single cases is commonly used when the researchers study is unique to only one case, this further implies that this thesis follows the structure of a multiple-case study, hence the empirical findings are collected from five different cases in order to enabling a comparison of the case firms and identifying similar or different patterns. Seeing that the thesis aims to elaborate the sub-Saharan business culture, it therefore is of higher relevance to involve several cases, since the study otherwise will be limited. Additionally, a multiple case study is also more valuable since it supports the evidence further because the data and material is generated from several cases and not a single case (Yin, 2014).

3.3.2 Selection of the case firms
In order to conduct a multiple case study, a selection of the case firms should be done. This process is also called sampling (Merriam, 1994). Denscombe (2010) describes that sampling may be done by dividing it into either probability or nonprobability. Non-probability is of higher relevance for this type of thesis, since the sampling involves a selection process where the researchers are dependent on discretion, option or a choice. The sample has an exploratory nature, since the respondents are selected based on their knowledge and experience of the sub-Saharan business culture. Furthermore, the most suitable sampling technique is therefore purposive sampling since it focuses on a relatively small number of cases selected on the basis of their knowledge and relevance for the study in order to gain the best information about the research topic (Denscombe, 2010; Yin, 2014).

By identifying appropriate case firms, several criteria have been developed, where the criteria should reflect the aim of the study (Merriam, 2009). Additionally, each case should be carefully selected so that it either predicts similar or contrasting results (Yin, 2014).
The developed criteria, shown in figure 3.2, imply that the firm must be Swedish, be active in the sub-Saharan region and have experience in any of the countries in the region. The firm should also use a B2B approach. In order to target the companies, Business Sweden in South Africa, Exportkreditnämnden and own research resulted in finding the appropriate firms for this study. Additionally, the respondents representing the firms should also fulfill the criteria of having solid foundation and knowledge about the Swedish business environment and culture but also have experience of working with actors in the sub-Saharan region. Based upon the mentioned criteria the five targeted case firms are featured below.

<table>
<thead>
<tr>
<th>Selection criteria:</th>
<th>Swedish firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating in the sub-Saharan region</td>
<td></td>
</tr>
<tr>
<td>Business-to-business</td>
<td></td>
</tr>
<tr>
<td>Knowledge of the Swedish business environment</td>
<td></td>
</tr>
<tr>
<td>Have been working with actors in the sub-Saharan region</td>
<td></td>
</tr>
</tbody>
</table>

Figure 3.2: Selection criteria (Karlsson and Meijer, 2016).

The combination of the case firms constitutes both similarities and differences, where the criteria are the common denominator. Among the firms, the level of internationalization is diverse, however, since all firms are at some level established in Africa, the level of internationalization is therefore high among the five case firms. The firms are active in both same and different countries in Africa. Furthermore, the size of the firm also differs, since some of the firms are classified as LSE’s and MNC’s, whereas some of the firms are calculated as SME’s. Additionally, the firms also vary regarding the type of industry that they are active within and how they do business. Among the firms, three of the firms are industrial and production companies, whereas the two other firms are within the energy sector or infrastructure and architecture. The level of establishment in the sub-Saharan Africa also differ, where the case firms either have projects, agents or are consultants as their main way to do business. Additionally, the representatives from the firm all hold positions where international business and foreign contacts are elements in the daily work.

3.3.2.1 Axelent AB

Axelent AB is a Swedish firm, which develops and manufactures machine guarding, warehouse partitioning, anti-collapse and property protection, in order to enhance and
improve the industrial environment by making it competitive, safe and profitable. South Africa is currently the only African market that the firm is active in. The Export Manager, Stefan Axelsson, participated in the interview 27th of April at the head office in Hillerstorp.

3.3.2.2 Norden Machinery AB

Norden Machinery AB is a Swedish company that manufactures and produces high-performance tube filling systems. The company is world leading in its industry and delivers to customers in all parts of the world. Norden Machinery AB is currently involved in business operations in Kenya, Nigeria, Egypt and South Africa. The interview was conducted 26th of April at the head office in Kalmar with the Sales Manager for Africa, Jörgen Johansson.

3.3.2.3 Renetech AB

Renetech AB is based in Sweden and produces and develops renewable energy, vehicle fuel, electricity, heat and biogas by using and exploiting renewable sources. The firm develops projects in collaboration with technology providers, contractors, equity partners and local stakeholders. At the present time, Renetech AB performs business operations mainly in East Africa. The interview was conducted 10th of May via Skype, with the CEO of Renetech AB, Tom Walsh.

3.3.2.4 Siemens Industrial Turbomachinery AB

Siemens Industrial Turbomachinery AB is a part of the global Siemens concern, where the company develops, produces and manufactures steam and gas turbines. The turbines mainly generate electricity, steam and heat, but may also function as compressors and pumps for the gas and oil industry. The company has numerous projects in all parts of the world and in several countries in sub-Saharan Africa, mainly in Nigeria, Niger, Tanzania and Mozambique. The interview was conducted 10th of May at the head office in Finspång with Fidel Elias Hernandez. The participant holds the title as Project Manager for projects in Tanzania, Mozambique and Nigeria in Africa.

3.3.2.5 Sweco Architects AB

Sweco Architects AB is a Swedish company and a part of the Sweco concern. The company supplies qualified technical consultancy services within technology,
environment and architecture, which performs projects in all parts of the world in order to ensure clean water, effective infrastructure and sustainable energy solutions. Sweco Architects AB currently operates mostly in East Africa, with focus on Kenya, Rwanda and Uganda. The interview was conducted via Skype with Sunniva Berlanda Viking, Regional Area Manager of East Africa, 3rd of May.

3.4 Operationalization

The aim of the thesis is to answer the research questions, and therefore is the main reason for conducting an interview guide is to provide a clearer structure of what the researchers needs to know from the respondents. Designing an interview guide requires a thorough literature review and conceptual framework (Jacob and Furgeson, 2012). By creating a deeper understanding of what has already been researched the authors will know what kind of questions that should be asked in order to fulfill the purpose of the study. It is important to define the theoretical concepts into abstract terms with a clear link to reality. By creating an interview guide it is necessary to identify the linkage between the conceptual framework and the research questions (Patel and Davidsson, 2011).

The aim with this study is the create an understanding of how Swedish firm understand and interpret the African business culture, and how they adapt to this and how the adaptation will affect the relationship, therefore the questions are divided into seven categories as illustrated in figure 3.3. The interview guide can be found in Appendix A.

It is important to consider that the cultural dimensions that have been used as a focus for the conceptual framework, the empirical findings and the analysis are Power Distance, Individualism, Collectivism I and II, Time Orientation, Future Orientation and Assertiveness. All dimensions are important to consider, however these are the identified dimensions the authors believe is reasonable for the respondents to acknowledge and retell for useful empirical findings.
<table>
<thead>
<tr>
<th>Concepts</th>
<th>Interview Questions</th>
<th>Reasoning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Globalization and entering the sub-Saharan Markets</strong></td>
<td>4 - 6</td>
<td>These questions aim to answer why they decided to enter the African continent and what experiences they gained. It also contained questions regarding the differences between Sweden and sub-Saharan Africa. This gave the authors underlying information as a support to answer the research questions.</td>
</tr>
<tr>
<td><strong>Network</strong></td>
<td>7 - 9</td>
<td>These questions aim to answer how important the respondent believes networks are and how networks function in Africa. This is to provide information regarding the role of networks and to understand the importance of relationships.</td>
</tr>
<tr>
<td><strong>Relationships</strong></td>
<td>10 -13</td>
<td>By getting an understanding of how the respondents perceive relationship management and their experiences to gain a further understanding. These questions focused on relationship management and how it differs compared to Sweden and sub-Saharan Africa. Even corruption was discussed since it may affect relationships.</td>
</tr>
<tr>
<td><strong>Culture</strong></td>
<td>14 - 21</td>
<td>The authors developed an integrated list of dimensions based on Hofstede’s and GLOBE’s dimensions in order to get a broad understanding of the respondents’ perception of the African culture. The questions mainly focused on how the respondent interpreted the culture and how the leadership styles are perceived. It also considered prejudices that the respondents might have had.</td>
</tr>
<tr>
<td><strong>African Culture</strong></td>
<td>22 - 23</td>
<td>These questions aim to answer if the company adapted when entering the African continent and if so, how they adapted. This is to be able to gain a further understanding of adaptation to the African culture.</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>1-3, 24-26</td>
<td>To get a general understanding of the respondents and their companies we concluded with additional questions. Their background knowledge is important to understand since it affects their answers to the questions. The final three questions concluded the interviews, including the question if the participant wanted to be anonymous or not, in order to conduct an ethical research.</td>
</tr>
</tbody>
</table>

*Figure 3.3: Operationalization of Concepts (Karlsson and Meijer, 2016).*
3.5 Data Collection

In research there are two different kinds of data that is collected. It can be divided into two different groups Primary Data and Secondary Data (Kothari, 2004). This thesis will mainly use primary data and interviews since it is a qualitative study. However, it will be supplemented with secondary data. A qualitative research is based on words rather than numbers and therefore it is important to collect primary sources, such as interviews, observations and other interactions with people (Yin, 2009). However, it is important to use the secondary data to put the findings into a more general context (Saunders, Lewis and Thornhill, 2012).

3.5.1 Primary Data Collection

Primary data is closer to the source than the secondary data. Primary data is information that the researches have collected for the purpose of answering the research questions (Merriam, 1994). Interviews, observations and questionnaires are examples of how to collect primary data (Jacobsen, 2002). Jacobsen (2002) further explains that primary data is gathered with personal correspondence with a person or a group. The advantages by using primary data are that it is not the same level of criticism.

The Primary data that has been used in this thesis is based on the five interviews with the respondents from the five different firms. The authors have supplemented this with scientific articles of cultural studies to understand the answers and bind all of it together to conduct an analysis.

3.5.2 Secondary Data Collection

Secondary Data is data that has already been collected for another purpose, which could be both raw data and published summaries (Saunders, Lewis and Thornhill, 2012). According to Bulmer et al (2009) these data is used to provide additional and different knowledge that has already been collected. It may also help with interpretations and conclusions regarding the research. Secondary data can be used both in descriptive and explanatory research and it can also be both quantitative and qualitative (Saunders, Lewis and Thornhill, 2012).

There are both advantages and disadvantages with secondary data. It saves researches time and money since the researcher does not have to collect the research by themselves.
since it is already collected (Ghauri and Grønhaug, 2010). According to Smith (2006) secondary data often contains more quality of data than collecting it by yourself. However, when you collect your own data you do it with a specific purpose in mind. A secondary data have been collected to fulfill another purpose. This can be an ethical problem since the original research may not be suitable for this research.

Saunders (2012) also states that secondary data is good to use to compare with primary data. This is because it can put the findings into a more general context (Saunders, Lewis and Thornhill, 2012). However, secondary data may affect the reliability and validity, which is developed further in section 3.7 Quality of Research.

3.5.3 Interviews

Conducting a qualitative research, it is common to make interviews to gather useful information to answer the research question (Merriam, 1994). A qualitative interview seeks knowledge with the help of one or more people that will share their knowledge with the help of an interview (Brinkman and Kvale, 2015).

There are three types of interviews.

- **Structured interviews**
- **Semi-structured interviews**
- **Unstructured or in-depth interviews**.

A structured interview has the identical set of questions for every interviewee. The researchers read the questions and record the response. To avoid bias, the researchers need to read every question as it is written. It has also no room for additional questions during the interview, which is a risk since you may miss out on information. Doing a semi-structured interview, the researcher will have some key questions that must be answered. However, there is room for discussion and reflections while conducting the semi-structured interview. An unstructured interview is informal. In this kind of interview the researchers do not have a questionnaire. However, they need to know the aspects that they want to explore (Saunders, Lewis and Thornhill, 2012).

The choice of interview depends on whether the research is exploratory, descriptive or explanatory. In an exploratory study, unstructured or semi-structure interviews are most useful. This is because the techniques are helpful to understand the context. These two
interview types may provide an important background for the study. In a descriptive study a structured interview can be used to find general patterns. An explanatory study a semi-structured interview is recommended to understand the relationships variables (Saunders, Lewis and Thornhill, 2012).

Three of the interviews in this thesis were conducted via face-to-face while two were Skype interviews, where face-to-face interviews are preferable according to the authors, even though all five interviews were very valuable. The Skype interviews were conducted with video. Four of the five interviews were conducted in Swedish, the fifth interview in English.

All interviews have been semi-structured interviews because of the key questions that are needed to provide answers for the research questions. However, culture is a complex subject and this is an exploratory thesis. Therefore it is important to get a deeper understanding that the interviewee may be able to provide by sharing his or her additional knowledge. The interview questions were sent in beforehand for all the interviews and all interviewee has approved that the interviews were recorded. Notes were also taken and transcribed. The empirical material has been sent to each interviewee so they had the opportunity to approve that the empirical material is correct.

3.6 Analysis Method

Merriam (1994) describes the importance of how to analyze the collected data. The author further describes that a qualitative research study means that the analysis of the findings occurs simultaneously while collecting the empirical findings. However, this further implies that the analysis is not finalized once the collection of data is done, contrariwise, the analysis continues although in a faster and more intense pace (Merriam, 2009).

In order to conduct the analysis properly, Rennstam and Wästerfors, (2011) propose a systematic process in three fundamental steps, which constitutes by sorting, reducing and argumenting. The authors further describes that the first step, sorting, implies categorizing the data into segments. The sorting process is often highly influenced by the theoretical framework (Alvehus, 2013). The second step involves reducing the material, however, Alvehus (2013) stresses the importance of not reducing too much in
order to keep the representation good. The author suggests that some sequences may be described as overall while some may be more detailed, depending on the relevance of the thesis. The last step implies argumentation that clearly must substantiate the conclusions of the analysis, which leads to an interlinked reflection of the literature review and the empirical data (Alvehus, 2013; Rennstam and Wästerfors, 2011).

The analysis method is conducted by categorizing the collected data in regards to the literature review and conceptual framework. This is done by dividing into the concepts of globalization, culture and relationships, which may also be found in the way that the interview questions have been structured. This has developed an interlinkage between the conceptual framework and the empirical findings in order to identify sections that later facilitates the answering of the research questions. Additionally, the analysis method therefore follows the systematic process accordingly as Alvehus (2013) and Rennstam and Wästerfors (2011) describes.

3.7 Quality of Research

While conducting a research it is important that all information that is collected is valid and sustainable from an ethical point of view. To make sure of this, the researchers need to be aware of validity and reliability. These are tools to measure how certain a researcher can be of the results and its trustworthiness (Merriam, 2009).

3.7.1 Validity

Validity is explained as how the result corresponds with the reality. According to Jacobsen (2002) the researchers need to be aware of that during an interview the truth the interviewee tells you is his or hers own version of the truth. Therefore, it is important to evaluate interpretations of the researchers experiences instead of the terms of actual reality. Jacobsen (2002) further explains that it is the researcher’s obligation to present an honest reflection of the information that is collected by an interview. It is important that the researcher consider the reality like it is so the validity will have strength in a qualitative research (Taylor and Bogdan, 1984). Therefore it is important to understand the respondent’s view of the world and what the respondent wants to accomplish by being interviewed (Merriam, 2009). This is important to consider because if there is no validity in collected the information the thesis will not fulfill its purpose.
To maintain validity in this research, the authors have let the respondents proofread and comment the empirical data in order to secure that the answers has been interpreted correctly. This is done because the interviewees are the ones who can assure the validity of the research (Svensson and Starrin, 1996).

Furthermore, conducting a qualitative research, Denscombe (2010) and Yin (2014) both argue that this type of study may be questioned because of the level of generalization that a qualitative study generates. The doubts regards how representative are the cases in comparison to a quantitative study? Nevertheless, even if the cases are unique, it may instead be seen as an example of a broader class of things, meaning it is one of a type. Furthermore, case studies include sufficient information about how the cases compares with others of the same type in order to make a judgment about how far the empirical findings may have relevance to other instances or samples. Additionally, in terms of generalization of case firms, some responsibility also falls to the reader as this thesis enables the reader to use the information to make some assessments of how the findings have implications for others of the same type or how restricted the generalization is to the particular case firms. However, the reader must be provided with the necessary information in order to make an informed judgment on this matter (Denscombe, 2010).

3.7.2 Reliability

Reliability is the factor that considers how many times the result can be repeated, and if repeated, will it generate the same results again? This is difficult since humans are variable. However, qualitative research needs to explain the world and actions from how people experience it (Merriam, 1994). According to Saunders, Lewis and Thornhill (2012: 680) reliability is defined as “to the extent which data collection technique or techniques will yield consistent findings, similar observations would be made or conclusions reached by other researchers or there is transparency in how sense was made from the raw data.” This is important to consider because reliability is the extent to which there is consistency in the findings (Yin, 2014).

To gain reliability in this thesis, the authors have chosen to interview five companies to get an understanding of how they interpret the African culture. All interviewees have different backgrounds and experiences that may result in different answers. Therefore it is important to state who is saying what and understand that it is their own experiences that reflects the answers. Conducting a qualitative research it is important to record the
interviews and attach the interview guide in an appendix to create reliability (Silverman, 2004; Merriam 2009).

3.8 Ethical Considerations
While conducting a qualitative research ethical issues and consideration may arise, mainly in terms of data collection and interpretation of empirical findings. This further indicates the researcher's responsibility to accomplish the thesis sincerely in an honest and open manner by providing transparency of how this thesis is conducted (Creswell, 2005; Denscombe, 2010).

Creswell (2005) and Denscombe (2010) describe that the researchers must reflect upon certain standards in order to reduce the risk of possible harm towards the participants of the study. Firstly, this implies that the researchers must respect anonymity, which all the respondents in this thesis has been given the choice whether to be anonymous or not. One of the five participants decided to be anonymous, but after reviewing the empirical findings, the respondent decided that anonymity regarding this subject was not necessary. The respondents have also been informed that the data is treated confidential, however this thesis has aimed to not touch upon any sensitive subjects. Furthermore, the standards also imply that the participant must understand the aim of the research and their role as participants. When contacting the respondents, the authors of this thesis then explained well the aim of the interview and the research. Additionally, while informing the respondents, the interview guide, which can be found in Appendix A, were also sent by email to the participants in order to ensure that the respondents felt comfortable answering and participating in the research. This further lead to the choice whether the respondents wanted to volunteer or not. The respondents has also been given the opportunity to proofread the material before the authors of this thesis publishes the thesis, in order to further secure that no misinterpretation or misunderstanding has been made, since four of the five the interviews were conducted in Swedish.
4 Empirical Findings

This chapter presents the primary data that has been collected from the five selected firms by conducting interviews with the respondents. The case firms and the participants are firstly presented with a short introduction. Furthermore, the chapter is divided separately into sections, which follows the same structure as the literature review in order to generate a clear composition for the reader.

4.1 Cases

4.1.1 Axelent AB
Axelent AB, further referred as Axelent, manufactures industrial protection and guarding, property protection and warehouse partitioning. The company strive to provide an enhanced and improved industrial environment by focusing on safety. Axelent is located in Hillerstorp, Sweden and was established in 1991. The company is estimated as a born-global company with 220 employees world-wide divided into three large divisions, where 70% of the production is machine safety. Axelent currently have 14 different subsidiaries in Germany, England, France, Holland, Belgium, Italy, USA, Australia and Japan. South Africa is currently the only sub-Saharan market that Axelent is active in. Stefan Axelsson is the Export Manager at Axelent and have long experience, in particular 24 years at Axelent.

4.1.2 Norden Machinery AB
Norden Machinery AB, further referred as Norden, was established in 1890 and is still located in the central parts of Kalmar, Sweden. In 1924, the company started the production of tube-filling machines, which is still the core of the company today. The company manufactures and produces high-performance tube filling systems. Norden is the largest and the world-leading tube-filling company. Norden entered the African region in around 1950 and are currently operating in Egypt, Kenya, South Africa and Nigeria, where Jörgen Johansson is the responsible Sales Manager with experience since nine years at Norden.

4.1.3 Renetech AB
Renetech AB, further referred as Renetech provides technical consultancy and engineering business with twelve employees. The company started with focus on the
Swedish and Irish market in the bioenergy area. Renetech expanded to East Africa in 2007, where the main markets are Tanzania, Kenya and Uganda but also South Africa and the Ivory Coast. During the last four-five year has Renetech been focusing on research projects as well, with currently around 20 small scale projects in the region. Tom Walsh is the CEO of Renetech since ten years ago.

4.1.4 Siemens Industrial Turbomachinery AB
Siemens Industrial Turbomachinery AB, further referred as Siemens, develops and manufactures steam and gas turbines. Siemens supplies power plants and turbines with high efficiency and low emission levels for customers all around the world and thereby has projects in several countries in Africa. Siemens is a part of the global Siemens concern, but Siemens in Finspång estimates around 2800 employees and the turbine production started in 1913. Fidel Elias Hernandez holds the position as Project Manager for projects in Tanzania, Mozambique, Nigeria and Qatar.

4.1.5 Sweco Architects AB
Sweco Architects AB, further referred as Sweco, is a part of the Sweco concern that holds 14 500 employees, whereof 5600 works in Sweden. Sweco supplies qualified consulting services in engineering, environmental technology and architecture, with projects around the world to ensure clean water, efficient infrastructure and sustainable energy solutions. The company is mainly established in East Africa with focus on Kenya, Rwanda and Uganda, where Sunniva Berlanda Viking is the Regional Area Manager since 2013. Sunniva currently lives in South Africa and holds a master degree in African studies.

4.1.6 Overview
Figure 4.1 illustrates an overview in order to ease the reading regarding the empirical findings. The figure provides a brief overview of main aspects and of the respondents.

<table>
<thead>
<tr>
<th>Axelon AB</th>
<th>Norden Machinery AB</th>
<th>Renotech AB</th>
<th>Siemens Industrial Turbomachinery AB</th>
<th>SWECO Architects AB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Stefan Axelsson</td>
<td>Jörgen Johansson</td>
<td>Tom Walsh</td>
<td>Fidel Elias Hernandez</td>
</tr>
<tr>
<td>Position</td>
<td>Export Manager</td>
<td>Sales Manager Africa</td>
<td>CEO</td>
<td>Project Manager Africa</td>
</tr>
<tr>
<td>Previous Knowledge</td>
<td>No previous knowledge</td>
<td>No previous knowledge</td>
<td>No previous knowledge</td>
<td>No previous knowledge</td>
</tr>
<tr>
<td>Established When</td>
<td>Since 2001</td>
<td>Since 1950</td>
<td>Since 2007</td>
<td>One individual year</td>
</tr>
<tr>
<td>Established Where</td>
<td>South Africa</td>
<td>Egypt, Kenya, South Africa, Nigeria</td>
<td>East Africa, South Africa, Ivory Coast, Uganda and Tanzania</td>
<td>Tanzania, Mozambique, Nigeria</td>
</tr>
<tr>
<td>Date for Interview</td>
<td>27th of April</td>
<td>26th of April</td>
<td>10th of May</td>
<td>10th of May</td>
</tr>
<tr>
<td>Mode</td>
<td>Face-to-face</td>
<td>Face-to-face</td>
<td>Skype video</td>
<td>Face-to-face</td>
</tr>
</tbody>
</table>
4.2 Globalization and entering sub-Saharan markets

Among the five responding firms and representatives, there is a wide range of different countries and years of experience. Axelent is established in South Africa and has been for the last 15 years with offices in four different cities in South Africa. However, they have also some experience with Morocco where they have delivered products (Axelsson, 2016). Norden has been established since the 1950’s in the African Market and are currently operating in Egypt, Kenya, South Africa, Nigeria and Algeria. Their diverse market spread depends on where the customers are establishing their factories and the company follows the market with a lot of potential to find new opportunities (Johansson, 2016). Renetech AB had the opportunity for a project in Kenya and Uganda in 2007 that established them on the African market. They are currently operating in Rwanda, Uganda, Kenya, Tanzania, Zambia, South Africa, Botswana and opening up for Congo (Walsh, 2016). Elias Hernandez has one-year experience with Africa, mainly with Tanzania, but also with Mozambique and will soon be project manager for a project in Nigeria (Elias Hernandez, 2016). Sweco operates in East Africa with main focus on Kenya, Rwanda and Uganda (Berlanda Viking, 2016). In figure 4.2 the countries that the case firms are operating in are presented.

Figure 4.2: Map of countries where the case firms are currently active in (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016).
As mentioned Renetech had an opportunity to be a part of a project, and all five companies had their own reasons for entering the African market. Axelent did not have any intention to enter the African continent. However, the firm worked with another company who had an agent in South Africa. This agent was interested in doing business with Axelent and therefore the firm decided to give Africa a chance (Axelsson, 2016). Norden entered the African continent for the potential of new clients. It will never be Nordens biggest market but the region is too large-scaled to ignore. They did not have any previous knowledge about the market when they entered (Johansson, 2016). Siemens already had a lot of projects in Africa due to the emerging market in Africa before Elias Hernandez got involved in the African projects, however, he did not have any previous experience (Elias Hernandez, 2016). Sweco saw the potential in the need for ponds, infrastructure and rural electrification and that is why Sweco decided to enter the African market. Berlanda Viking had experience of the sub-Saharan culture before she entered the market since she grew up in Botswana and Tanzania (Viking Berlanda, 2016).

4.3 Culture
All respondents agree on that the culture is different compared to the Swedish culture. However, they do have different examples of differences, leadership styles and misunderstandings.

Differences
The five respondents discuss cultural differences in different ways, depending on what kind of experience they have. Axelent serves the purpose of personal protection, therefore is one of the firm’s main focus within cultural differences the human value. South Africans tend to not use the protection device to protect the employees, but instead use it to protect the machine in order to avoid production shutdowns (Axelsson, 2016). Axelsson (2016) further stresses that even though he does not feel comfortable with their bad humanity he has experienced, he is not in the position to question how the Africans do it, since it is neither his company nor his employees. Axelsson (2016) continues with that if it had been a vendor or a supplier, he could have made demands, but not in the current situation.

One of the first things that Johansson (2016) from Norden noticed was the lack of structure from the African business partner. The African client could ask such questions
that would be obvious for a Swede. However, Johansson (2016) believes the background of the problem is because in Africa, most people are employed directly from the street without any previous knowledge, while in Sweden they focus on the right knowledge and person for the right position.

Moreover, the perception of time is very different in Africa (Johansson, 2016; Walsh, 2016). Every discussion takes a lot of more time compared to Sweden. This is mainly because a discussion that takes 3-4 hours mainly contains of informal social discussion. Often only 10% of the conversation consists of actual business talks (Walsh, 2016).

One of the main differences is the emphasis towards family in Africa compared to Sweden. It is not only the closest family that is important for sub-Saharan Africans, it is also the extended family including cousins, uncles and aunts. This is strongly embedded within the sub-Saharan culture and not something that can be underestimated (Walsh, 2016).

The importance of religion is significant, which can be of high influence in the sub-Saharan region, and needs to be respected (Walsh, 2016). Additional difference that is briefly mentioned is how to dress while doing business. It is only Berlanda Viking (2016) who addresses this part, since it is more important to dress in a business manner in Africa, even though it may be up to 40 degrees you wear a suit. She also adds that other partner take her more serious if she dresses in a blazer.

Elias Hernandez (2016) states that when doing business, one must have a certain perception of how the business partner will work and act. In Africa, they do not match those expectations, which imply that the mentality between Sweden and Africa is highly diverse, therefore it is important to state clearly with the business partner what is expected of the client that they are aware (Elias Hernandez, 2016). Elias Hernandez further states that another difference that has been noted is that in Swedes are always looking for projects while in Africa they are more relaxed and deal with a project when it appears.
Expectations and prejudices

When Axellent first entered the sub-Saharan region, they had the prejudice that the industries would be similar to the industries in Sweden at 1950’s and 1960’s, however, they were not prepared for the well-developed industries that actually exist in South Africa (Axelsson, 2016). Axelsson (2016) further believes that the factories in Africa are more developed than the factories in China. Johansson (2016) was surprised the managers were not more knowledgeable. He further explains that he thought their business partner would have the general knowledge you are supposed to have in Europe. Walsh (2016) had the perception that everyone in Africa would be poor before entering and knowing the market, which was refuted. Africa suffers from a lot of poverty but there are also both rich and very wealthy people (Walsh, 2016). Furthermore, Berlanda Viking (2016) mentions that her prejudices concerned corruption, which exist in the African region (Berlanda Viking, 2016).

Cultural misunderstanding is nothing Johansson (2016) has notices. He further states it is because they are mainly doing business with established businesses who have a lot of experience with globalization, and thereof are their business partners already familiar with how Europeans culture and manner (Johansson, 2016). It may be cultural misunderstanding mainly because it takes time before you understand a culture. To be able to understand a culture it needs to be explained for you, and therefore relationships are important (Walsh, 2016). However, misunderstanding will occur if there are problems with communication. When Siemens established new projects in Tanzania, they asked the client to prepare the site in order to make the work more effective before the Siemens team arrived to the site in Tanzania. However, when they travelled, nothing was prepared. It might have been a communication misunderstanding, but it could as well have been lack of resources and experience (Elias Hernandez, 2016).
Berlanda Viking (2016) declares that there is also prejudice from the African people against Europeans. They believe that all Europeans are rich with a lot of assets, therefore it is difficult for them to understand why the Europeans will not finance every project. Johansson (2016) additionally states that it will always be prejudices and expectation that not will be fulfilled, and the importance to adapt and understand it.

**Leadership style**

All five respondents state that the leadership style in Sweden and in Africa is different (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). As a Swedish manager doing business in Africa, it is essential to change the leadership style, meaning that the Africans expect the boss to be the boss. If you are not acting authorial, the employees will think of you as weak and therefore take advantage of the situation (Walsh, 2016). In South Africa they use management by fear and a very aggressive leadership style. It is hierarchically, where the employee only listens to the manager and does not contributes with own ideas. A manager in Africa focuses more on production than the worker behind the job (Axelsson, 2016). In Africa, the manager raises their voices and you cannot argue against a superior. Africa works with direct orders compared to Sweden who use mutual discussions in teams (Johansson, 2016). It is not as informal and relaxed as in Sweden when it comes to discussions with the manager (Elias Hernandez, 2016).

However, the African leaders also tend to always be cheerful and easy-going towards Johansson. Furthermore, it is also important to consider the younger generation. It might be easier to have discussions and mutual respect since they have a high level of expertise and education (Walsh, 2016). The African people also tend to not be able to see potential in other sectors and co-operation between sector and managers. In Sweden you are more open to solve problems through discussion. In Africa you concentrate on your own area and obey the manager (Berlanda Viking, 2016).

**Adaptation**

Axelsson (2016) and Walsh (2016) both believe that they have not adapted to the African culture. However, they both states that it is important to have respect for the culture. Axelsson (2016) further explains that their business partners always show respect for them as well and therefore it has not been any need for extreme adaptation. However,
South Africa is the African country that is most similar to Europe and that might be a reason for why they not have the need to adapt (Axelsson, 2016). Norden has adapted their business. They have had the opportunity to learn from their agent so they could adapt to their client. Moreover, the only thing they will never consider adapting to is corruption (Johansson, 2016).

Elias Hernandez (2016) states that you will always have to adapt to your new business partner for the first time. This is mainly because when doing business the first time it is challenging because you do not know how they are working. The way Elias Hernandez had to adapt to the sub-Saharan region is mainly to the time aspect. He felt very stressed out in the beginning, but then he realized that his stress will not make the project move faster. Therefore, he needed to relax and accept the time orientation in Africa (Elias Hernandez, 2016). Other ways of adapting is to always be able to provide printed material when doing business. Most companies do have well-functioned websites, however, the Internet is not always dependable and therefore the African business partner always are excited for printer material (Berlanda Viking, 2016).

According to Johansson (2016), his perception is that their African business partners tend to also adapt to the Swedish business culture. However, it is not as transparent as the Swedish culture. The African business partner also lack of reliability compared to European business culture. Johansson (2016) exemplifies this with time schedules. When a European says that it will be done within two months you can mostly count on it. In the African culture you cannot count on it being done when it is said to be done, and therefore also important to consider while adapting.

<table>
<thead>
<tr>
<th>Adaptation to the African Culture</th>
<th>Axelent</th>
<th>Norden</th>
<th>Renetech</th>
<th>Siemens</th>
<th>Sweco</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Not adapted</td>
<td>Adapted</td>
<td>Not adapted</td>
<td>Adapted</td>
<td>Adapted</td>
</tr>
</tbody>
</table>

Figure 4.4: Adaptation to African culture (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016).

**Women and men**

In terms of the aspect of women and men, the answers vary among the respondents. Axelsson (2016) does not feel it makes any difference when it comes to doing business with a woman or a man. However, he believes if it had been in the Middle East it would
probably have been a problem, due to the Islamic religion and their view of women. Axelent AB has four women and one man as their sales representatives. Axelsson (2016) further states that he feels it is easier for a woman to make connections and set up appointments. On the contrary, Johansson (2016) believes that it is harder for a woman to do business, mainly in African countries with Islam as the main religion. However, he also states that it is harder for a younger man to do business than an older, this is due to the importance of seniority and the fact that you listen the ones who are older (Johansson, 2016).

The aspect of women and men differs a lot from country to country. Rwanda, a country ranked 9th most equal country in the world, is a woman is appreciated in higher positions. They have for example more women in the parliament than men, and additionally they also have a lot of women in professions that are considered ‘‘male-professions’’, example at construction sites. This may be due to the genocide that occurred 1994 in Rwanda, where numerous males were killed, which led to that women had to take care of themselves. In contrary, in Uganda and Kenya the presence of women are not as strong, however the women are more resourceful than you expect (Walsh, 2016). Elias Hernandez (2016) has mainly doing business with men and noticed that women act in the background and does not hold any leader positions. Berlanda Viking (2016) explains that as a woman within the sub-Saharan business culture it takes more time to create trust. It is also important to be delicate, in order to not upset other people.

Norms and values
Sub-Saharan Africa holds numerous sub-cultures. However, by generalize the region, one may identify some common factors. An example is how they greet each other and that you need to take time to ask about families (Berlanda Viking, 2016; Walsh, 2016). In the city, faster decisions are considered to be of higher importance, where rather in the rural areas it is still very important to take your time. It is considered to be okay to be late for meetings because of traffic and other common delays. According to Berlanda Viking (2016), the tolerance in Africa is a result of a more complex and complicated environment to do business in.

The people of Tanzania are very proud, meaning that they do not want to embarrass themselves, and therefore sometimes withhold important information, in other words they
do not tell you all of the needed information. They might ignore phone calls and email because they do not want to address the problem and this way postpone projects so it takes longer to implement. This might be an issue due to the lack of transparency as a cultural aspect (Elias Hernandez, 2016).

Other norms and values that are important to consider comes from the tribes that exist for example in Kenya. The people in Kenya does not just identify with the culture within the country but also with their tribe. This tribe has their own way to deal with things and this is something that it is important to be aware of and also respect. It is very deep within their culture (Walsh, 2016).

**Ubuntu**

When it comes to concept of Ubuntu, only one of the five respondents is familiar with the concept. It is Berlanda Viking who is currently the only one who is living in the African culture right now.

Berlanda Viking (2016) further explains that it is an expression that people has an ambivalent relationship to. She believes that black African uses the expression if it fits the individual and in smaller collectivistic contexts, for example family members. This is mainly because black Africans always have utilized and it is still a rivalry situation. This way of thinking is contrary to Ubuntus true meaning. However, in Africa it is still a majority of white people that holds power and ownership. Berlanda Viking has got the perception that most black African uses Ubuntu to empower themselves towards more privileged white people, which is understandable. Furthermore, this is just a feeling that she has and nothing she can prove. In a business perspective she only noticed this expression in urban contexts, due to all the collective functions that has to cooperate for a city to function (Berlanda Viking, 2016).

**4.4 Relationships**

**Relationship management**

Relationship management is important according to all respondents (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). Axelsson (2016) explains that even though there are ongoing environmental discussions
that business people travel to much, it is still of high importance to be present at the clients in order to establish relationships. It is difficult to gain trust and loyalty through the phone and emails in comparison to face-to-face meetings that are essential in creating a relationship. Especially in Africa where it is important to create a friendship with the client since, it is hard to create this friendship through Skype (Axelsson, 2016). Additionally, maintaining a relationship is of highest importance. This creates deeper trust, understanding and credibility between the business partners (Johansson, 2016). Johansson (2016) further states that for Norden, it is important that the customer feels that his role is important and that they get the needed support from Norden. This further creates loyalty and sustainable relationships according to Johansson (2016). Walsh (2016) also comments that investments in personal relationships also is necessary, which he exemplifies by mentioning that when he boards his plane towards Nairobi he buys two bottles of whiskey to show that he thought about his African business partner. Elias Hernandez (2016) also stresses the fact that it is challenging to maintain a good relationship through the telephone and also that it is important to meet the clients’ needs to establish a good relationship. You need to make an effort and visit, this shows commitment and loyalty. Walsh (2016) also describes that visiting is a two-way process and that their business partner also takes the opportunity to visit Sweden and Europe when an opportunity is given.

Relationship that is built on trust and loyalty is extremely important for most sub-Saharan Africans. Walsh (2016) mainly believes this is because of the difficult times and war that has occurred and influenced their history. Therefore, sub-Saharan people want to know who you are, your intentions and where you are from. Therefore, time investment to gain relationships is of high relevance, and a transaction orientation strategy would not function in these markets (Walsh, 2016). It is important to be patient. Relationship building does not happen within a year, meaning that it takes time to create a foundation. It is important to be flexible and humble towards the Africans and their culture and make them feel comfortable (Johansson, 2016). Combined with patience it is also important to be aware of the long-time commitment that is essential to be successful. One needs to invest in both time and create a relationship and network (Walsh, 2016). The key for success is the connections and to understand how they can help you (Berlanda Viking, 2016).
Network

Network is something that is extremely important in the African business culture according to all respondents (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). However, it is important in different aspects for them. Axelenent would not have been in Africa if there were no networks. Their agent would not have come so far if it he had not networked, for example the cooperation would not have existed (Axelsson, 2016). Furthermore, Norden does not use marketing in the forms of commercial, instead they believe in network and that recommendation from good relationship will help them develop new relations. Because of good networks, Norden has had the opportunities to expand within the African continent (Johansson, 2016). Walsh (2016) states that without networks there would not have been any opportunities for Renetech. Every project of theirs have been introduced to them thanks to the network they have created. Elias Hernandez (2016) also agrees that network is important. However, Elias Hernandez does not believe this is due to the African culture, but rather believes this is because of business culture in general. Network is something that takes a long time to establish in the African culture (Berlanda Viking, 2016). According to Berlanda Viking (2016) it is important to hold informal events to sustain relationships and create loyalty by offering free snacks and drinks. Networks are also essential to find new business partners. You need to find references to gain additional contacts (Berlanda Viking, 2016; Walsh, 2016).

Attributes and Appreciation

A common factor all respondents appreciate is the hospitality and the way they always make a person feel welcome (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). However, there is still a lot of racism, mainly because of apartheid that a Swede may not be familiar with. Especially in the older generation the apartheid is still noticeable. In South Africa they for example still disparages black people. For example there are very few black people who own their own factories. Another example is the way they are joking about them; example of this is a discussion Axelsson (2016) had with South Africans when they said that they had to hire white pilots from other countries because there was not enough white people in the country and that the black people were not good enough for that kind of mission (Axelsson, 2016).
Another attribute that is frustrating for all five respondents is the perspective of time, whereas it is important to be patient when dealing with African business people (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). The African people are more relaxed while Swedes are more closed and contained (Berlanda Viking, 2016).

**Corruption**

Corruption is a known fact in Africa. However, the African citizens are dealing with the issue. A powerful network is an important way to avoid and eliminate corruption since they have the power to refuse corruption. Most Kenyans are saying no to corruption and are trying to deal with this issue. They are cleaning up corruption and punish people who are still using this in business, which means that with corruption come consequences, in order to create a better business climate (Walsh, 2016). It is corruption within the African continent and furthermore, Siemens has zero tolerance for corruption, which makes it crucial to know what happens in the background. Elias Hernandez (2016) exemplifies this by using the two customers in Tanzania, where one of the clients is public and the other is state-owned. The private company has both African and foreign owners, which make the company as any other to deal with. There is no “funny business”. The state-owned, on the contrary is much more complicated and have specific regulation and procedures and managers have limits of authorities. Everything has to be checked and approved and there is lot of rules to follow to avoid corruption. Everything Siemens do is according to procedures and is well documented so they can prove that no corruption has occurred (Elias Hernandez, 2016). The corruption is an issue and even tough actions are taken against the phenomenon some people still chose the ones who can pay. Therefore, it is important to be creative and make people chose you for other reasons (Berlanda Viking, 2016). Axelsson (2016) has not noticed corruption while doing business. Johansson (2016) further states that they have noticed it however it has never been an issue in their businesses.

**Difficulties**

The threat of terror is present in Africa (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). However it is also a problem in Europe so Europeans may be more familiar with the term than before (Berlanda Viking, 2016).
2016). When living in Africa you need to be more safe and secure, lock the gate and not enter the streets during nighttime, since this is unnecessarily dangerous (Berlanda Viking, 2016). Elias Hernandez (2016) also stresses the financial risk that occurs in Africa. You can sell and provide a service, however it is not certain that they can pay you according to the payment schedule.
5 Analysis

The analysis chapter discusses the empirical findings from the case firms in relation to the conceptual framework. The chapter is divided into sections based on the same structure as the empirical findings and the literature review.

In the start of this thesis, the authors made the assumption that South Africa was more similar to the other countries in sub-Saharan Africa. However, by talking to the respondents the assumption has changed. This has resulted in a new illustration, figure 5.1, which shows the difference between Sweden, South Africa and sub-Saharan Africa. This illustration is similar to figure 2.1 in the Literature Review, section 2.2. However, the authors wanted to highlight the differences between South Africa and sub-Saharan Africa, and therefore it appears in the analysis as well. As the illustrations shows, South Africa is in between Sweden and sub-Saharan Africa, which implies that for an easy transition into the African market South Africa is the market that that will most easy from a cultural perspective. However, there are both pros and cons entering South Africa first. It is easier for a company to enter the South African market to get a shallow and superficial understanding of the African culture and then gain a deeper knowledge while entering new markets. Even though there is a cultural advantage of entering the South African market, companies should not underestimate the other countries. Only two of the respondents in this thesis are currently active in the South African market, which implies that there is a lot of potential in the whole sub-Saharan region.

Figure 5.1: Cultural Dimensions comparison – Sweden and Africa (Hofstede, 1980).
5.1 Globalization and entering the sub-Saharan markets

The emergence of the sub-Saharan countries is a stated fact both mentioned in the literature by Taylor (2012), but among the respondents, the opportunities that the region holds is a clear argument of why they are established in the region today. This further strengthens the statements by Cavusgil et al. (2013) that sub-Saharan Africa is a rapidly growing region. Even though Johansson (2016) explained Africa is not their largest market, he argues that the region is too large to ignore. This further entails that Africa should be of higher interest among Swedish firms that it is today. Additionally, the reason why Johansson mentioned that Africa is not their largest market may depend on which industry the company operates in, meaning that in comparison to Siemens, Renetech, Axelent and Sweco operates in other industries were currently the need is higher such as infrastructure and architecture solutions, energy solutions and industry equipment.

Moreover, Taylor (2012) in the literature speaks about challenges when entering the region, which is also mentioned by the respondents, which may indicate a result of that the culture is distant from the culture the respondents are familiar with. Furthermore, Axelsson (2016), Johansson (2016), Walsh (2016) and Elias Hernandez (2016) all mentioned that they had no previous knowledge about the sub-Saharan region, which identifies a pattern. However, it was only Berlanda Viking that stated that she has previous experience of the market, which depends on the fact that she lives in South Africa and grew up in Botswana and Tanzania. This may raise questions regarding if previous knowledge is really needed or if it sufficient with experience once entered? However, in this particular case previous knowledge has not been mandatory in order to conduct successful business. Reasons why previous knowledge were not needed is mainly a result of that the majority of the respondents business partners had an understanding of the European culture that facilitates the business relationship. However, by judging from the theories (Hofstede 1980) and the answers from the respondents it is a significant difference entering South Africa, which is more developed, in comparison to another country in the region. By establish in another country, knowledge and a deeper understanding is of higher importance to avoid misunderstandings.

5.2 Culture

The Swedish and African business cultures are different, both according to the literature review and the respondents. However, due to globalization the business culture getting
more and more alike (Cavusgil et al., 2013). There is a diverse view on the business culture as well, but adaptation is not necessary as long as they do have an understanding of the differences and respect them (Walsh, 2016).

It is not only the values and norms that are different, it is the nature, infrastructure and the way of living. In Africa you cannot expect Wi-Fi all the time, therefore you need to provide printed material for customers and clients to be able to provide material (Berlanda Viking, 2016). The roads are not as developed as in Europe and therefore it will take time to travel from one destination to another. The time-orientation that is within the African culture is not because they want it like this, it is something they have to deal with because they do not have the appropriate conditions to always be on time. This can be linked to the time orientation in the cultural dimensions, which states that the African culture has the polychromic time orientation and it is reasonable to be late (Hofstede, 1980). However, the time-orientation also affects business discussions. It is important to have an understanding for Africans need to create a relationship and therefore spend more time on business discussions. It is not only important to create the relationship, but due to the fact that they might not be as knowledgeable as one expect, it is important to have the time to really explain the product, or the expectations of the relationship, it is not something you rush through. According to Hofstede’s Cultural Dimensions (1980) the time orientation between Sweden and sub-Saharan Africa is very different, which also was observed by the respondents. It takes longer time for projects in sub-Saharan Africa compared to Sweden. This can also be identified in the Future Orientation that is discussed in the GLOBE framework, section 2.2.2. Especially Elias Hernandez (2016) discusses that the people he has interacted with in Africa do avoid problems, which result in a less understanding of future orientation, which is something that is important for most Swedes doing business. This may be a hinder when doing business in Africa. However as long as firms that is establishing in Africa are aware of the fact that this is a problem, they might be able to reduce it with clear communication. By inform the African businessmen that planning is important they might understand than avoidance of problems will only result in problems.

In the GLOBE framework the authors has decided to focus on Collectivism I and II, section 2.2.2. What can be told from the respondents this is something that do differ from the Swedish business world. According to Berlanda Viking (2016), in Africa every
person has their position at the company and they do not involve in other positions and operation within a company. She further explains that in Sweden, people are better to take advantage of the fact that people can be great at more than just one thing, which results in discussions between employees and an alternative way to find solutions. In Africa they do not encourage a behavior that result in meddling in others positions. However, it is important to show pride, loyalty and cohesiveness in the organizations and in families. Walsh (2016) highlights the emphasis on the extended family in Africa, which concludes aunts, uncles and cousins as well. It is very essential to not underestimate this. This affect the relationships and as a business partner you need to show interest in your business partners. This also complies with Hofstede's cultural dimensions of an Individualistic society versus a collectivist society. In Sweden, the immediate family is important, however, when doing business in Africa you need to show interest for the African business partner extended family as well. By showing interest you will also show commitment that is something that the business partner will appreciate. Furthermore, both the literature Hofstede’s (1980), House (2002) and Walsh (2016) states that it is common that the conversations take more time than expected. Only 10% is usually business talk, the 80-90% is about the family and personal, informal discussions. This implies that the informal relationship is essential for a business relationship to function.

The level of knowledgeable people are also different because Africa is a developing region, and a developed country need to have the understanding that you cannot expect the same level of knowledge from the people because they have not had the same opportunities for education as in Sweden. However, as Walsh (2016) mentioned the young adults are getting an education because it is opportunities for this now, which will result in more knowledgeable people in the countries. This will also change the business culture in the future. With more African citizens that get an education abroad, the world will be more integrated and globalized. People will gain a intercultural communication that will lead to a different understanding towards each other. Cultural differences, such as apartheid, will eventually disappear.

There are significant differences within the business culture as well. Axelsson (2016) explained the bad view on humanity, which will be an issue for a Swede since Sweden has certain protection laws that must be followed. This difference is something that
hopefully will be different in the future with a more skilled and savvy business culture. However, the view of people and their value has its roots in the history. This is a generation issue, the generation that is currently operating in the business world did live during the apartheid, which may affect their way of thinking and interacting. Nevertheless, the new generation will take over and the switch of generations will hopefully challenging apartheid, meaning it will not be an issue anymore.

Moreover, prejudices that Africans might have towards Europeans are often forgotten but highly interesting. There is an awareness from Swedish companies that they do have prejudices, but also that they probably not will be fulfilled (Berlanda Viking, 2016). However, Berlanda Viking (2016) further state that the African people believe that all white Europeans are rich with a lot of assets and therefore they cannot understand why the Europeans will not finance every project. As an Europeans and swede entering the market this is something to keep in mind. You need to state and explain that you are there to handle a project and not finance it and furthermore try to give suggestions to how they can finance the projects. Prejudices will come both ways and it is important to have an open mind and change both your own prejudices and also theirs.

According to the GLOBE framework, section 2.2.2 there are significant differences between the leaders, and the respondents concludes this as well. Acting like a leader in the African business culture is more difficult than being a leader in the Swedish culture. According to the literature review and the empirical data a leader in Africa needs to act by himself. The Africans does not respect a weak leader and therefore they use management by fear (Johansson, 2016). For a Swedish leader it is possible to open up for discussion and listen to the employees to find new solutions to problems that occur. A Swedish leader wants to inspire the group while the African leaders does not consider this. To be the one who decides and take actions without discussing it before might be troubling for a Swedish leader. The Power Distance, as shown in figure 5.1 and the respondents experience are similar. There is a hierarchy system in Africa that does not exist in Sweden where businesses are more flat. This might difficult for a Swede to adapt to since they are not used to be the ones who makes the decisions without discussions. However, if they want to be respected they need to be able to make decisions without considering the employees point of view. In the way of interacting it is also interesting to look into the GLOBE’s Assertiveness. In Sweden, the people are more assertiveness since
it is okay to discuss and argue with and against your managers. It may not always be appreciated but it is a privilege and entitlement to be able to do so. In Africa, you will not only lose your job if you argue, you may also lose your reputation in the society, which is something that is important to them (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). The relationships at work can also be connected to the cultural dimensions of Individualism, which states that since Swedes are individualistic the relationship between employer and employees is based on the mutual advantage and are hired on merits and not the social network (Hofstede, 1980). Therefore it is more obvious for Swedes to discuss with their employees than for Africans where they have been hired because of social network and might not be able to discuss problems due to lack of knowledge. This might further be drawn to the dimensions of masculinity, that states that African culture underrate themselves and their performance. This implies that even if they know a solution for a problem they lack the confident to believe in the solution. This is agreed on with the GLOBE Framework and the participative style, which states that the Anglo and Nordic clusters has the desire to get inputs from employees while but it is not as important for the African cluster (House et al, 2002).

Ubuntu

Ubuntu has mainly been researched with focus on leadership, anthropology and sociology and this is noticeable when interacting with the respondents. Only one of the five respondents were familiar with the concept of Ubuntu. The respondent who has experienced the concept of Ubuntu is Berlanda Viking (2016). Berlanda Viking is the only one who grew up in the African culture and also holds a master in African studies. This further indicates that the research of Ubuntu in business is not a focus.

It is interesting to compare her interpretation of the concept to what the literature says. According to the literature Ubuntu focus on compassion and the society as a whole (Sarpong, Bi and Amankwah-Amoah, 2015). The interpretation Berlanda Viking had was that most black African uses Ubuntu to empower themselves towards more privileged white people. This way of thinking is contrary to Ubuntus true meaning. Furthermore, none of the respondents were familiar with this concept which makes the authors believe that Ubuntu is not important to consider in a business context. Ubuntu does not affect the business environment and therefore not something that should be in focus when doing business in the sub-Saharan African market. Nevertheless, it is still an important concept
in the African culture and people who has the interested to move to Africa should gain deeper knowledge about this concept, since it matters in the daily life. This is based on the fact that Berlanda Viking is the only one who is living in Africa currently, and no other of the respondents has lived there.

Another interesting factor to consider is that according to the literature Ubuntu is a concept that states that for sub-Saharan Africans it is important to embrace both good and bad incidents (Sarpong, Bi and Amankwah-Amoah, 2015) and that the concept help each other in contrast to the western culture (Tutu, 1999). This goes against what Axelsson (2016) was talking about when it comes to personal protection, and that the managers consider the protection of the machines more than the employees. This reinforces that Berlanda Viking (2016) and her perception of the Ubuntu is not entirely wrong. Furthermore, this states that Ubuntu does is important within the business culture.

**Adaptation**

According to the respondents, adaptation is not necessary when entering new markets. Nevertheless, respect towards the culture is a must (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). There has been criticism towards adaptation and that it might make people disregard their own values (Molinsky, 2013). However, disregarding their own values is not something the respondents have experienced. It does occur situations when Swedes do not know how to react, for example Axelsson and is description of the bad view of humanity and that he did not feel he has the right to speak up when they focus more on machine protection and do not care about the people working for them (Axelsson, 2016).

**5.3 Relationships**

Ford et al. (2011) and Gummesson (2008) argues that relationships are essential in order to secure the survival of the firm. This statement does all the five respondent agree upon. Furthermore, the literature also mentions the important aspect of maintaining the relationships as well, which is also in accordance to the respondents answer. However, Berlanda Viking (2016) and Elias Hernandez (2016) mentions the importance of having good references that enables new projects and contact, which is highlighted by Berlanda Viking (2016) as difficult without in sub-Saharan Africa. This further affects the behavior of the firm's strategy and decisions in order to gain the trust and establish valuable
references. Additionally, the personal level of the relationship is an identified pattern mentioned by the respondents and specially highlighted by Walsh (2016) that clearly states how important it is to not only establish business relationships but also a friendship as well, were in the literature only the business aspect is emphasized, except for Richmond and Gestrin (1998) that states that negotiation is important for social and personal interaction in sub-Saharan African, which demonstrates that relationship is important. The friendship can be interlinked with the fact that Africans tends to be more family-oriented than Swedes.

Ford et al. (2011) argues that trust and commitment are important elements in creating relationships. The respondents mainly mention trust, which is a repetitive concept and according to the respondents of highest relevance in sub-Saharan Africa. However, gaining trust is therefore very time consuming, which also identifies a pattern of how the relationships should be managed in the sub-Saharan business culture. One reason that trust is very important may depend on the history of the region, meaning that they do not want to feel used. This perspective is also mentioned by Walsh (2016). This further implies that history is a large part of the business culture.

**Network**

Additionally, the network aspect is of high importance as well in sub-Saharan Africa. Axelent and Renetech had no interest of doing business in Africa before they were introduced to opportunities through their network. Norden followed the opportunities by establish where they already had customers located in the African market, so they also followed their relationships. It is only Siemens and Sweco that were not as dependent on connections when they entered the region, however, both Elias Hernandez (2016) and Berlanda Viking (2016) state that it is important to grow and establish further into new market via networks. This clearly states the importance of network, since there are several benefits when you got the right connections. You will have the opportunity to be presented the your network's network and that will open up for opportunities. To exemplify, Renetech managed to get all their projects through their network, and Axelent, who entered the South African market, only because the right agent contacted them through joint partners. This implies that doing business in sub-Saharan Africa requires a great network, not only for establishing new projects and opportunities, but also in order to establish trust in the relationships that further will develop great references that is
needed to gain trust with new business partners. However, an interesting aspect is that in order to get a project a firm needs references, but to get references a firm must have had a project in the region before. This implies a circle or a spiral situation.

**Corruption**

Corruption does exist (Axelsson, 2016; Berlanda Viking, 2016; Elias Hernandez, 2016; Johansson, 2016; Walsh, 2016). Nevertheless, Swedish businesses do not need to worry about corruption when doing business in the sub-Saharan Africa region. Even tough corruption does still exist, however since the countries themselves are fighting for a better business environment this issue is not as alarming as before (Walsh, 2016). Of course it is still a problem but the culture has now understanding of that you can do business without bribes. The fact that countries has implementing punishments for those who are dealing with corruption is a signal that they are improving their business culture (Walsh, 2016). Corruption might still be a problem in those countries who has not decided to take actions against it, however as Berlanda Viking (2016) said, then it is time to be creative and really highlights why they should choose your firm.
6 Conclusions

Lastly, in this final chapter the conclusions of this study are featured. Based upon the data and the analysis provides answers to the research questions that latter follows by practical recommendations and empirical contribution. As a final, the chapter concludes with suggestions for future research.

6.1 Answering the Research Questions

This study had three research questions:

- (1) How do Swedish firms that do business in sub-Saharan Africa perceive the business culture in the sub-Saharan region?
- (2) How do Swedish firms adapt to the perceived sub-Saharan African business culture?
- (3) How does the sub-Saharan business culture affects the relationship between Swedish and sub-Saharan African firms?

Regarding the answer to research question (1), all of the five Swedish respondents experience the African business culture as different compared to the Swedish culture. However, none of the respondents believed that the culture is particularly hard to manage compared to other distant markets. Furthermore, all respondents highlighted that there is difference between the different countries and that it is hard to generalize a whole region.

Moreover, the respondents consider the difference between culture and business culture. The Swedish and African culture are extremely different. Yet, when it comes to business culture, the differences are not major. Business cultures are different, but with the globalization between all countries it tends to be more and more interacting and that affect the business cultures. Especially with the younger generation in Africa that is about to enter the business environment. Many of them have studied in new cultures such as Europe and North America (Walsh, 2016) and therefore they will connect those cultures with their own culture, which implies that the business culture will be more and more similar the more global the world gets.

The phenomenon of Ubuntu is only recognized by one of the five respondents, which implies that Ubuntu is not of relevance to consider in a business context. The reason why the fifth respondent was familiar with the concept depends on the fact that she resides in
South Africa. This further entails that the concept is not of relevance for firms seeking to internationalize in sub-Saharan Africa while still having the firm located in Sweden.

Regarding research question (2), two of the five respondents felt that they did not have to adapt to the sub-Saharan African business culture. An example of this is Axelsson (2016) who stated that he did not adapt to the African business culture, however later in the interview he mentioned that he did not agree with the manager's view of the employees and how he treated them. For the authors this is an adaptation. African managers lead through management by fear which implies that they do not consider their employees opinions. This is something a Swede need to adapt to because if they do not they will be considered weak and the employees will not respect or listen to him or her. However, with the new generation this may change and therefore it is important to be able to scan the situation. Is your employees an audience that appreciate mutual discussion or do they prefer a manager who handles all of the decisions?

Elias Hernandez (2016) also stated that you always have to adapt to a new business culture and this is something the authors also states; \textit{that it occurs adaptation even if it not always is obvious.}

Nevertheless the level of adaptation depends on what country a firm is about to enter. As Hofstede's Cultural Dimensions illustrates in figure 4.1 in Chapter 5: Analysis, South Africa that used to be neo-colonial does not require the same level of adaptation as for example Nigeria. This is because South Africa already are influenced by the European cultures, while other countries still focus on their African roots.

After finishing the compilation of the empirical data the authors states that the answer for research question (3) is that the sub-Saharan business culture enhances the relationships between Swedes and their African business partner. This conclusions has been developed due to the respondent's response in the interviews. All five states that relationships is incredibly important in the African business culture. The authors believes this is due to the collectivistic perception the African culture holds. For the African business partner a relationship is important and therefore the Swedish respondent need to adapt to it. This further agrees with the author's statement on research question (2) that there will always be adaptation with a new culture even if it is not obvious.
Additional reason for why a relationship is more important with an African business partner than, for example an German business partner may be due to dependency. When a Swede visit the African business market they are more dependent on their business partner to help them within the culture, locate them, and be there as a support. When a Swede is visiting their business partner in Germany there is not as dependent because it is similar culture and closer geographically.

The main conclusions of this study are as follows:

- The sub-Saharan region may not be generalized due to the fact that the region contains highly diverse countries, especially South Africa.
- Culture and business culture are widely different, even though the Swedish and sub-Saharan business cultures are different, the business culture is not as different to the same extent.
- Ubuntu is not relevant in a business context unless the firm plans to move to a sub-Saharan country and being a part of the social culture.
- A firm must adapt to a new culture to some extent, meaning that for a firm, adaptation may not always be obvious.
- Relationships are incredibly important in the sub-Saharan business culture.

6.2 Theoretical Implications

An interesting concept that could have been brought up is the differences between Soft and Hard Management since this was something all respondents somehow discussed during the interviews. It would be interesting to gain a further understanding in how the different styles of management affect relationships and personal values. Management is something that differ the Swedish and African market and it would be interesting to understand how it affect Swedes in the African business culture and how they interact and behave because of it.

Relationships are essential in the African business culture, and therefore more knowledge and deeper understanding of both formal and informal relationships may be relevant for this thesis. This thesis focused on the business relationships, however the personal part is also essential when creating a sustainable network in Africa.
By taking these implications into consideration, the authors have created a revised conceptual framework, which is illustrated in figure 6.1. The figure follows similar structure like the original conceptual framework, however the changes made indicate the concepts more concrete in relation to the sub-Saharan region. The first box describes the internationalization to a sub-Saharan market, where the results indicates that South Africa is the less distant culture and therefore a basic step into the region. Secondly, the next box represents culture, where the authors emphasize the importance of separating culture and business culture, as some of the concepts, like Ubuntu that is considered to be of importance within the culture but less relevant in a business context. In contrast, the African aspect on time requires patience, which is important both within the culture and the business culture. Additionally the second box further illustrates that a generalization of the region can be made to some extent, however, both the literature and the respondents highlight the diverse markets. Therefore, country specific culture is of high relevance to research. The findings also indicate the hierarchical management style, which further entails that Swedish firms may change their style of management in order to not weaken their position, whilst in Sweden the style of management is less hierarchical.

The third box describes that adaptation is required, although the adaptations may be major while other adaptations may be small and very obvious that a firm may not perceive this as an adaptation. Relationships in sub-Saharan Africa are essential, where the findings further presents the importance of informal relationships and friendship, where also the family plays a significant role that reflects in the relationships, in box four. Lastly, the fifth box illustrates the network that is described as the main key to further expansion within the region. The findings also indicates that networks are important in order to create references that are necessary to find new projects and clients. Networks are also used as a way to fight corruption, since powerful actors have the ability to refuse. The dashed line in figure 6.1 symbolizes that networks results in further expansion where the process of this revised conceptual framework restarts in box one.
6.3 Practical Implications

The empirical findings suggest that a further understanding of each individual country is recommended. By generalizing a whole region, such as sub-Saharan Africa you fail to see the potential and big picture within that specific country. This was a recommendation each of the respondents in this thesis highlighted.

Further recommendations for a firm about to enter the African market is to highlight the importance of relationships. Relationships are essential and deeper commitment are necessary if the firm want to be successful on the African market. By creating a stable network the firm will be introduced to new projects within the chosen market and by obtain a network it will be easier for the Swedish firm to operate within the chosen market. Both informal and formal contacts are necessary to be successful on the African market.

The authors recommend companies that are interested to enter the African market to examine the African business culture and understand it. It is also important to even if they do not want to adapt that there is respect towards the culture. An understanding of
Ubuntu it not necessary in a business context since this is a concept that is perceived by the people who lives in the culture and experiences it every day.

6.4 Recommendations for further research

Research regarding business culture in sub-Saharan Africa is a wide concept, therefore the authors have identified additional relevant topics for further research within this field.

- Since this thesis generates a generalized perspective of the sub-Saharan region, a suggestion thereof is to investigate the business culture country-by-country. Even though the countries in the region have similarities, it also exists similarities and sub-cultures. Therefore, this would contribute to a country specific research that may help firms that are expanding to a specific country.

- An additional suggestion is to conduct a quantitative research, since that type of research method measures variables so that the research regarding business culture would be more concrete. A quantitative study may also be seen as an extension of this thesis in order to facilitate for firms even further.

- The phenomenon of corruption was not considered much by the authors, however, the phenomenon was mentioned in all five interviews, meaning that a suggestion is to limit the study to corruption in the region. This type of research would be of high interest by investigating how firms should manage such issue.

- Lastly, a suggestion for future research regards the future of the business culture, in terms of how it will change because of the upcoming new generation and the fact that the emerging countries are rising and how these factors may impact the business culture.

6.5 Limitations

During the progress of this thesis, some limitations were identified, that the authors thought might have complications on the quality of the research and the ability to answer the research questions. These limitations regard firstly the generalized perspective of the sub-Saharan region, because of its size of the region, since it consists of many countries,
cultures and even subcultures (Hofstede, 2010). Nevertheless, the authors were well aware of the fact that the region covers a large geographical area. Additionally, the study involves firms with different levels of commitment in the region, meaning that instead involving firms with the same level of commitment would have generated clearer generalization results. Lastly, this thesis aims to focus on the Swedish perspective of the sub-Saharan business culture, therefore has not the African perspective been taken into consideration. However, by including the African perspective, the research would have been given the study further depth.
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Appendices

Appendix A – Interview guide

The aim of the interview is to create a deeper understanding of the sub-Saharan business culture and how Swedish firms that are active in the region should manage the culture. All the material will only be used in our bachelor thesis and naturally the material will be sent to the respondent before publishing the thesis.

We are very thankful that you have taken your time to contributing with your knowledge!

Introduction:

1. Respondent:
   a. Name:
   b. Position in the company:
   c. Short description of responsibility:
   d. Length of employment (current position):

2. Brief history about the company?
   a. Which markets are you established in today?
   b. Did you have knowledge before entering the African markets?
      i. If so, did the knowledge help?
      ii. If not, how did you gain knowledge?

3. How long have you operated in Africa?

Internationalization:

1. Why did you/the company decide to enter the African markets?
2. How do you experience the African market?
3. What are the main differences from the Swedish market?

Network:

1. How important is the network approach in the African market?
2. Do you believe that network has helped you/the company to expand further in the country and the sub-Saharan region?
3. How does a typical relationship look like?

Relationship Management:

1. Do you believe relationship management is important to consider in general?
2. How does the African relationship management differ from Swedish relationship management?
3. How do you experience that the African view of relations differs from the Swedish?
4. Does this in any way affect the relationship between your company and the African business partner?
Hofstede’s Dimensions:

1. How do you interpret the norms and rules within the sub-Saharan business culture?
2. Are there any cultural misunderstandings?
3. What has been most difficult entering the African market, culturally?
4. Do Africans adapt to Swedish culture?
5. Did you have any prejudices against the African culture?
   a. Where they correct or incorrect?

The GLOBE framework:

1. Is the African leadership style different from Swedish leadership style?
2. What attributes and characteristics do you appreciate most with your African business partner?
3. What attributes and characteristics do you appreciate the least with your African business partner?

African culture:

1. How have you adapt to the African business culture?
   a. If so, it this different to other cultures that you operate in?
2. How has this affected the way you do business?

Concluding questions:

1. What would you have wanted to know before you entered the African market that you did not already know?
2. Any recommendations?
3. Do you wish to be anonymous?
4. Any questions for us?