

Sequencing strategy of SME:
Examining the combined effects of
organisational characteristics

Master Thesis

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Abstract

Since the late 70's, many scholars have investigated internationalisation process models and it provides the inspiration to research sequential internationalisation. Yet, the growing awareness of international business environment in the last decades has viewed the organisational abilities and characteristics, such as, global mindset, cultural intelligence, learning orientation, network competence and financial resources of the organisation, and its relationship towards internationalisation strategies as fundamentally crucial characteristics for strategic decision and execution. For reaching the holistic understanding of these organisational characteristics, this paper proposes its contextual setting in a form of combination sets, and researches how these combinations relate to the differentiated sequential internationalisation strategies that are defined as focused and unfocused sequencing strategies. It follows the triangulation methods by integrating quantitative questionnaires, qualitative interviews for data collection, and modified fsQCA for data analysis. The main finding of the paper demonstrates that organisations with a high level of global mindset and financial resources tend to follow the focused sequencing strategies in their internationalisation, while only the organisational characteristics of global mindset affect the strategic decision of unfocused sequencing strategies. The combination sets consist of other organisational characteristics differ in its results depending on the contextual interpretations. The given research contributes to literature to differentiate the term sequential internationalisation and to discover the combined effects of the organisational characteristics on the sequencing strategies. The result of the given paper should enable organisations to select appropriate sequencing strategies in the global business based on their organisational characteristics.

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List of Key Definitions

Global Mindset	An organisational ability and flexibility to open, balance and be aware of the cultural diversities, global economics and political changes in their business operations
Cultural Intelligence	An organisational ability to understand, coordinate, initiate, compete and integrate in the cross-cultural business context which is based on the adjusted definition of metacognitive, cognitive, motivational and behavioural cultural intelligence characteristics from individual to organisational level
Learning Orientation	An organisational static value which represents the organisational holistic pre-setting before processing market information and organisational action that supports organisation to become open-minded towards external environments, promote and commit the learning culture and share the organisational vision among employees
Network Competence	An organisational ability in initiating, exchanging, coordinating, planning, organising, staffing and controlling in cross-relational tasks and dynamic network environment in the international business that are supported by high level of understanding in technical skills of partners and social competence
Financial Resources (slack)	An organisational financial reserve and surplus which is integrated in organisational operations as the source of inducements, resource for conflict resolution and technical buffer, but also motivate organisations to be creative, innovative in their strategic behaviour
Sequencing Strategy	A sequential internationalisation strategy which follows a specified order of country entries
Focused Sequencing Strategy	A sequential internationalisation strategy which follows a specified order of country entries with which organisations proactively maintain a control power in their autonomous strategic decision making at t_0 and the consequence of sequencing strategy they choose at t_1 is predictable and obvious
Unfocused Sequencing Strategy	A sequential internationalisation strategy with which companies are highly influenced by external impacts at t_1 that are not predictable and not obvious at t_0

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List of Abbreviations

C	Cultural intelligence
CR	Case result
SR	Set-analysis result
F	Financial resources
G	Global mindset
L	Learning orientation
N	Network competence
R	Result

1. Introduction

The meaning of globalisation has been generating a considerable amount of attention since the 90's (Burgel & Murray, 2000). In the new global market tendency, firms learn to diversify into new countries and product markets to capture scale and scope economies (Barkema et al., 1996; Zahara et al., 2000), to take advantage of emergent market opportunities and create competitive advantages (Argote & Olivera, 1999), to expand their operations through acquisitions or alliances and to create corporate value (Haleblian & Finkelsten, 1999; Hayward, 2002; Anand & Khanna, 2000; Hoang & Rothaermel, 2005). Furthermore, firms learn to disseminate knowledge (Darr et al., 1995), augment throughput (Lieberman, 1984) and reduce defects (Levin, 2000) to improve pricing and productivity. Yet, the advantages of globalisation remark the importance of specific strategies for entering the international market sequentially which is called as *sequencing* strategies and defined as *following a specified order of country entries* (Delios & Henisz, 2003; Bingham, 2007;2009). According to Bingham (2009), firms with more successful foreign market entries decrease improvisation in opportunity selection, while increasing improvisation in opportunity execution.

The research on the sequencing strategies already began late 70's by Uppsala School which pioneered the optimal form of internationalisation depending on market characteristics and the organisational resources (e.g., Johanson & Vahlne, 1977; Bingham, 2009; Delios & Henisz, 2003; Ellis, 2008). The scholars are interested in research on this field due to the effect of the improvised and less improvised internationalisation strategies on the organisational performance in the global business because the higher organisations understand the strategic choices in their foreign market entry, the more likely is the probability of success in their internationalisation.

Consequently, the existing literature mostly focuses on the observation of certain sequencing patterns and the subsequent performance of each sequencing strategy, rather than focusing on the reasons why organisations choose a certain sequencing strategy over the other. Therefore, in order to gather deeper understanding of the global market entry strategy, specified research should be conducted on, what organisational characteristics influence and attract the firms to choose the sequencing strategy to expand their businesses globally. Compared to the existing literature, this paper differentiate the sequencing strategies into *focused* (in which organisations proactively maintain a control power in their autonomous strategic decision making at t_0 and the consequence of sequencing strategy they choose at t_1 is predictable and obvious) and *unfocused* (in which companies are highly influenced by external impacts at t_1 that are not predictable and not obvious at t_0) sequencing strategies.

Based on the existing literature, it is possible to observe the narrow relations among the given five organisational characteristics – *global mindset* (G), *cultural intelligence* (C), *learning orientation* (L), *network competence* (N) and *financial resources* (F) – and some scholars have certainly demonstrated the influence of the given organisational characteristics towards the organisational internationalisation: For instance, firms with high global mindset tend to drive for the bigger, broader picture, accept life as a balance of contradictory forces and seek to be open to themselves and others, when they internationalise (Rhinesmith, 1992). In case of high level of cultural intelligence, they are able to harness and combine organisational resources residing within the organisation, deploy the organisational resources for alternative uses, and recognise differences between markets and respond to the idiosyncrasies of each local market with a flexible strategy (Ang & Inkpen, 2008; Moon, 2010a; Sapienza, Autio,

George, & Zahra, 2006). Hence, strategically seen, these cross-cultural restructuring, initiation, experience and resource fungibility of cultural intelligence substantially effect the organisational internationalisation and to be able to adapt the business into cross-cultural context (Sapienza et al., 2006).

Also, high level of learning orientation of organisations supports the market information processing behaviour of organisation by which information is transformed into knowledge (Day, 1994; Huber, 1991; Sinkula, Baker, & Noordewier, 1997). Various scholars concur that organisational learning framework eventually manifests itself through internal and external organisational actions that reflect the operationalisation of changes (Argyris, 1997; Argyris & Schön, 1978; Fiol & Lyles, 1985; Garvin, 1993; Levitt & March, 1988; Senge, 1990). Moreover, in terms of network competence, network relationships have an impact on both foreign market selection and the mode of entry in the context of ongoing network processes (Coviello and Munro, 1995, 1997). Because markets are networks of relationships in which firms are linked to each other in various, complex and invisible patterns, insidership in relevant network(s) is necessary for successful internationalisation (Johanson and Vahlne, 2007). Regarding financial resources, it is mentioned that firms choose the optimal mode for entering a market by analysing their costs and risks based on market characteristics and taking into consideration their own resources (e.g., Hood & Young, 1979).

As it is shown, these given five organisational characteristics have been considered as vital specifications when it comes to the internationalisation, however, the existing literature has mostly researched on the single effect of organisational characteristics towards internationalisation. Despite of some literature that indicate the combined effect of them towards the general strategic building in the internationalisation; for example, the combined effect of global mindset and cultural intelligence (Earley, 2007), or the one of network competence and organisational learning (Johanson & Vahlne, 2009); the holistic view on the given organisational characteristics is still missing.

Therefore, the research aim is to discover (1) a relationship between the given five organisational characteristics and the focused or unfocused sequencing strategy of the firms, and (2) how the combination sets of these organisational characteristics affect the choice of focused or unfocused sequencing strategies. Thus, the given research should contribute to build the bridge between these two research fields. Accordingly, the research question is as follows:

“How the combination sets of the organisational characteristics – global mindset, cultural intelligence, learning orientation, network competence and financial resources (slack) – affect the focused and unfocused sequencing strategic building of organisations?”

The given paper is designed to integrate a triangulation method and includes the aggregated results based on the 10 qualitative interviews and quantitative questionnaires. For discovering the combination sets of the given organisational characteristics, the modified fsQCA method is applied. The sample focus lies on the IT-SMEs from Germany and the Netherlands.

2. Literature Review

The research question of this thesis is how the combinations sets of organisational characteristics relate to the organisational decision on sequencing strategy. In the following section, the literature evidence regarding each characteristic – sequencing strategy, global mindset, cultural intelligence, learning orientation, network competence and financial resources – is introduced. Before suggesting the direct relationship between organisational characteristics and sequencing strategy in the form of propositions, the background information, characteristics and the importance of considering the given characteristic are discussed in the following part.

2.1. Sequencing Strategy

The conventional and established definition of sequencing in international market entry strategy is established as ‘following a specified order of country entries’ (Bingham, 2009; Delios & Henisz, 2003; Ellis, 2008). However, the research on the sequential internationalisation process of organisations already began late 70’s by Uppsala School which pioneered the optimal form of internationalisation depending on market characteristics and the organisational resources. For example, it suggests the four phases of the internationalisation establishment chain – (1) no regular export activities, (2) export through independent sales representatives, (3) establishing foreign sales offices and (4) setting up foreign production subsidiaries (Johanson & Vahlne, 1977). This model also emphasises that the order of organisational market entry depends on *psychological distance* (differences in language and culture), and *physical distance* (the closeness to the entry market from home market) (Jan Johanson & Vahlne, 1977, 2009).

Furthermore, researching on sequencing strategy has become more popular and many scholars have mentioned that following a specified order of country entries (Delios & Henisz, 2003) strives to reach the goal of maximisation of internal learning that is more effective than following a series of incremental steps. In case of maintaining sequencing market entry strategy, firms are able to transfer knowledge more effectively, reduce the number and scale of mistakes, build experience in an appropriate order, create continuity between experiences, provide useful simplicity and create broad direction and purpose (Bingham, 2009; Bingham & Davis, 2012; Bingham, Eisenhardt, & Furr, 2007). Investigating more about sequencing strategy is, therefore, crucial in fast changing international businesses and could enhance the organisation’s capability to choose the appropriate organisational internationalisation strategy based on their own existing abilities and eventually its international business performance.

2.1.1. Characteristics of Sequencing Strategy

As mentioned before, the core definition of sequencing strategy remains the same as ‘following a specified order of country entries’ (Delios & Henisz, 2003; Ellis, 2008). Similar to the internationalisation process model, suggested by Uppsala School, Bingham (2009), as one of the recent scholars of sequencing strategy, suggests two sequence categories based on the existing studies, such as, *cultural similarity* (internationalisation from culturally similar countries to more culturally distant countries) (Hofstede, 1980b; Jan Johanson & Vahlne, 1977) and *size of entering countries’ variables* (internationalisation from bigger countries to smaller countries) (Davidson, 1980; Ellis, 2008).

By reviewing the exiting definition of sequencing strategy, however, the lack of the given terminology is observable. If a company indicates its internationalisation result as sequential, there are two possible explanations: First, the organisation planned all foreign market entry orders based on their intention and purposes prior to the actual internationalisation at t_0 , before they execute the actual internationalisation at t_1 . Second, it is also possible that the organisation has genuinely improvised in their market entry strategy and made the spontaneous decisions without having any purposive intension at t_0 , but their market entry orders have a certain pattern that could be indicated as sequential internationalisation at t_1 .

Currently, the scholars are discussing the term improvised and less improvised foreign market entry strategy, but they mostly consider the impact and success of the given internationalisation strategy which depicts the phenomenon of strategy from t_1 to its consequential performance at t_2 , instead of how the organisational *pre-setting* (t_0) affects their sequencing strategy at *post-setting* (t_1).

This paper, hence, focuses on two different time settings: The former is about what kinds of organisational background characteristics, which are defined as ‘organisational characteristics’ in this paper, enable firms to decide for internationalisation that is indicated as *pre-setting* (t_0) in foreign market entry strategy. The latter is in which order and pattern the foreign market entry certainly happens which is defined as *post-setting* (t_1) in foreign market entry strategy. Having differentiated the time spectrum in ‘pre’ and ‘post’-settings, both are still situated on the time line before measuring the actual performance (t_2) of firms after internationalisation, and this paper only considers the pre- (t_0) and post-setting (t_1) of organisations in their sequential internationalisation (see Figure 1). Therefore, the conventional view on improvised and less improvised internationalisation strategies are modified more in details in this paper and the improved differentiation between improvised and less improvised sequencing strategy is specifically suggested in the form of *focused* (less improvised) and *unfocused* (improvised) sequencing strategies.

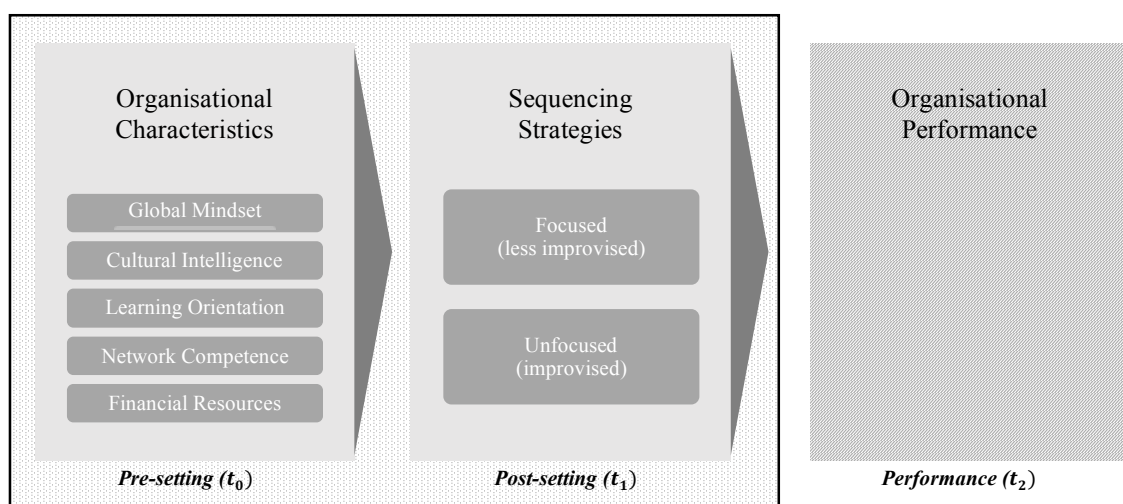


Figure 1 Research Contribution

2.1.2. Focused (Less Improvised) Sequencing Strategy

On the one hand, if a company follows a focused sequencing strategy, it means that they would proactively maintain a control power in their autonomous strategic decision making at t_0 because the consequence of sequencing strategy they choose at t_1 is predictable and obvious. The focused sequencing strategies are influenced by the organisational internal willingness, abilities, characteristics, desires and commitment that they have the autonomous power to change, thus, the further internationalisation strategies could be chosen by their own decision.

The existing studies suggest some sequencing categories could be grouped into focused sequencing strategies. For instance, organisations could follow the *cultural similarity* (internationalisation from culturally similar countries to more culturally distant countries) (Hofstede, 1980b; Jan Johanson & Vahlne, 1977), *industry clustering* (internationalisation for maintaining networking among cooperating firms to take advantage of complementation, exploiting new markets, integrating activities, pooling resources or knowledge and reducing the market entry risk) (Barkley & Henry, 2001; Fernhaber et al., 2008), *leveraging* (for reaching relatively high level of returns compared to a relatively small amount of cost and investment) (Aharoni, 1966; Eisenhardt, 1989; Zahra et al., 2000; Isobe et al., 2000), *first-mover advantage* (Liebermann & Montgomery, 1988; Oviatt & McDougall, 1994), *standardised template* (which is already given as a success recipe within the industry), *learning purpose* (for gaining knowledge and experiences) (Argote, 1999; Bingham, 2009), *size of entering countries' variables* (internationalisation from bigger countries to smaller countries) (Davidson, 1980; Ellis, 2008), such as, *lower tier countries to higher tier* (e.g., Taiwan – Korea – Japan – Germany), from *small to larger countries* (e.g., Sweden – Norway – France – Germany – U.K. – U.S), *surrounding by big players* (e.g., Hong Kong – Malaysia – Japan – China), *tech reputation* (e.g., Taiwan – US – Malaysia – Japan), and *diffusion of trends* (e.g., Japan – Taiwan – Hong Kong – China – Malaysia – Thailand), as mentioned by Bingham (2007).

By selecting the focused sequencing strategies, organisations intentionally set the purpose and goal of the sequential internationalisation at pre-setting (t_0) phase based on their organisational abilities, characteristics and commitments at t_0 and they proactively take the autonomous decision power in their internationalisation. In the same vein, the study from Bingham (2009) demonstrates the importance of using a *focused (less improvised)* approach in the entrepreneurial foreign market entries in which the significance of deliberately sequenced entries in a coherent way is highlighted. Also, Sapienza et al. (2006) argue that constraining entry to particular markets helps leaders channel their efforts toward countries that are more likely to result in success, since a central threat facing entrepreneurial firms that internationalise shortly after inception is the lack of focus associated with trying to address the needs of multiple markets around the world.

2.1.3. Unfocused (Improved) Sequencing Strategy

On the other hand, by following unfocused sequencing strategy, companies are highly influenced by external impacts at t_1 , such as, market demands or technology development that are not predictable and not obvious at t_0 . Consequently, organisations would not be able to choose their internationalisation autonomously and probably

loose their control power in the strategic decision making at t_0 , even though they decide to follow the specific order of internationalisation based on their own organisational abilities and characteristics.

Accordingly, the unfocused sequencing strategies could be seen, if organisations follow *existing customer demand* or *market pull* (the ability of adjusting the strategy to new market demands to find the appropriate solutions), *unpredictable nature of technology* market or *technology push* (internationalisation in which the impulse of entrepreneurial innovation and market actions are caused by the application push of a technical capability (Brem & Voigt, 2009), and *unexpected pull of network partners* (improvised internationalisation driven by the unexpected pull of a network partner into a new country to effectively exploit emergent opportunities) (Coviello, 2006).

The meaning of improvised (unfocused) foreign market entry strategy is supported by other scholars that many entrepreneurial firms operate in dynamic environments where opportunities are fast moving and transient, hence, effective internationalisation comes as organisations enter new countries quickly and opportunistically based on external emergent influences, such as, customer demand, technology development and changing environments (Oviatt & McDougall, 1994; Zahra, 2005). Despite of planning the sequencing strategy prior to the actual internationalisation execution at t_0 based on the organisational abilities and characteristics, the external influences are not predictable at t_0 , hence, the sequential order should be appropriately improvised and adjusted.

The focused and unfocused sequencing strategies as the observable form of internationalisation processes at *post-setting* (t_1), the organisational characteristics will be introduce in the following part of the paper that indicate the *pre-setting* (t_0) of the organisational characteristics and abilities that affect the strategic decision on sequential internationalisation. Based on the literature evidence of sequencing strategies in relation to globalisation, the organisational characteristics, such as, *global mindset* (G), *cultural intelligence* (C), *learning orientation* (L), *network competences* (N) and *financial resources* (*slack*) (F) are identified as pivotal foundations to follow certain sequencing strategies (see Appendix 1 for detailed information). The specific relationship between these organisational characteristics and sequencing strategy, as well as the inter-relationships among the given characteristics will be discussed in detail in the proposition part of the paper.

2.2. Organisational Characteristics

2.2.1. Global mindset

Global mindset is defined as one that combines an openness to and awareness of diversity across cultures and markets with a propensity and ability to synthesize across this (Gupta & Govindarajan, 2002). It represents the ability to handle the continuous interaction with the environment and constant revision of learning and collected experiences (Fletcher, 2000). Global mindset is often synonymously used with terms, such as, international orientation, foreign market orientation, and motivation toward foreign involvement (Nummela, Saarenketo, & Puumalainen, 2004) that all demonstrate the organisational commitment to international markets, vision, proactiveness, customer orientation, responsiveness, marketing competence and the use of advanced communication technologies (Knight, 1998; Moen, 2002; Moen & Servais, 2002).

The meaning of global mindset has been increased dramatically due to the increasing global economic landscape which is virtually changing and developing market opportunities, critical resources, cutting-edge idea, and competitors in the home market, as well as in the global market (Adler & Bartholomew, 1992). Consequently, multinational companies have been constantly challenged to deal with dynamic management environment, strategic complexity, integrating geographical distant operations and markets, while responding to local demands at the same time (Adler & Bartholomew, 1992; Kim & Mauborgne, 1996; Prahalad, 1990; Sanders & Carpenter, 1998). Thus, global mindset has emerged as a key source of long-term competitive advantage in the global market place and it is a pivotal and foundational characteristic of organisations when they target the international market (Levy, Taylor, Boyacigiller, & Beechler, 2007).

The previous scholars have defined the characteristics of global mindset in diverse ways based on the *cognitive*, *strategic* or *cultural* perspectives: For instance, the *cognitive* aspects of global mindset has been considered regarding high cognitive abilities and information processing capabilities which support managers to conceptualise complex global dynamics (Jeannet, 2000; Tichy, Brimm, Charan, & Takeuchi, 1992), balance between competing concerns and demands (Begley & Boyd, 2003; Murtha, Lenway, & Bagozzi, 1998), mediate the tension between the global and the local (Arora, Jaju, Kefalas, & Perenich, 2004; den Dekker, 2016), distinguish integration across cultures and markets (Govindarajan & Gupta, 2001; Gupta & Govindarajan, 2002), and scan and pay attention to global issues (Bouquet, 2005; Levy, 2005; Rhinesmith, 1992).

Moreover, the *strategic* perspectives of the global mindset focuses on identifying competitive and early-mover advantage, balancing the trade-off between local adaptation and global standardisation, enabling the smoother coordination across complementary activities distributed beyond borders to adapt faster roll-out of new product concepts and technologies, and sharing more rapid and efficient cross-border practices across subsidiaries (Adler & Bartholomew, 1992).

From the *cultural* perspective of global mindset, the terms ‘geocentrism’ and ‘cosmopolitanism’ are often mentioned to represent the aspects of cultural diversity and cultural distance associated with worldwide operations and markets (H. Perlmutter, 1993; H. V. Perlmutter, 1969). These terms well underline a state of global mindset that is manifested as an orientation toward the outside and seeks to reconcile the global with the local, mediate

between the familiar and the foreign and stresses openness which represents the willingness to explore and learn from alternative systems of meaning held by others (Archibugi & Pietrobelli, 2003; Beck, 2000; Begley & Boyd, 2003; Hannerz, 1996; Harvey, 2000; Pollock, Bhabha, Breckenridge, & Chakrabarty, 2000; Vertovec & Cohen, 2002).

Based on the given characteristics mentioned by previous literature, the term global mindset in this paper, therefore, represents the level of organisational ability and flexibility to open, balance and be aware of the cultural diversities, global economics and political changes in their business operations.

2.2.2. Cultural Intelligence

Cultural intelligence is defined as a capability to function and manage effectively in culturally diverse settings (Earley & Ang, 2003), development of a general set of abilities or behaviour repertoire that facilitates effective cross-cultural functioning (Ang & Van Dyne, 2015), being aware of and understanding the impact of the culture of socialisation on self, understanding and accepting culturally different people and withholding any stereotypes (Offermann & Phan, 2002). Similar to the global mindset concept, the importance of organisational cultural intelligence should be highlighted when it comes to internationalisation strategy.

People define culture as a set of shared values and beliefs, and a society's culture reflects its response to these issues in certain cultural orientations, which represent general societal stances (Hofstede, 1980b, 2001). They are deeply ingrained in the values of individuals through adaption and socialisation, in symbols and traditions, in the functioning of major societal institutions and in widespread practices (Hofstede, 1980b; Kluckhohn, 1951). Interestingly, the complex collection of beliefs, morals, laws, knowledge and customs could be applied not only to specific nations or certain countries, but also to businesses which have their own particular cultural identities (Sutherland & Canwell, 2004). In general, the subculture of an organisation reflects national culture, professional subculture, and the organisation's own history and there is something common in the behaviour of organisational members from one country to another (Hofstede, 1980a, p. 27).

Consequently, understanding the impact of culture on entrepreneurship and organisational behaviour are crucial because many business challenges, created by increased globalisation, have stimulated the need to design effective multinational organisations, to identify and select appropriate leaders for these entities, and to manage organisation with culturally diverse employees (House, Hanges, Javidan, Dorfman, & Gupta, 2004). Because culture is a pattern of shared basic assumptions learnt by a group as it solves its problems of external adaption and internal integration, culture could be taught to new members as the correct way to perceive, think and feel in relation to those problems (Schein, 2010). Also, the ability in understanding and reacting in cultural context could be intellectually improved, as the definition of general intelligence has mentioned (Schmidt & Hunter, 2000). Thus, research on the relationship between cultural intelligence and sequencing strategy is needed to enhance the organisational strategic development in fast moving globalisation business trend.

Cultural intelligence has been proposed to identify one's ability in cultural context and it is differentiated into four different characteristics – *metacognitive*, *cognitive*, *motivational* and *behavioural* construct (Ang et al., 2007): The

metacognitive characteristic of cultural intelligence manifests mental processes that individuals use to acquire and understand cultural knowledge (Ang et al., 2007), including knowledge of and control over individual thought processes relating to culture (Flavell, 1979). Planning, monitoring and revising mental models of cultural norms for countries or groups of people could be included as relevant capabilities, hence, high metacognitive cultural intelligence means the conscious awareness of others' cultural preferences, question cultural assumptions and adjust their mental models during and after interactions (Ang et al., 2007; Brislin, Worthley, & Macnab, 2006; Harry C Triandis, 2006).

Furthermore, *cognitive* cultural intelligence represents knowledge of the norms, practices and conventions in different cultures that are acquired from education and personal experiences (Ang et al., 2007; Moon, 2010b). Based on the intelligence-as-knowledge concept, provided by Ackerman (1996), which argues for the importance of knowledge as part of the intellect, Ang et al. (2007) assert that cognitive cultural intelligence includes knowledge of the economic, legal and social systems of diverse cultures and subcultures (Harry Charalambos Triandis, 1994) and knowledge of basic frameworks of cultural values (Hofstede, 2001). People with high cognitive cultural intelligence are, therefore, more likely to understand similarities and differences across cultures (Brislin et al., 2006).

Moreover, *motivational* cultural intelligence demonstrates the capability to direct attention and energy toward learning about and functioning in culturally different situations (Ang et al., 2007). Such motivational capacities support to facilitate goal accomplishment (Kanfer & Heggestad, 1997) and set two motivational elements – expectations and value of success – which channel the direction and magnitude of energy toward a particular task, according to the expectancy-value theory of motivation (DeNisi & Pritchard, 2006; Eccles & Wigfield, 2002). Consequently, people with high motivational cultural intelligence lead energy and attention toward cross-cultural situations based on intrinsic interest (Deci & Ryan, 1985) and confidence in the cross-cultural circumstances (Bandura, 2002).

The last cultural intelligence component is *behavioural* intelligence which refers to the capability to exhibit appropriate verbal and nonverbal actions in case of interacting with people from different cultural backgrounds (Ang et al., 2007). According to Hall (1959), mental capabilities for cultural understanding and motivation should be complemented with the ability to exhibit suitable verbal and nonverbal actions, based on specific cultural value settings. Thus, people with high behavioural cultural intelligence express situationally appropriate behaviours based on their broad range of verbal and nonverbal capabilities, for example, apt words, tone, gestures and facial expressions (Gudykunst, Ting-Toomey, & Chua, 1988).

Based on the literature evidence, the term cultural intelligence in this paper, therefore, stands for the level of organisational ability to understand, coordinate, initiate, compete and integrate in the cross-cultural business context which is based on the adjusted definition of metacognitive, cognitive, motivational and behavioural cultural intelligence characteristics from individual to organisational level.

2.2.3. Learning Orientation

Learning orientation is conceptualised as set of organisational values that influence the propensity of the firm to create and use knowledge and the degree to which an organisation is satisfied with its theory in use and to which proactive learning occurs (Sinkula et al., 1997). Accordingly, having solid and established learning orientation within an organisation is pivotal to maximize the effect of entrepreneurial orientation (Wang, 2008) and to underpin firms' internal self-renewal which is a crucial criteria for firms' strategic activities (Covin, Green, & Slevin, 2006). Also, the existence of organisational learning orientation highly affects the information process that it attends to, interprets, evaluates, and ultimately accepts or rejects (Argyris & Schön, 1978; Dixon, 1992; Hedberg, 1981).

The organisational learning appears in various forms, such as, adaptive or generative learning, actively or passively, by the firm's own volition or through force, as a luxury or by necessity, through systematic analysis or by trial and error, and through long-term versus short-term feedback from a dynamic or stable environment (Sinkula et al., 1997, p. 314). As shortly mentioned in global mindset and cultural intelligence part, it is obvious that the intention of learning is crucial for organisational development. Especially, when it comes to dealing with changes and integrations in foreign markets, the organisational learning orientation plays a pivotal role in the internationalisation strategies when behavioural changes are required (Fiol & Lyles, 1985). Hence, to perform innovative, frame-breaking learning or even unlearning (Slater & Narver, 1995; Wang, 2008), or behave in a conservative manner with sequential and incremental learning within the traditional scope of organisational activities (Hamel & Prahalad, 1990; Harrison & Leitch, 2005; Sadler-Smith, Spicer, & Chaston, 2001), understanding the organisational learning orientation is crucial to discover the appropriate form and order of internationalisation market entry.

The conceptualisation of learning orientation demonstrates two focuses: The former highlights the concrete information generation and dissemination systems as the mechanism through which learning takes place (Huber, 1991), whereas the latter underlines the cognitive perspective of learning orientation and call for the need for a shared mental model, organisational visions and an open-minded approach to problem solving (Senge, 1990). Because the thesis is focusing on the cognitive setting of the organisations before processing the market information, rather than the information generation mechanisms, the cognitive concept of the learning orientation is stressed in the following part which is divided into three important sub-concepts – *commitment to learning*, *open-mindedness* and *shared vision* – that are routinely associated with the predisposition of the firm to learn (Day, 1991, 1994; Senge, 1990, 1992; Tobin, 1993).

Central to the organisation's learning orientation is the fundamental value which influences an organisation to promote a learning culture (Sinkula et al., 1997). This type of learning orientation has been categorised as *commitment to learning* which alludes to the extent to which a company places value on learning (Sackmann, 1991). It is crucial to set the commitment and culture to learning within organisations because it is a prerequisite to the ability to improve the understanding of environment and changes over time (Galer & Van Der Heijden, 1992). Therefore, if an organisation demonstrates the shortage of commitment to learning and places little value on it, learning is less likely to occur (Norman, 1985).

The second type of learning orientation is *open-mindedness* which refers to the extent to which a company proactively questions long-held routines, assumptions, and belief (Sinkula et al., 1997). This concept is based on the notion of ‘unlearning’ (Nystrom & Starbuck, 1984) that is at the heart of organisational change (Sinkula et al., 1997). Companies learn from their past experiences, successes and failures that are processed and embedded in their mental models and influence the way of their thinking and acting. The established mental models are, however, constantly challenged and no longer hold true when the external environment has changed, hence, these mental models operate only if an organisation has the open-mindedness to question the external environment and changes (Day, 1994; Porac & Thomas, 1990; Senge, 1992). As a result, open-mindedness is one of the pivotal characteristics that organisations should have in the rapidly changing global business to adapt themselves to constantly innovating and modifying market environments.

While commitment to learning and open-mindedness affect the intensity of learning, the third type of learning orientation – *shared vision* – concerns the direction of learning and refers to the extent to which a firm develops and holds a universally understood organisational focus (Day, 1994). Accordingly, even though individuals are open-minded, committed and motivated to learn, without existing shared vision of the organisation, they find it difficult to know what to learn (Sinkula et al., 1997). Consequently, providing direction has been recognised as a crucial foundation for proactive learning that enables individuals to foster learning energy, commitment and purpose (Day, 1994). Especially, in the global business, due to various stakeholders and diverse individualities, companies without shared vision tend to have multiple ‘thought worlds’ (Dougherty, 1992) that lead to the result that individuals are less likely to know what organisation expectations exist, what outcomes to measure, or what theories and use are in operation (Sinkula et al., 1997, p. 309). Thus, giving organisational members a sense of purpose and direction in terms of shared vision is exceptionally important in the ambiguous environment where the management team should develop a focused response to market trends or environmental shocks, an ability that represents a true test of organisational capabilities (Sinkula et al., 1997). Regarding other types of learning orientation, without providing agreement on the direction of organisation, less motivation to learn is likely (McKee, 1992; Norman, 1985; Senge, 1990).

Based on the given literature evidence, the term learning orientation in this paper, therefore, is defined as a organisational static value which represents the organisational holistic pre-setting before processing market information and organisational action that supports organisation to become open-minded towards external environments, promote and commit the learning culture and share the organisational vision among employees.

2.2.4. Network Competence

The notion of network competence was initiated as a firm-specific characteristic which represents the company’s degree of network management task execution and the degree of network management qualification possessed by the people handling a company’s relationships (Ritter, 1999, p. 471). The purpose of a relationship is rather found in a network of connected relationships, such as, when a relationship with one actor allows access to other organisations (reference effect) (Anderson, Håkansson, & Johanson, 1994), hence, firms are embedded within the networks of cooperative and competitive relations with other organisations (Achrol, 1996; Achrol & Kotler, 1999; Anderson et al., 1994; Ford & McDowell, 1999).

Among entrepreneurial firms, however, there is a significant difference in their ability to manage and handle these networks and very often, network management is more about 'being manageable' and being able to respond to the opportunities presented and created by others (Ritter & Gemünden, 2003; Wilkinson & Young, 1994). This difference mainly causes the dissimilarity of firms in their abilities to improve its overall position in a network, for example, with regard to resources, activities, and its ability to handle individual relationships (Ritter & Gemünden, 2003).

Because the advanced network competence of firms could dramatically save the costs related to the investment of time, effort, and resources that a firm must make to gain access to external partners' resources (Mattson, 1997; Valla, 1986; Williamson, 1979), firms' management in innovation networks and enhancing network competence become highly critical which relates to the firms' success (Ritter & Gemünden, 2003). The meaning of network competence is highly influential in internationalisation strategy because it enables to gain access to new resources in terms of economies of scale, share risk and cost, gain access to new markets, develop product and/or service, enhance learning processes and flexibility, and neutralise or block competitors (Barringer & Harrison, 2000; Dyer & Singh, 1998; Ziggers & Henseler, 2009).

Along business activities, firms develop diverse relationships with different types of firms and organisations because these could directly or indirectly affect their performance (Ritter, Wilkinson, & Johnston, 2004) and support to "form strong and extensive social, economic, service and technical ties over time, with the intent of lowering total costs and/or increasing value, thereby achieving mutual benefit" (Anderson & Narus, 1991, p. 96). In general, network competence includes different tasks that need to be performed to manage a company's technological network and the qualifications, skills, and knowledge that are needed in order to perform these tasks (Gemünden, Ritter, & Heydebreck, 1996; Gemünden, Ritter, & Walter, 1997).

In terms of *network management task execution*, organisational network competence supports searching for appropriate actors, bringing these actors together, exchanging information, coordinating activities between the two firms and getting a negotiation result (Walter, 1999). If an organisation has a high level of network competence, it is suitable to initiate the relationships (Ritter & Gemünden, 2003), exchange products, services, money, information, know-how, and personnel (Anderson & Narus, 1984, 1990; Bagozzi, 1975; Dwyer, Schurr, & Oh, 1987; Homans, 1958) and share objectives, plans and operational interfaces to accumulate sufficient information about customers and competitors (Tuominen, Möller, & Anttila, 1999). However, to benefit the most out of networking, firms should be able to plan in cross-relational tasks, access network and environmental analysis and manage allocation of personnel to relationships, responsibilities and conflicts between the people involved in relationships that are maintained by the organisational network competence (Ritter & Gemünden, 2003; Ritter et al., 2004).

From the *network management qualifications* perspective, organisational network competence helps organisations to understand partners in terms of their technical needs, requirements and capabilities which includes technical skills, such as, economic skills and legal skills (J Johanson, Mattsson, Hood, & Vahlne, 1988; Ritter & Gemünden, 2003). Also, the high level of network competence is observable by the organisational social competence, for

instance, high communication ability, conflict management skills, empathy, emotional stability, self-reflectiveness, sense of justice and cooperativeness of organisations (Helfert, 1998; Ritter & Gemünden, 2003).

Based on the literature evidence, the term network competence in this paper, therefore, is defined as the organisational ability in initiating, exchanging, coordinating, planning, organising, staffing and controlling in cross-relational tasks and dynamic network environment in the international business that are supported by high level of understanding in technical skills of partners and social competence.

2.2.5. Financial Resources and Slack

Generally, slack represents the potentially utilisable resources that can be diverted or redeployed for the achievement of organisational goals (George, 2005) that are not consumed by the necessity of continued daily operation of the firm and it could mean both human and financial resources (Bourgeois, 1981; Singh, 1986). Because the existence of slack demonstrates a 'reserve' of resources that are in excess of what is needed for the immediate continuation of the firm's operations, in case of existing slack, firms are able to explore new domain of activity and provide the leeway necessary to pursue strategic activities (Danneels, 2008; Sharfman, Wolf, Chase, & Tansik, 1988).

The given paper focuses on the financial aspect of slack which is defined as a cushion of actual or potential resources which allows an organisation to adopt successfully to internal pressures for adjustment or to external pressures for change in policy (Bourgeois, 1981). For example, it can be seen in form of margin or surplus which covers the required cost for maintaining the coalition (Cyert & March, 1963) or structural arrangement (Child, 1972), as well as to initiate changes in strategy with respect to the external environment and the presence of slack enables an organisation to adjust to gross shifts in the external environment with minimal trauma and to experiment with new approaches in relation to that environment, either through new product introductions or through innovations in management style (Bourgeois, 1981, p. 30).

In case of existing financial resources, firms are able to initiate change, maintain different degrees of flexibility to reduce or protect from external pressures on business and explore diverse opportunities because sufficient buffering mechanisms tend to utilise excess resources to experiment and innovate (Lin, Cheng, & Liu, 2009). Thus, financial resources have a close relationship to internationalisation, consequently, it is highly interesting to consider the characteristic in terms of sequencing strategies.

The existing literature differentiate financial slack into two characteristics – one interprets the financial slack as *operational variable* and the other decodes it for *strategic behaviour*: By considering financial slack as operational variable, some scholars emphasise the importance of slack as the *source of inducements* where the organisation is paying an employee more than would be required to retain his or her services and it attracts organisational participants and membership (Barnard, 1938; March & Simon, 1958), while some rate financial slack as a *resource for conflict resolution* which allows choice opportunities to be distributed generally to all participants and provides solutions for every problem (Moch & Pondy, 1977, p. 356). Also, as briefly mentioned before, financial slack is often interpreted as a *technical buffer* that enables the uninterrupted production process output in order to provide

the economic benefits of long production runs, for instance, providing raw materials at the input end and finished-goods inventories at the output end (Bourgeois, 1981; Thompson, 1967).

The presence of slack does not only influence the operational function within organisations, but also the strategic behaviours, especially, the *creativity* of organisations because it could afford to experiment with new strategies, such as, introducing new products or entering new markets, and the resulting sufficient resources enables organisations to promote opportunities for innovative experiments and creativity (Bourgeois, 1981; Hambrick & Snow, 1977). Having said this, it should be considered that in presence of slack, the *suboptimal behaviour*, that people decide before the optimal solution is encountered, is accelerated because it permits a reduction of the criteria by which an alternative is considered ‘feasible’, thus, some argue that the search for opportunities and optimal behaviour would be more intensive when financial slack is small than when it is large (Cyert & March, 1963, p. 80). Similarly, some scholars argue that the presence of slack could also influence reducing political activity due to less conflict of divergent stakeholders and their interests in the resource-allocation process (Bourgeois, 1981), whereas others discuss that the slack could evoke even more engagement in political behaviours (Astley, 1978).

Based on the given literature evidence, the term financial slack in this paper, therefore, represents the organisational financial reserve and surplus which is integrated in organisational operations as the source of inducements, resource for conflict resolution and technical buffer, but also motivate organisations to be creative, innovative in their strategic behaviour.

3. Propositions

Having reviewed the background information, definition, specifications of each characteristics and sequencing strategies, these should support the suggested research propositions of the paper in order to answer the research question how the organisational characteristic combinations relate to focused and unfocused sequencing strategies.

3.1. Possibilities of Organisational Characteristics

When it comes to differentiation of sequencing strategies into focused and unfocused sequencing, the spectrum of each organisational characteristic is greatly diverse and broad, consequently, pure direct relationships between organisational characteristics and the sequencing strategies could be varied enormously depending on the considered aspects of the organisational characteristics.

For example, it is derivable that organisations with a high level of global mindset would tend to execute both focused and unfocused sequencing strategies in their internationalisation depending on the interpretations: On the one hand, an organisation with the high level of global mindset would intentionally make the decision based on their knowledge in global business to exploit emerging opportunity, integrate geographical distance operating and markets, and balance between the needs of global and local customers. In this case, they would rather choose for executing the focused sequencing strategy with which they strategically optimise their decisions by using high level of global mindset in assessing the global market. On the other hand, there is also a possibility to execute unfocused sequencing strategies, when it comes to the cognitive and cultural perspective of global mindset where firms have higher ability to adapt and accept the complexity.

These double-sided interpretation towards focused and unfocused sequencing strategies is also observable in other organisational characteristics (see Appendix 2.1, Table 18). It shows that all considered organisational characteristics have the potential to be integrated in focused and unfocused sequencing strategies in its existence. This emphasises the tremendous importance of the way of interpretation of the organisational characteristics in contextual relationship, which could appear, if the organisational characteristics simultaneously or subsequently act and simulate certain situational circumstance. Therefore, the propositions for the combined effects of organisational characteristics towards each focused and unfocused sequencing strategies will be introduced in the following part.

3.2. Combined Effects of Organisational Characteristics and Propositions

The existing literature evidence indicate that firms with the high global mindset tend to drive for the bigger, broader picture, accept life as a balance of contradictory forces, trust organisational processes rather than structure, value diversities, comfortable with surprises and ambiguity, and seek to be open to themselves and others, when they internationalise (Rhinesmith, 1992). Moreover, in case of high level of cultural intelligence, they are able to harness and combine organisational resources residing within the organisation, deploy the organisational resources for alternative uses, and recognise differences between markets and respond to the idiosyncrasies of each local

market with a flexible strategy (Ang & Inkpen, 2008; Moon, 2010a; Sapienza et al., 2006). Hence, strategically seen, these cross-cultural restructuring, initiation, experience and resource fungibility of cultural intelligence substantially affect the organisational internationalisation and to be able to adapt the business in the cross-cultural context (Sapienza et al., 2006).

If the combination of the organisational high level of global mindset and cultural intelligence is considered, there is an evidence that draws the positive relationship between them. For instance, there are two key core values of global mindset that underlie the cultural approach in the global mindset literature: It firstly represents a state of mind that is manifested as an orientation toward outside and seeks to reconcile the global with the local, and mediate between the familiar and the foreign. The second characteristic stresses openness which represents the willingness to explore and learn from alternative systems of meaning held by others (Begley & Boyd, 2003). Because of the significant importance of cultural aspects of global mindset, cultural intelligence can be seen as the fundamental condition for having global mindset, thus, organisations with high level of cultural intelligence would also have high level of global mindset.

Furthermore, the literature evidence covers the relationship between high level of global mindset and cultural intelligence and often discusses this combination as the foundation for international assignments or internationalisation of organisations (e.g., Lovvorn & Chen, 2011; Earley et al. 2007). In other words, the combination of the high level of global mindset and cultural intelligence is the fundamental organisational characteristics when it comes to internationalisation at all. Therefore, this combination could cover the broad characteristic spectrum in terms of internationalisation, hence, it could be assumed that both focused and unfocused sequencing strategies require high level of both organisational characteristics.

Proposition 1) The combined organisational characteristic of a high level of global mindset and a high level of cultural intelligence (GC) affects organisations to follow focused sequencing strategies.

Proposition 2) The combined organisational characteristic of a high level of global mindset and a high level of cultural intelligence (GC) affects organisations to follow unfocused sequencing strategies.

Moreover, the positive relationship between the global mindset and cultural intelligence should be more encouraged by the high level of organisational learning orientation that supports the market information processing behaviour of organisations by which information is transformed into knowledge (Day, 1994; Huber, 1991; Sinkula et al., 1997). Various scholars also concur that the organisational learning framework eventually manifests itself through internal and external organisational actions that reflect the operationalisation of changes (Argyris, 1997; Argyris & Schön, 1978; Fiol & Lyles, 1985; Garvin, 1993; Levitt & March, 1988; Senge, 1990).

The positive relationship between cultural intelligence and learning orientation is derivable because culture is a pattern of shared basic assumptions learnt by a group as it solves its problems of external adaption and internal integration (Schein, 2010). Consequently, culture is learnable and could be taught to new members as the correct way to perceive, think and feel in relation to those problems. Many scholars have already highlighted that learning about culture would improve entrepreneurial and organisational behaviours in a positive way and global teams

that do not know how to effectively communicate, identify with, and resolve conflicts across cultures are likely to be in danger of pitfalls, such as, losing cross-cultural business opportunities, encountering reluctance to share valuable ideas when a culture is not understood, and potentially losing revenue (Janssens & Brett, 2006).

Especially, when it comes to the market information processing phase in sequencing strategy, the process capability of cultural intelligence is highly supported by organisational learning that social relations or interactions are believed as an essential mechanism of facilitating organisational learning through knowledge and information sharing across firm boundaries (Adler & Kwon, 2002; Dyer & Nobeoka, 2000; Kang et al., 2007; Yli - Renko et al., 2001). Thus, the high level of global mindset and cultural intelligence should be supported by the high level of learning orientation of organisations because only with the high level of organisational learning process, the maximum level of global mindset and cultural intelligence can be achieved.

If an organisation learns, it requires behavioural change (Fiol & Lyles, 1985). The organisational learning appears actively or passively, by the firm's own volition or through force, as a luxury or by necessity, through systematic analysis or by trial and error, and thought long-term or short-term feedback from a dynamic or stable environment (Sinkula et al., 1997, p. 314). Hence, how firms behave in terms of attempting to learn when environmental changes force a modification on them could differ from one to the other and there are two significant differentiations in behavioural change of organisational learning – *adaptive* and *generative* learning.

Both adaptive and generative learning are supported by the high level of organisational learning orientation, however, the differentiation between focused and unfocused sequencing strategy could be made by them: According to Slater and Narver (1995), adaptive learning occurs within a set of recognized and unrecognized organisational constraints, for instance, assumptions about its environment and itself. Also, it entails sequential and incremental learning within the traditional scope of organisational activities (Slater & Narver, 1995) which explicitly emphasises the acquisition of knowledge that is potentially useful for the organisation (Harrison & Leitch, 2005). Because adaptive learning represents the more passive learning approach and indicates, firms' propensity to behave in a conservative manner (Sadler-Smith et al., 2001). Organisations with adaptive learning orientation adhere to existing knowledge sources of the organisation and execute the conventional and planned learning processes. Thus, it is more likely that these organisations follow the focused sequencing where less improvisation is expected and where they have more control power over the sequencing phase by pursuing their own pattern of learning.

Proposition 3) The combined organisational characteristic of a high level of global mindset, high level of cultural intelligence and a high level of learning orientation (adaptive learning) (GCL) affects organisations to follow focused sequencing strategies.

Compared to the adaptive learning, the generative learning reflects a more active way of learning. Organisations with generative learning behaviour demonstrate a higher degree of commitment to learn, open-mindedness, and shared vision (Sinkula et al., 1997). Furthermore, for performing innovative and frame-breaking learning, organisations must be willing to question existing and long-held assumptions about its mission, customers, capabilities or strategy that requires fundamental understanding of the underlying cause-effect relationship

between the environment and the firm (Slater & Narver, 1995). Consequently, for a higher-order of generative learning, a firm needs to challenge its existing mental model and reaches beyond the learning boundary for information or new ways of interpreting information (Slater & Narver, 1995). Therefore, generative learning is asserted by various scholars as the representative for creativity, breakthrough and organisational unlearning (Wang, 2008). In case of supporting more generative learning, the organisation is familiar with innovativeness and improvisational characteristics of the market, consequently, more likely to follow the unfocused sequencing strategy for their internationalisation (see Figure 3). Overall, the given three organisational characteristics positively support each other and generate synergies by its combinations, thus, the combination set of the high level of global mindset, cultural intelligence and learning orientation – both adaptive and generative learning – generally leads organisations to follow either focused or unfocused sequencing strategies as a core combination towards sequential internationalisation.

Proposition 4) The combined organisational characteristic of a high level of global mindset, high level of cultural intelligence and a high level of learning orientation (generative learning) (GCL) affects organisations to follow unfocused sequencing strategies.

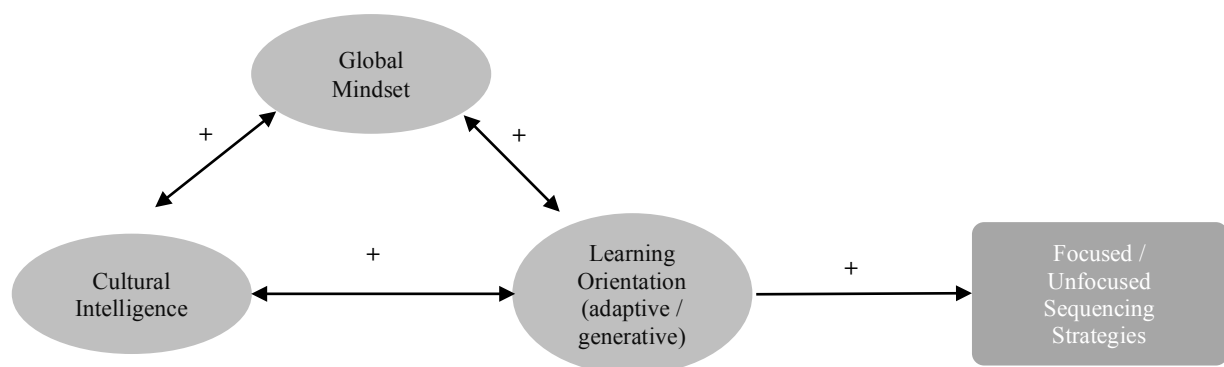


Figure 3 The core combined effect of the high level of global mindset, cultural intelligence and learning orientation on sequencing strategies (Proposition 1/2/3/4)

Particularly, the generative learning requires higher commitment of organisation to learn and to be creative. According to the literature regarding financial slack, this kind of strategic behaviour and the creativity of organisations might benefit from experiment with new strategies, introduce new products, result sufficient resources and enable organisations to promote opportunities for innovative experiments and creativity when having financial slack (Bourgeois, 1981; Hambrick & Snow, 1977). Consequently, the high level of organisational learning orientation in terms of generative learning could perform the synergies with the high level of financial slack within the organisation. Therefore, if an organisation has a high level of learning orientation, which appears in combination with the high level of global mindset and cultural intelligence, organisations might also have the high level of financial resources, and this given combination of organisational characteristics would more likely follow the unfocused sequencing strategies, where more improvisational strategic behaviours are allowed.

Proposition 5) The combined organisational characteristic of a high level of global mindset, high level of cultural intelligence, high level of learning orientation (generative learning) and a high level of financial resources (GCLF) affects organisations to follow unfocused sequencing strategies.

Furthermore, while the combination set with a high level of global mindset, cultural intelligence, learning orientation and financial resources prepares the organisational ability to react fast in response to the external changes, how the external input, knowledge or information reaches the organisation depends on the organisational network competence: Business relationships offer potential for learning and for building trust and commitment both of which are preconditions for internationalisation organisations with an extended knowledge base (Johanson & Vahlne, 2007). Also, markets are networks of relationships in which firms are linked to each other in various, complex and invisible patterns, insidership in relevant network(s) is necessary for successful internationalisation (Johanson and Vahlne, 2007). Consequently, depending on the degree of network competence, the ability to create new knowledge through exchanges and interconnected relationships would highly differ, because knowledge does not accrue only from the firm's own activities, but also from the activities of its partners and their network boundaries Hägg & Johanson, 1982; Kogut, 2000).

Specifically, the positive relationship between organisational learning orientation and network competence could be seen, if an organisation enters new market, because market-specific knowledge is critical (Petersen et al., 2003), for instance, in terms of language, laws and rules. On the one hand, these complexities associated with new market information and learning, so called 'liability of outsidership', could be overcome by having network relationships directly in the entering market (Johanson & Vahlne; 2007). On the other hand, the improvisational knowledge input through a network can only proceed, if the organisation is committed to learn out of the new information generatively. Consequently, how the network relationships and the organisational competence manage the new knowledge and information have an impact on foreign market selection, but also on the mode of entry in the context of ongoing network processes (Coviello and Munro, 1995; 1997). Thus, organisations with the high level of network competence would follow the unexpected pull of network partners, if they also have a high level of learning orientation that could generate the synergy by gaining new knowledge and information.

Additionally, as the literature regarding financial resources mention that organisational political activities or creative strategic behaviours are highly influenced by the presence of slack (Asteley, 1978) and firms choose the optimal mode for entering a market by analysing their costs and risks based on market characteristics and taking into consideration their own resources (e.g., Hood & Young, 1979). Therefore, the organisation could afford more investment in terms of network building or participating in network events, in case of existing financial slack. The aggregated relationships among organisational characteristics, therefore, could be summarised as follows (see Figure 4):

Proposition 6) The combined organisational characteristic of a high level of global mindset, high level of cultural intelligence, high level of learning orientation (generative learning), high level of network competence and a high level of financial resources (GCLNF) affects organisations to follow unfocused sequencing strategies.

From the opposite point of view, if organisations have the low level of network competence and avoid to improvise themselves towards external environments, they are more likely to perform an adaptive learning which does not require any additional financial resources to support learning, while this is crucial in case of generative and innovative learning. In other words, if organisations have not sufficient financial resources, the search for optimal

behaviour would be more intensive (Cyert & March, 1963) and they are more likely to avoid the risky and unpredictable strategic action, such as, the unpredictable pull of networks. Also, despite of the high level of network competence, if the organisational networking is financially supported, the organisation cannot perform or compete well in networking and events, which is crucial for initiating new business relationships or gaining new information. Consequently, the low level of financial resources could effect organisational network competence negatively. Therefore, based on the given opposite argumentations, the following proposition can be suggested as well (see Figure 5):

Proposition 7) The combined organisational characteristic of a high level of global mindset, high level of cultural intelligence, high level of learning orientation (adaptive learning), low level of network competence and a low level of financial resources (GCL~N~F) affects organisations to follow focused sequencing strategies.

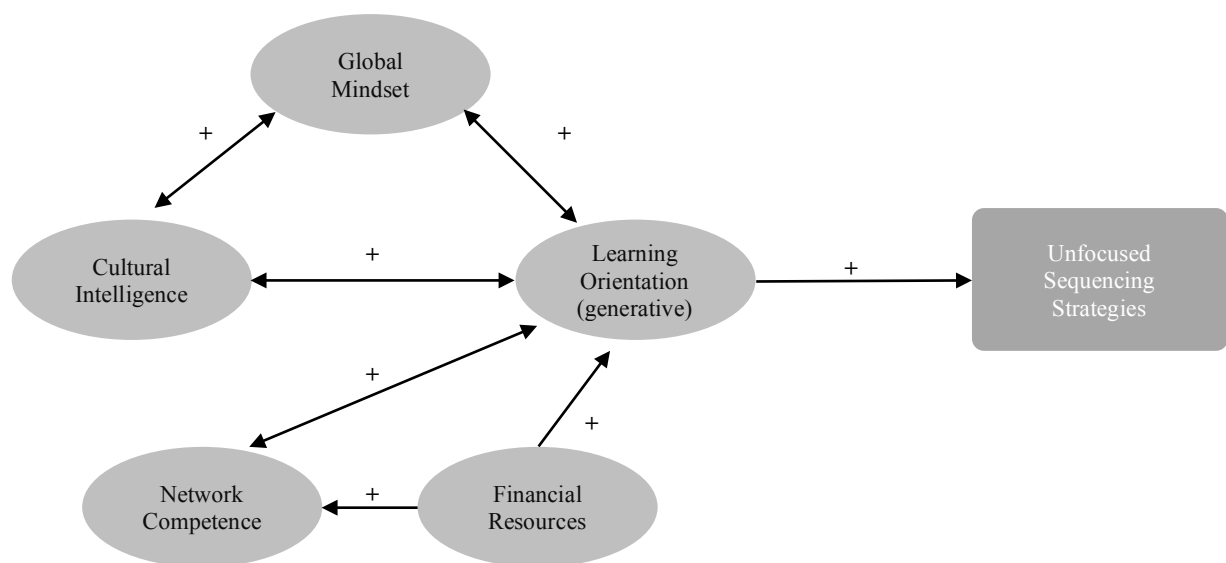


Figure 4 Combined effect of organisational characteristics on unfocused sequencing strategies (Proposition 6)

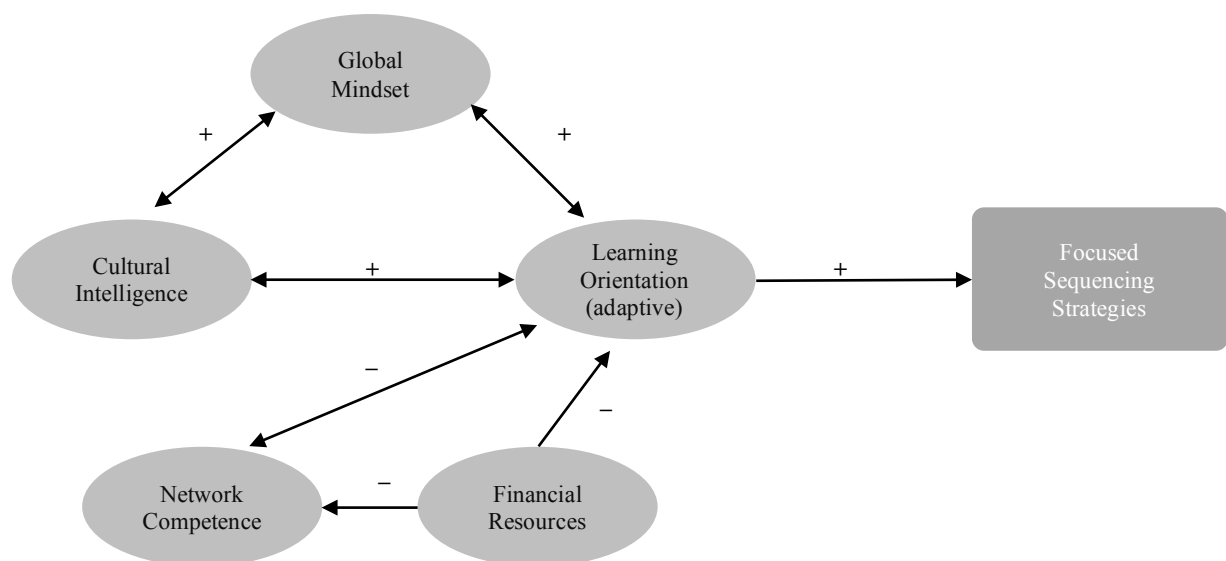


Figure 5 Combined effect of organisational characteristics on focused sequencing strategies (Proposition 7)

4. Research Design and Methodology

Based on the given six propositions (see Appendix 2.2 Table 19), the following research will examine the combined effects of organisational characteristics – *global mindset*, *cultural intelligence*, *learning orientation*, *network competence* and *financial resources* – the organisational strategic decision of *focused* and *unfocused sequencing*.

4.1. Design of Thesis – Concurrent Triangulation

To clarify the design of the given research, it is crucial to understand the concept of ‘Concurrent Triangulation’ which does not refer only to one research method of qualitative or quantitative research, but both qualitative and quantitative research data are collected and analysed at the same time and the priority is equally distributed among them (Boeije, 2009). Many scholars emphasise the innovativeness of concurrent triangulation method because it could efficiently examine a social phenomenon from different angles, entails the use of more than one method or source of data in a research endeavour and it could reveal varied dimensions of a phenomenon leading up to a layered and thick description of a subject under study (Alan, 2008; Boeije, 2009). Consequently, scholars extol the function of supplementation by using triangulation that the qualitative part is used to confirm and cross-validate the findings of the quantitative part and it is used for research questions that quantitative research cannot deal with (Boeije, 2009).

By using the triangulation, there are some challenges, for instance, how evidence resulting from both methods should be interpreted, or whether both methods measure the same phenomenon (Erzberger & Kelle, 2003; Moran-Ellis et al., 2006). From the amount of research analysis, combining the two research types has to be motivated by good reasons, as the choice for a mix greatly increases the burden of the research (Creswell & Creswell, 2017). Having said this, the triangulation method is considered as most convincing and appropriate method for this thesis due to its complexity, function of supplement and covering power of diverse perspectives on a social phenomenon. Therefore, each qualitative and quantitative research method will be applied for each research stage as follows:

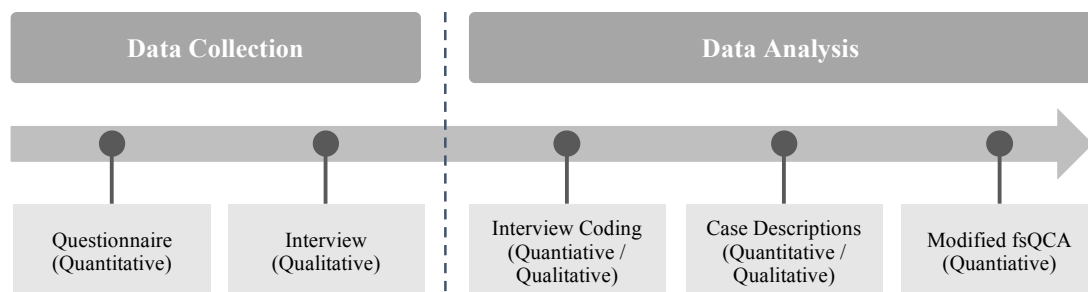


Figure 5 Triangulation Method Analysis

4.2. Sample Selection

According to Coyne (1997), a sample should be intentionally selected according to the needs of the study which commonly referred to as ‘purposive sampling’ or ‘purposeful selection’ in qualitative research (Coyne, 1997). Because the sample reflect the proportional distribution of relevant population characteristics, it is crucial to select the cases specifically – they can teach us a lot about the issues that might be relevant and important to the research (Boeije, 2009; Coyne, 1997). Also, in terms of choosing the setting of the qualitative research, Morse and Field (1996) emphasise the principle of *maximisation* which represents the importance of choosing an appropriate location where the topic of study manifests itself most strongly.

Based on the given literature advice, the sample is selected for this triangulation research as follow: The most interesting and focusing aspect for choosing sample for the given research is the combination of organisational characteristics in terms of five characteristics and how these lead their sequencing strategic decision, specifically, how the combination set of characteristics influence the order of their internationalisation execution order. For maximising the research efficiency, it is crucial to find the ‘live’ evidence of sequencing strategy, ideally having interviewees who have experienced and involved in the sequencing strategic decision by himself, thus, being able to talk about their sequencing strategy.

The bigger the company is, the more mixed up the five mentioned characteristics are in the organisation due to many combinations of organisational characteristics. This might prove to be challenging when trying to differentiate the real characteristics of the sample. Also, the older the company is and the longer time ago the sequencing and internationalisation happened, the more difficult it is to investigate about the organisational pre-setting of each organisational characteristic. Therefore, the sample should be established quite recently and should be one of the SMEs.

The sample is gathered by three students, two from the Netherlands and one from Germany. This was highly beneficial to gather appropriate cases with varieties. Especially, when it comes to SMEs and Startups, Berlin is recognised as the biggest European Startup-Hub which is specified into the IT branch. Moreover, for the sample criteria – relatively young, but has internationalised at least into three further countries – IT companies are the best fit because the speed of their internationalisation is relatively faster compared to that of companies with resource-intensive productions. During the sample gathering phase, it was remarkable that most of IT-companies nowadays provide a hybrid-solutions that they offer the solutions in combinations of software and hardware, or software and services, hence, the cases with hybrid-IT-solutions are also included into the sample-pool (see Appendix 3 Table 15).

Among 15 cases, however, 5 were excluded due to lacking interview contents or the founding year – some of them are more than 50 years old, but still SMEs, consequently, the reduction of cases was unavoidable. Therefore, the 10 SMEs – five from Germany and five from the Netherlands – that focus on hybrid-IT-solutions, executed the internationalisation into at least three countries and locate their head quarter in Germany or in the Netherlands will be considered. For the convenience of communicating in the international research project, the interviews are held in English (for more specified information about cases, see Appendix 3).

4.3. Data Collection

4.3.1. Quantitative Questionnaire

The very first part of the data collection starts with the quantitative questionnaire which is designed based on the broadly used scale for each characteristic. To be able to quantify the level of each characteristic, the questionnaire follows the Likert-Scale from 1 (strongly disagree) to 5 (strongly agree) for each characteristic, except financial resources (slack) with the scale from 1 (strongly disagree) to 7 (strongly agree). The organisational sequencing strategies are measured by the quantity mentioned during the qualitative interviews, thus, it will be discussed in the qualitative interview part.

The selection of appropriate scale was, however, highly challenging because it should be able to represent the purpose of the research sufficiently: The prominent scales for measuring *global mindset* normally concentrate on the individual level which could be used as the indicator of global mindset level of individuals or managers in an organisation. Accordingly, the scale for measuring the global mindset in organisational level is not yet adequately established. The only scale which could be used appropriately for the given research – that focuses more on the organisational level of global mindset – might be the scale designed by Gupta and Govindarajan (2001; 2002). It investigates the organisational global mindset in terms of the ability of emerging global opportunity recognition, importance of global customers for their business, existence of the worldwide talent pool within the organisation and competitiveness toward global competitors. There was a minor adjustment in the scale formulation to be able to conduct more smooth examining, while the main sense of the scale remains the same (see Table 1 in Appendix 1).

For choosing the appropriate scale for *cultural intelligence*, the coverage of the scale has been considered specifically. Because the term ‘culture’ could include various aspects, it was crucial to be able to limit the scope of the term, but also to cover the diverse aspects of the characteristic into the scale as the same time. From that reason, the scale provided by Ang et al. (2007) is selected for the questionnaire. It investigates the level of cultural intelligence in four different categories – metacognitive, cognitive, motivational and behavioural cultural intelligence, thus, the given scale measures the organisational cultural intelligence regarding the amount of knowledge possession within an organisation, ability to cultural interaction and behaviour in cross-cultural circumstances (see Table 3 in Appendix 2).

From the literature review, it was recognisable that both terms ‘*learning orientation*’ of organisation and ‘organisation learning’ have been very often used as synonym. However, both should be clearly defined differently because ‘learning orientation’ actually represents the organisational learning process, while ‘organisational learning’ could consist of organisational learning process and organisational learning behaviour, as explained in the literature review part. Hence, it was crucial to provide the differentiated and minimized scope of organisational learning through the scale of learning orientation. For that reason, the scale designed by Sinkula et al. (1997) is used to measure the level of learning orientation of the sample. Among six sub-categories, the first three – commitment to learning, shared vision and open mindedness – have been considered as pivotal sub-categories,

consequently, play the vital role to design the qualitative interview in the further research step as well (see Table 5 in Appendix 3).

As it is shown from the cultural intelligence scale selection, the term *network competence* also covers a highly diverse dimension, consequently, providing a research boundary that might have an appropriate scope was vastly important for the characteristic network competence as well. Hence, the measurement provided by Ritter (2002) has been applied which measures the organisational network competence through the form of business relationships, way of communication with existing network partners and diverse canals to win new network stakeholders (see Table 7 in Appendix 4).

Last but not least, the scale designed by Danneels (2008) has been applied for the characteristic financial resources (slack) because it represents the meaning of financial resources in the context of internationalisation and market entry (see Table 9 in Appendix 5).

Overall, the given scales support the research to provide a specified and focused research boundary, since all five characteristics include huge range of research spectrums in its terminology. Also, choosing the scales open the opportunity to integrate these aspects into the qualitative interview which is aligned with the questionnaire content wise.

4.3.2. Qualitative Interview

As the advantage of triangulation demonstrates, a qualitative interview has been designed as a supplement to the quantitative questionnaire. It enables to investigate about more subjective perception of interviewees towards their organisations and receive more dialogic response from them.

To employ the opportunity to receive high quality information, the interview questions (see Table 13 in Appendix 7) have been designed in advance based on the evidence from the literature review and the scales implied by the quantitative questionnaire part, so it could provide a research certain boundary regarding each characteristic. Moreover, the interview questions are proposed to indicate the combination of characteristics that might infer the sequencing strategy – these combinations are indicated in the questions, for instance, ‘G~S’ which stands for the indication of questions with the combination set of *global mindset (G)* and *sequencing strategy (S)*. During the interview, the questions are intentionally formulated to receive more evidence for the characteristic combinations.

Furthermore, in addition to the five characteristics to investigate the organisational characteristics, the outcome ‘Sequencing Strategy’ was included in the questionnaire. The outcome characteristic is specifically included only in the interview questions, and not as the scale in the quantitative questionnaire, because the purpose of the qualitative interview of the given research was to examine the background circumstances and stories of their internationalisation strategic decision. Both focused and unfocused sequencings are measured by the quantity of codes mentioned during the interviews, for instance, the quotations are coded in terms of the background and form of sequencing strategies they followed.

Having said this, as suggested by Matthews (2005) – that researchers should not ask questions to elicit answers to specific questions, but rather to make it possible for participants to talk about something in their own words – the interview questions have been outlined in *semi-structured* interview. By doing so, the interviews could offer the opportunity to the interviewees to share their own story, pass on their knowledge and provide their own perspective on a range of topics (Leavy & Hesse-Biber, 2006) that will be highly precious for the case descriptions in the following research step which is not simply to be inferred through the quantitative questionnaire result. Some of the sensitive topics, especially, when it comes to the questions in terms of financial resources, some interviewees denied to answer to the questions.

From the operational perspective, both quantitative questionnaire and qualitative interview questions were provided to the interviewees via Email before the real interview was hold and all open questions have been answered. Sometimes, the interviewees already provided the answer to the quantitative questionnaire ahead of holding the interview, but there were also some cases that they sent the result of the questionnaire after having the real interview. Most of the cases, the questionnaire was answered prior to the execution of the qualitative interview, to minimise the bias that might be created during the interview conversation.

4.4. Triangulation Analysis

After collecting the data of 10 cases through quantitative questionnaire and qualitative interviews, the data have been transcribed, sorted, coded and analysed. Due to the characteristic of triangulation, the analysis method should be differentiated, but also gathered accordingly to both quantitative and qualitative data. Overall, there are two different analysis method are used – *case descriptions* and *combination set analysis*:

In the *case description*, the gathered qualitative and quantitative data is firstly interpreted independently and there are both qualitative and quantitative result in the end of each case description. These results are then aggregated into one average percentage of each characteristic per each case (see Appendix 4.3 Table 18) and this result is used eventually for writing case description part.

Because the thesis focuses on the combination sets consist of characteristics that lead to certain outcomes of sequencing strategy, one further specific method is needed – *modified fsQCA* – and this is indicated as *combination set analysis* in this thesis.

For this second part of the analysis, the aggregated result of the previous case description is used both in a qualitative and quantitative way. Because the aggregated sample result in Table 18, which is used for case descriptions and combination set analysis, is based on both qualitative interview and quantitative questionnaire, the given thesis ideally represents the usage of triangulation, as explained in the introduction.

4.4.1. Sample Case Examination

In this part, the analysis steps for the case descriptions will be introduced and how the result from the quantitative questionnaire and qualitative interview are interpreted and aggregated commutatively to attain the sample result.

4.4.1.1 Quantitative Scoring of Questionnaire

As mentioned in the data collection part, the quantitative questionnaire follows the Likert-Scale between 1 (strongly disagree) and 5 (strongly agree) for each characteristic, except financial resources (slack) with the scale from 1 (strongly disagree) to 7 (strongly agree). After inquiring the questionnaire, the overall score has been calculated. For example, if a company reveals the highest level of global mindset, the score might be 40 – the maximum score for each characteristic is 40 (global mindset), 100 (cultural intelligence), 105 (learning orientation), 110 (network competence) and 28 (financial resource). These maximum scores are considered as 100% that a company could reach, consequently, the given scores in absolute number are converted into relative number of percentage. Similar to the qualitative interview, some of the questions are not answered due to the inter-organisational security reason. In this case, the maximum score of the question – 5 in the Likert-Scale – has been subtracted from the overall maximum score of the affected characteristic. For instance, the case of having one non-answered question in the global mindset questionnaire, the maximum score of global mindset is 35 instead of 40, so 35 is considered as 100% in the conversion.

4.4.1.2 Qualitative Coding of Interview

Different from the quantitative scoring of the questionnaire, the qualitative coding on interview demonstrates higher complexity. The usual way of coding the qualitative interview might offer more freedom in analysis, however, because the modified fsQCA in form of combination set analysis is applied in this thesis, all qualitative results should be quantified as well and that are highly challenged for the qualitative coding of interview.

Because a code is a word, phrase, or sentence that represent aspects of a data and capture the essence or features of a data (Saldaña, 2015), the meaning of appropriate code selection should be considered. The given thesis follows the *descriptive coding* concept which summarises the primary topic of the excerpt, assigns topics to aspects of the data and normally consists of nouns as codes (Miles, Huberman, & Saldana, 2013; Saldaña, 2015). The codes, that are used for the qualitative coding of interview, are based on the literature evidence, thus, these already cover an abundant range of the feature of each characteristic. However, when a new code is remarkable and illustrate the vital meaning during the coding process, these were integrated in the codes-pool as well. This kind of coding process is called *directed content analysis*; the study starts with theory, the codes are defined before and during data analysis and codes are derived from theory or relevant research findings (Hsieh & Shannon, 2005), as the given case descriptions demonstrates. In this way, the qualitative evidence from the interview are able to be coded as much as possible and the code-pool effectively covers the research boundaries with possible evidence.

The coding process was supported by the coding software Atlas.ti. In the end of the coding process, 218 codes are used for the coding process – *global mindeset* (48 codes) (see Appendix 1.1 Table 2), *cultural intelligence* (27 codes) (see Appendix 1.2 Table 4), *learning orientation* (32 codes) (see Appendix 1.3 Table 6), *network competence* (78 codes) (see in Appendix 1.4 Table 8), *financial resources* (16 codes) (see in Appendix 1.5 Table 10), *focused internationalisation* (13 codes) (see in Appendix 1.6 Table 11) and *unfocused internationalisation* (4 codes) (see in Appendix 1.6 Table 12). Each interview transcription was coded through the given 218 codes.

As mentioned briefly before, after coding, the codes are divided into code-groups which indicate the five characteristics, focused and unfocused internationalisation strategies. By analysing the codes, the absolute number of the codes are converted into the relative number. In other words, the current implementation provides a percentage relative to the total number of quotations for the selected code or code group. Because the codes cover highly abundant range of each organisational characteristics and highly differentiated at the same time, the result of conversion into relative percentage was highly reliable.

4.4.1.3 Aggregation of Quantitative und Qualitative Research

After the conversion of qualitative coding of interviews, two percentages for each characteristic – one from the quantitative questionnaire analysis and one from the qualitative coding of the interviews, should be aggregated (see Appendix 4.3 Table 18). To set the equal weight on the meaning of qualitative and quantitative result, both are equally regarded – 50% each – into the aggregated research result. The given portion of both analyses also clearly represent the equal meaning of both methods in this thesis which follows the triangulation method.

In general, if the aggregated percentage of one characteristic (X) shows $X \geq 0,50$, the characteristic is considered as significant. Due to the average conversion, the sensibility of the aggregated percentage has been dramatically increased, in other words, even though the number 0,50 and 0,48 do have the numeric difference of 0,02, the real level of each characteristic is huge, hence, if the aggregate result of one characteristic was lower than 0,50, it was interpreted as low level of the certain characteristic.

Having said this, compared to other characteristics, the characteristic financial resources should be considered differently. Because both questionnaire and interview questions were designed to investigate the existence of financial slack, the answers in the interview are relatively short, which means there was a lower number of quotes in general that might influence the calculation of code appearance in the previous coding stage. At the same time, because it has a more differentiated range of Likert-Scale between 1 and 7, it seems to be much harder to reach the full score in the analysis. Also, the fact that the talking about financial resources is considered as a sensitive topic and relates to the inter-organisational security issues, the interviewees generally did not express themselves much about the financial resources. Consequently, the number of quotes that might be able to demonstrate the evidence in terms of financial resources are also automatically reduced. Due to the given obstacles, the characteristic financial resource (slack) has been considered as significant, if $X \geq 0,40$. In other words, if the aggregated percentage is over 0,40, a company is considered as the one which demonstrates high level of financial resources (slack).

Based on the aggregated percentage of each characteristics and focused or unfocused sequencing strategy, the case descriptions are formulated in the qualitative and verbal way. As the result of the case descriptions, the combination of vital characteristics for the sequencing strategy will be introduced and analysed for each case description, hence, the thesis will provide 10 different written case descriptions.

4.4.2 Set-Theory Analysis

The interpretations of the aggregated characteristic is highly important to analyse the combination of characteristics that might lead to certain focused or unfocused sequencing strategy. In this part, the qualitative interpreted combinations in the case analyses are considered in more quantitative way to find out the most vital characteristic that might take a *pivotal* role in the combination. To provide more background information, in the following part, the set-theoretic method of Fussy Set Quality Comparative Analysis (fsQCA) will be briefly introduced.

4.4.2.1 Introduction to Set-Theory

A *set-theory* is fundamentally different from the conventional analysis and it represents the analysis of set relations. According to Elliot (2013, p. 1), the variables are transformed into sets and it enables the analysis what combination of causal sets constitute a subset of the outcome set. In the given research, it is highly suitable to use the set-theoretic approach to analyse the cases because it emphasises on the meaning of *combination* of five given characteristics – *global mindset*, *cultural intelligence*, *learning orientation*, *network competence* and *financial resources* – and how they constitute the *outcome* of focused or unfocused sequencing strategy.

4.4.2.2 Advantage for Using Set-Theory

To more clearly illustrate the use and advantage of set-theory, it is supportive to have the comparison with regression analysis because there is often a misunderstanding considering set-theory as one of the conventional correlation analyses: while the goal of regression analysis is to discover the effect a variable has on some outcome and provide the direction of that effect on a variable included in the model, the set-theory focuses on problems and comes up with solutions and investigates what conditions and combinations lead to a given outcome. Furthermore, while the regression analysis only focuses on the variable-oriented analysis, the set-theory could cover both case-oriented (set and set-members) and variable-oriented (degrees of membership) analysis which enables the fine grained variation analysis across the cases. Because a set-theory finds combinations of causal measurements that lead to the outcome, it is not about independent effects, but *combined effects* (Elliot, 2013).

4.4.2.3 Components in Set-Theoretic Methods

The remarkable differences of set-theoretic methods compared to the conventional regression analysis come from the three elements of *causal complexity* in set theory – *equifinality*, *asymmetrical causation* and *conjunctural causation*.

According to Schneider and Wagemann (2012, p. 78), the set-theoretical characteristic of *equifinality* refers to the characteristic that various (combinations of) conditions imply the same outcome and this assumption of equifinality allows for different, mutually non-exclusive explanations of the same phenomenon. In other words, the set-theory tolerates the possibility of multiple paths or solutions to the same outcome (Elliot, 2013). The equifinality characteristic could be differentiated into two further sub-characteristics – *necessary conditions* and *sufficient conditions*: *Necessary conditions* represent the conditions that are required to produce the outcome and

the conditions (X) is also present, if, whenever the outcome (Y) is present. Formally, a condition is necessary, if $X \geq Y$ for all cases. *Sufficient conditions* represent the conditions that always lead to the outcome, however, these may not be the only conditions that lead to the outcome. Formally, a condition is sufficient, if $X \leq Y$ for all cases.

The characteristics of necessary and sufficient conditions well illustrate the next element of causal complexity – *asymmetrical causation*. It emphasises that both the occurrence and non-occurrence of social phenomena require separate analysis and that the *presence* and *absence* of conditions might play crucially different roles in bringing about the outcome (Schneider & Wagemann, 2012, p. 89). Specifically, the assumption of causal asymmetry implies that a causal role attributed to a condition always refers to only one of the two qualitative states – presence or absence – in which this condition can potentially be found and any solution term always refers to only one of the two qualitative states – presence or absence – in which an outcome can be found (Schneider & Wagemann, 2012, p. 78).

Moreover, one further characteristic of set-theory – *conjectural causation* – emphasises the meaning of combination that conditions do not necessarily exert their impact on the outcome in isolation from one another, but sometimes have to be combined in over to reveal causal patterns (Schneider & Wagemann, 2012, p. 89).

According to Schneider and Wagemann (2012, p. 78), the given three feature of causal complexity are intrinsically interlinked and directly derived from the notions of necessity and sufficiency because the existence of a sufficient but non-necessary condition automatically implies equifinality, as this means that there are cases in the data that achieve the outcome without the sufficient condition. Consequently, at least one other sufficient condition should exist which is a direct result of asymmetric causality. Also, they mention that the existence of a necessary but non-sufficient condition automatically implies conjectural causation, since this necessary condition must be combined with another condition (or the union thereof) to imply the outcome.

Besides the given three feature of causal complexity, there are two more important notations of set-theory – *calibration* and *negated sets*: *Calibration* is the term that plays a pivotal role when it comes to Fuzzy Set Quality Comparative Analysis (fsQCA), which is the calibrated version of Crisp Set Quality Comparative Analysis (csQCA). While csQCA only indicates the membership values of 1 and 0 by indicating perfect membership and perfect non-membership in a set, fsQCA differentiates between full membership (1) and full non-membership (0) and express the degree of presence or absence of the concept in a specific case (Elliot, 2013). In general, the absence of a set, which is indicated as *negated sets*, is denoted as $\sim A$.

4.4.2.4 Modified Fuzzy Set Quality Comparative Analysis (fsQCA)

Having introduced the advantages of using fsQCA, there are some limitations of the method to be fully integrated in the given thesis. The former is that the number of the sample and cases that are used in the given research are not enough to integrate into fsQCA. To illustrate all possible combinations of given characteristics, a *truth table* is used which shows all possible combinations of causal sets, one row for each combination. In theory, if there are k causal sets, the truth table would have 2^k rows (Elliot, 2013) – the letter k represents the number of conditions used and the number 2 the two different states (presence and absence) – and the difference between cases in

different rows is a difference in kind rather than a difference in degree (Schneider & Wagemann, 2012). In case of having five different characteristics as in the given thesis, there should be 32 different combinations (2^5) to cover all possible combination set theoretically, however, the given number of cases that could be used in the research is 10, which is significantly lower than the minimum amount of proposed number of cases for using fsQCA of 32 in case of having five different characteristics.

The second limitation for using fsQCA comes from the diversity and differentiated degree of the outcome. Normally, the outcome Y in case of fsQCA or csQCA indicates one certain phenomenon, such as the degree of democracy or the degree of internationalisation. In this thesis, however, the outcome Y has been differentiated into two different outcomes – Focused Sequencing (Y1) and Unfocused Sequencing (Y2) – and both outcomes are dependent on each other. In other words, the existence of focused sequencing does not automatically indicate the existence of unfocused sequencing ($1-Y1 \neq Y2$). Hence, the outcome of Y1 and Y2 should firstly be investigated separately, but should eventually aggregated to analyse the real sequencing outcome of the companies. Therefore, it seems to be challenging to use csQCA or fsQCA..

Nevertheless, the main concept of the QCA set-theory is highly suitable to support the interpretation of the case descriptions, hence, it is applied manually in a modified way of fsQCA in this thesis. Thus, the main theoretical concept of *causal complexity* of set-theory is used to find out the possible combination for the outcome Y1 and Y2. By integrating the concept into the practical interpretation, the Boolean expression of all combination in the truth table is expressed in *primitive expressions* (see Appendix 4.3 Table 19). To find out sufficient and necessary conditions, the redundant characteristics are shortened which is called logical minimisation – if two truth table rows, which are both linked to the outcome differ in only one condition, for instance, with that condition being present in one row and absent in the other then this condition could be considered logically redundant and irrelevant for producing the outcome in the presence of the remaining conditions involved in these rows. It is the process of matching similar conjunctions. After operating of logical minimisation, the logically redundant condition could be omitted, and the two rows can be merged into a simpler sufficient conjunction of conditions (Schneider & Wagemann, 2012, p. 105).

In the end of the thesis, the qualitative analysis of case descriptions and the quantitative analysis of modified fsQCA analysis is aggregated. As it is explained at the beginning, the whole analysis process of the given thesis, therefore, represents the holistic integration of both qualitative and quantitative analysis that both analysis methods rely on the result of each other for every single analysis stage. The amalgamation of both research method enables to present the result as objective, but also as subjective as possible in its combination which is the greatest advantage of interpretations analysed by the triangulation method.

5 Case Description

After conducting the qualitative interviews and quantitative questionnaire with 10 given companies, the aggregated data have been analysed for each case (see the percentage of each qualitative interviews and quantitative questionnaire respectively for each case in Appendix 4.3 in Table 23). The qualitative interview has been coded through the codes, illustrated in Appendix 1 for each organisational characteristic that originates from the literature evidence and the coded quotations from the interviews are included in Appendix 4.2 in Table 22 for each organisational characteristic. More detailed company description, founding year, location of headquarter, and the sequencing order are introduced in Appendix 3, Table 20.

5.1. Case 1

Company 1 is a software consultancy which provides 3D printing consulting and develops the 3D printing software. It was established in the year 2014 in Berlin where the current headquarter is located. Their first international market entry happened in 2015 when they entered Poland and the USA (Silicon Valley) in 2016. The internationalisation of the company 1 is based on *unfocused* sequencing strategy, which has been highly influenced by the opportunistic ways and the financial slack they won from the competition; this strategy is shown in these two forms: *existing customer demand* and *market pull*. These two forms are profoundly related to their global customer orientation.

The most significant characteristic that influenced the unfocused sequencing strategy of company 1 is the global mindset that is indicated through different aspects. The company 1 is capable to focus on the *global customer demand* externally and it enhances their challenging ability to broaden their business area. Furthermore, they perform the global mindset internally within the organisation that they know how to deal with the *different time zones* and reveal no hurdles to *hire international employees*.

Their market entries in Poland and the USA show the sample cases on how they gathered the cultural experiences and knowledge about the market. They mentioned that they specifically hire the local people onsite to learn their culture and market quickly. However, despite of the evidence regarding *accuracy of cultural knowledge* which is noticed in the qualitative interview, their overall cultural intelligence is not momentous enough to influence their unfocused sequencing strategy profoundly.

Furthermore, in terms of learning orientation, company 1 has relatively high level of learning orientation and they especially reached high record in the questionnaire. In the same vein as the global mindset, they try to hire international employees as much as they could in Berlin to be able to learn from their own approach and about their market behaviour. They believe that people from other countries might have another approach than the one from German people; hence, they could learn to be flexible and enhance their strategic building process. In doing so, they are very *open-minded* towards the new knowledge and experiences they are gathering.

One further significant characteristic that impacts their internationalisation is the network competence, specifically, the one from the founders. The whole establishment phase of the company 1 was influenced by the network

competence and the connections of the founders. Their network competence supported the appropriate *partner selection* both nationally and internationally. The founders come from different countries, so it helped them to understand the market demand easier, which supported their internationalisation in Poland.

When they realised the importance of the financial resources for the strategic market entry, they participated in the competition to receive the sufficient amount of financial slack to broaden their market. It was not only shown in terms of *financial buffer* which promoted their actual market entry in the USA, but they also won the reputation and the price to be one of the start-ups in the Silicon Valley, which is in California, USA. It obviously shows that they realised the need of the financial resources before they enter another country, and they strategically reacted to the financial shortage, before they follow the unfocused sequencing strategy of *market pull* and *customer demand*.

CR1) The unfocused sequencing strategy in the form of existing customer demand might consist of the combination of high global mindset, low cultural intelligence, high learning orientation, high network competence, and high financial resources.

5.2. Case 2

Company 2 develops a transportation service application for both Android and iOS system which focuses on the business people who desire to have the quality transfer service around the world. It was established in Berlin 2012 where the current headquarter is located. They performed a remarkable international market entry in 2013 that they decided to provide their service in 100 different cities within 100 days around the world – mainly in Europe and America. After the first market entry experience, they further broaden their business area to countries in Asia Pacific and Middle East. Overall, it currently operates the service in around 250 cities. The internationalisation of the company 2 is strongly based on *unfocused* sequencing strategy that is highly related to the partner selection and the existing global customer demand.

Among five given characteristics, company 2 indicates the significance in global mindset, learning orientation, and network competence. The business concept of the company 2 is based on high global mindset and it is already targeting the global users, especially business people who are travelling around the world. To *access the global market strategically* and locate nearer to the end user, and business partners, they opened new office in Singapore.

Also, they perform a high *learning orientation* within the organisation that they are open to learn and *transfer knowledge* among employees that their opinion is highly appreciated in the strategy building process. To accelerate the knowledge transfer process, there is an open day for sharing the functions and works between departments, despite departments located in other countries which allows them to have higher understanding of organisational vision and strategic plan.

Moreover, the significant importance of *partner selection* in their business model enables them to perform high *network competence*. Because of the business characteristic, they do need the deep partnership with their partners who locate in other countries, but operate the real business service to the end customers. They also receive feedback

from the business partners regarding the existing customer demand which also influence the further market entry decision.

Interestingly, even though they perform the highest number of service operating locations compared to other company cases, they do not indicate a significant cultural intelligence. Company 2 well understands the cultural differences between countries; however, this does not directly influence their unfocused sequencing strategy which follows the existing customer demand. Because their customers are not fixed to one certain country, they travel around the world for business trips, having general accurate cultural knowledge seems to be important, but not significantly crucial for their business.

Furthermore, due to the business characteristic and as an application provider, their unfocused sequencing strategy could have been operated despite of non-existing financial slack. They certainly received some financing rounds at the beginning, but it did not demonstrate the significant relationship to the unfocused sequencing strategy of following existing customer demand.

CR2) The unfocused sequencing strategy in form of following existing customer demand might consist of the combination of high global mindset, low cultural intelligence, high learning orientation, high network competence and low financial resources.

5.3. Case 3

Company 3 is an e-commerce company which provides the reservation service application for tourists. It was established in Zurich in 2009, but they moved to Berlin in 2010 where the current HQ is located. Their first internationalisation took a place when they entered Italy and provided their service to the tourist attractions in Rome 2014, which was followed by Paris, London, and Barcelona in 2015. Their international market entry strategy is vitally based on *focused sequencing strategy* that they follow the *standardised template* given in the tourism industry.

The significant high global mindset of the company 3 could be observed by the ability of *balancing between global and local tension* and *responding to local demands*. To win new partners, for instance, hotel owners or tourist attractions, and enter the international market, they have tried to operate locally onsite of the entering market. It enables to enhance the credibility of the business towards the partners which supports their internationalisation.

Furthermore, the company 3 demonstrates high level of *learning orientation* that they are *committed to learn* and *transfer knowledge* among organisational employees. They are highly aware of the growing organisation size which influences the rising difficulty in communications. For this reason, they organise to have regular meetings and calls in different offices to minimise the gap between departments. This effort enables to have a clearly shared vision within the organisation that is based to follow the focused strategy of following standardised template as they planned to have as their strategy from the beginning.

Interestingly enough, this knowledge transfer has not been only seen within the organisation, but also within their networks that they *share their knowledge* with business partners. Firstly, they adapt the knowledge from the

investors, who were the former CEO of Booking.com to follow the existing standardised template for the tourist industry. Secondly, they educate the local business partners about the newest technology, such as integrating IT applications, who are out-dated in their technology, to be able to set-up their services to end-customers through the business partners.

The business model of the company 3 requires a deep understanding of legal issues in entering markets; especially, these are highly related to partnerships with government, because most of the famous tourist attractions are owned by the governments. Having said this, their cultural intelligence was not significant enough to be regarded as a main characteristic for supporting their strategic decision to follow the standardised template.

In the similar vein, despite of these three financing rounds, the meaning of financial slack was not critical enough to be regarded as a main characteristic for their strategic decision. More importantly, the investment rounds were vital to the company 3 in terms of gaining knowledge from the former experiences of investors, rather than the money itself. They also directly mentioned that the characteristic of e-commerce business does not require much financial resources in their market entry phase itself.

CR3) The focused sequencing strategy in form of following standardised template might consist of the combination of high global mindset, low cultural intelligence, high learning orientation, high network competence and low financial resources.

5.4. Case 4

Company 4 is a financial application service provider, which offers the bank transaction services to the European countries. It was established in Austria in 2015, but moved to Germany in the same year, where the current headquarter is located. The international market entry started when they offered their service in France, Italy, Spain, Island, Greece, and Slowakai at the end of the year 2015, which was followed by the internationalisation into 9 further European countries in November 2016. The application itself has the feature, normally in English, but in specific countries, such as France, Italy and Spain, they even offer the service in the local language. They followed a *focused sequencing strategy* in their internationalisation, based on *cultural similarity*, and it was mostly affected by their *knowledge about foreign legal and economic systems*.

In terms of global mindset, company 4 is able to *identify the emerging opportunities* in global level and strive to serve the global audience efficiently. To fulfil the efficiency for targeting global customer, it was crucial for them to have high understanding about global economic systems and cultural backgrounds. In other words, the cultural intelligence played a vital role to broaden their business within the European countries because they had the high amount of *knowledge about foreign legal and economic systems* that was gathered by both employees and their investors. Therefore, both high level of global mindset and cultural intelligence cumulatively supported the strategic decision to follow the focused sequencing strategy of following cultural similarity.

According to the part of the interview regarding learning orientation, there is a clear organisational vision which comes from the founders to become a Fin-Tech Hub and they believe that this vision is very powerful and it enables

them to be successful: “Our vision is like the Fin-Hub, which is the platform where you find the solution to everything but that doesn’t mean that we build all the products that we need. We integrate with other partners, who then Transadvise as the best example of a similar integration with customers, transfer money to Canada, USA, and Australia with the couple of clicks and with the background Trasadvise are doing that.” However, the relationship between having organisational vision and focused sequencing strategy of following cultural similarity was not significant enough to indicate that as a main characteristic for strategic decision because they mainly mean the Fin-Tech Hub for German banking license in Europe. Hence, their organisational vision does not sustain the further organisational learning to improve their cultural intelligence or global mindset to adapt themselves to cultural similarity of other European countries or one outside of Europe.

Moreover, the interview shows the vital meaning of using *legal skills* of their network for establishing a solid foothold in European Fin-Tech market. It certainly helps them to have greater ability to be flexible to react towards legal differences in each European country: “From legal perspective, we work together with the legal team here, so the international team is very much the team at the interface to other department.” Having said this, all of the partnerships and hiring country manager came after implementing the focused sequencing strategy of following cultural similarity which means that these networks did influence neither the establishment, nor the implementation of sequencing strategy. At some extend, the background of the founders influenced to enter the Austrian market first, but the second phase of the internationalisation into 9 further European countries was not influenced by the network competence.

Regarding the financial resources, there was no significant evidence of financial slack in the organisation that might influence the focused sequencing strategic decision. The only remarkable quote mentioned during the interview was that they do not require high amount of financial resources to execute internationalisation because the marginal cost of entering the market with their product is extremely low: “The good thing with our product is that the marginal cost of entering the market is extremely low.”

CR4) The focused sequencing strategy in form of following cultural similarity might consist of the combination of high global mindset, high cultural intelligence, low learning orientation, low network competence and low financial resources.

5.5. Case 5

Company 5 is focusing on providing women-oriented healthcare application in Android and iOS operating system. It was established in Berlin in 2013 and firstly offered their service in German and English. Between 2014 and 2015, it broadened its targeting market by offering their services in Danish, French, Chinese, Italian, Portuguese, and Spanish. The third phase of the sequencing strategy in early 2016, they offered the service in further languages, such as Japanese, Korean, Polish and Hindi. Company 5 followed a *focused sequencing strategy* in their internationalisation that they specifically consider the *adopting rate of technology*, *Smartphone penetration rate*, and *female population* to decide where to enter and internationalise the service. In other words, there was not only one certain sequencing strategy for their internationalisation, but they had the combination of following several focused strategies for entering international market further.

The global mindset of company 5 is significant in terms of *multi-internationality* of employees, which demonstrates high diversity of nationalities and language pool within the organisation. The given resource for multi-internationality of employees has been a great advantage for them to be able to serve the diverse countries in their languages, even though they do not have the department specified for translation of content at the beginning of the sequencing. This could be also observed by the dominant code of cultural intelligence that they have significantly high *knowledge about foreign language* which accelerated their internationalisation in different countries, although their cultural intelligence did not demonstrate significance in the average percentage due to low self-estimation in questionnaire.

As mentioned before, their most powerful characteristic is the high commitment of the organisation regarding supporting learning of the employees. This *organisational learning* has been shown in form of providing employees several free-choices of options and possibilities to learn skills and gather knowledge to enhance their ability, such as for buying literature or attending additional courses that might directly or indirectly influence their tasks in the daily work. Because of the given freedom of supporting the desire of learning, the organisation could operate very freely and flexible when it comes to overcome the obstacles while they are internationalising. According to the interviewee, it was recognisable how they invested into the employees' learning process: "The organisation is committed to support the learning of employees that they give you the money (for further education, and self-development), so it is up to the individual employee to be proactive, so you can decide whether you want to use the money or not. "If you don't need it, then you don't use it." This supportive atmosphere certainly extended the global mindset and understanding of employees towards cultural differences and dynamics of entering countries. Consequently, they were able to research on them profoundly, for example, regarding the rate of technology penetration or the interest of female health care of entering markets.

The network competence of company 5 could be indicated by how they *arrange to staff* stakeholders for their business through network. Especially, their access to new financial resources was profoundly impacted by the network competence of the founders, as mentioned by the interviewee, "I would say the founders knew some of angel investors and venture capitalists, and some of them they got know each other through other recommendation. I guess, that's also how Angels work." From the given quote, it is also recognisable that they know the importance of the network competence for their business, specifically, when it comes to the financing the business. Having said this, the average percentage of the network competence was not a significant enough to be considered as the main characteristic for the sequencing strategy where they choose to research on technology penetration, and female population of entering markets. This could be explained by the fact that their network competence was mainly supportive for searching the financing partners, but not significant to broaden their business area and internationalise their business directly. In other word, it was not the case that they directly found somebody who might be appropriate for a certain position before they enter another country.

According to the interviewee, we experienced that they received series of funding: "The first we received our A-series funding end of 2015. And we received the second fund raising end of 2016. One year by. And the prior to that we were just fully angel funded." This also indicates that the existence of the financial resources was not a significant accelerator for their sequencing strategy, because their internationalisation happened between 2014 and

2015, even before receiving the financial funding. Moreover, as they mentioned before, the indicators, such as technology penetration rate or women-health interest of entering market, were more influential for their internationalisation, which might be supported by the commitment of organisational learning, especially regarding the market information processing ability, rather than the existence of financial resources within the organisation.

CR5) The focused sequencing strategy in form of researching on adopting rate of technology, Smartphone penetration rate and female population consist of the combination of high global mindset, low cultural intelligence, high learning orientation, low network competence and low financial resources.

5.6. Case 6

Company 6 is a SME which produces eye measuring equipment for fitting lenses. It was established in 2010 in the Netherlands and their first international market entry happened in 2014 when they entered original eight European countries, which was followed by US in 2015. Their internationalisation is based on the *unfocused* sequencing strategy that they followed the *unexpected pull of network partners* and relied on very much on the decision and the network power of their partners. This type of unfocused sequencing strategy was profoundly influenced by high level of network competence that they properly use their ability to *gain access to new markets* and the *financial resources* that they invested in networking.

Due to the characteristic of medical industry, maintaining high *attention to global environment* is essential and very critical for internationalisation, specifically, when it comes to the upcoming trends and interest in medical industry in each country, because it relates to the economic standard of the country significantly. During the interview, it was noticeable that they identified North America and Europe as their markets based on the specific reason. As they indicated: “We did already identify North America and Europe as markets. For Europe, this means, the original eight members of the union. Because in those countries the earnings are generally speaking higher to such an extent compared to newer EU members, there is our market. In North America, this is still the largest market. In the area of technology, the budgets are significantly higher.”

In the same vein, their *knowledge about foreign legal and economic systems* which was included in cultural intelligence was significant. They gave an example of Chinese market that, “Many people and many people means a lot of eyes, but that does not mean it is for us the largest market. There are a number of large obstacles over there, in China, corruption.” Also, it was highly interesting that they compare and reflect on the cultural differences to their own market, “Our market is very poorly organised. Like in many Chinese markets, but in this case maybe even more extremely. There has been a lot of cowboy behaviour from the first entrepreneurial sector there. There are certainly some shortcomings there.”

Having said this, the cultural intelligence was not considered as pivotal characteristic for the unfocused sequencing strategy (0,39) relative to other significant characteristics, such as, network competence (0,66). The low percentage of cultural intelligence in qualitative coding (0, 11) could be caused by the fact that the code *knowledge about foreign legal and economic systems* has bi-dimensional characteristic and it could be included within the global mindset as well. Thus, some of the quotes were already distributed into the global mindset and the overall

percentage for cultural intelligence was relatively low. One further explanation might be that their cultural intelligence did not directly influence the decision of following *unexpected pull of network partners* as their unfocused sequencing strategy because this was profoundly influenced by their high network competence and the network power of their partners rather than their own cultural knowledge or intelligence.

As it was mentioned by cultural intelligence, company 6 has the ability to *process the information* that they received from the market. For instance, when they firstly tried to build the market entry strategy, they recognised the necessity of development themselves in the market in terms of network and branding: “Branding, you are a new player. Not only presenting a revolutionary new product, but you are also a new player. You can’t just say ‘guys, here we are!’ No, you have to develop your brand and you have to develop your network, and letting people know it’s coming.” If the organisation did not have the ability to process the market information fast and flexibly, the sequencing strategy of following *unexpected pull of network partners* has not been able to be executed because their unfocused sequencing strategy is highly related to the flexible reaction and cooperating with networks and new information.

Even though the other characteristics like global mindset and learning orientation might support their unfocused sequencing of following unexpected pull of networks, the most important ability which might be required for that should be the high network competence. Company 6 indicated both from qualitative (0, 47) and quantitative (0, 85) result remarkably and they profoundly use their network competence to *gain access to new market*: “Our distributor is an independent seller. Say in the UK, there is a company and they would have a wide range of medical equipment, and then you could add your machine. You would then use their network, the selling capabilities and perhaps their service capabilities. Actually, their power is the network.” Their high network competence supported the organisational networking and the operations in trade shows where they find new business partners and their network powers.

Due to the significant role of trade shows and events to find their partners and broaden the network boundaries, the structure of organisational investment has been designed: “We invested heavily in this, by means of large expo’s and trade shows.” During the interview, it was not mentioned whether they had enough financial slack for attending the trade fairs, but it was highly significant that the meaning of having financial resources is tremendously important for internationalisation and they invest the financial resources to support their internationalisation process and accelerate the unfocused sequencing strategy of following *unexpected pull of network partners*.

CR6) The unfocused sequencing strategy in form of following unexpected pull of networks consists of the combination of high global mindset, low cultural intelligence, high learning orientation, high network competence and high financial resources.

5.7. Case 7

Company 7 produces outdoor toys for children and established in 1985 in the Netherlands. Their first international market entry started when they entered Germany (1995) which was followed by other European countries, such

as Belgium (2000) and Ireland (2002). The further internationalisation happened in US and it is active in more than 50 countries worldwide currently. Their internationalisation is based on the *focused sequencing strategy* which follows the *cultural similarity* and significantly influenced by the *ability to adapt* themselves into the *culturally diverse countries* that were supported by their high global mindset and cultural intelligence.

The global mindset of company 7 is significantly high to be considered as a critical characteristic for their *focused sequencing strategy*, especially, in terms of their *ability to adapt* into the new circumstances and cultural diversities. For instance, they created new categories of the products to adapt into the market: “We have to market our product very differently in Asia compared to the USA. We are already having trouble to make it happen in the USA, to create a new category in the market which is unknown. Americans would say what is a go-kart, where is the engine, paddles? That is tiresome, etc. so then the question becomes how you are going to introduce that category.” This type of market adaption was also shown when they entered into other European countries: “When looking at the biggest toy market in Europe, it’s the UK. (...) But looking at the largest ride-on toys and looking at the same kind of ranking, Germany does become one, (...), so you notice that within the toy market, categories differ. Then, it becomes much easier to sell ride-on’s in Germany compared to other countries.”

One further important characteristic for their focused sequencing was influenced by the cultural intelligence of the organisation, especially, when it comes to the *accuracy of cultural knowledge*, they performed the developed cultural understanding which is not only about the cultural differences, but also about the complex perception about cultural influence on economic, network, and business structure: “If you are considering the UK, for instance, we could not make decision as easily because the distribution is very different there. Germany is, for instance, very focused on trade whereas the UK is more oriented on mass market.” Hence, this kind of cultural intelligence to understand and interpret complex construction of cultural aspect have profoundly supported their focused sequencing in form of following cultural similarity.

Even though it was not one of the significant characteristics for their focused sequencing strategy, the *organisational unlearning* process of company 7 should be mentioned because it is highly related to the flexibility of adapting the new information from the market which has a close relationship to their high global mindset. Because of the characteristics of their products, they have two different aspects that should be taken into a count when it comes to product development and its marketing – the trend of toys and the market perception. As they mentioned during the interview, “Children grow up quicker. Kids play very differently compared to 20 years ago.” The fast changing product trend should be integrated into the product development which requires high flexibility and unlearning process within the organisation. Also, the quote, which was mentioned for introducing their ability to adapt in the global mindset part, indicates how they adapt to the new information and unlearn the input that they gathered from the previous experiences quickly to integrate into the further entering markets. Although the average percentage of the learning orientation of company 7 (0, 46) was not significant to be considered as a critical characteristic for their focused sequencing strategy building, their unlearning process has surely influenced their ability to develop appropriate products and market them adequately in different entering countries indirectly.

Furthermore, the meaning of network competence had low influence on their focused sequencing of following cultural intelligence as well, because they try to build up new networks after entering the international market.

During the interview, they revealed the importance of *network organising*, in terms of finding proper distributor, but only after the actual internationalisation. “Yes, there is a network or it still has to be constructed. It does not stand already. Most of the time, it has to be constructed. We have sold very little of our products through existing networks.” Thus, the given quotes also align with the average percentage result of network competence of the organisation which does not have the significant meaning for their focused sequencing.

In terms of financial resources, company 7 mentioned a highly interesting quote which indicates the low importance of financial resources for their internationalisation. “We are now investing in that market to get everything up and running. If that is the case, you do require that financial slack or room. Sometimes that financial space is also not necessary, because when you start corporate with a distributor, they are taking that risk.” Additionally, they also mentioned, “It is not like there is a lack of availability of financial resources but more like they are not required in some cases and this is the step we would like to make.”

CR7) The focused sequencing strategy in form of following cultural similarity consists of the combination of high global mindset, high cultural intelligence, low learning orientation, low network competence and low financial resources.

5.8. Case 8

Company 8 is a SME which produces electronic baggage tags for check-in luggage at airports. It was established in the Netherlands (2013). Their internationalisation is not organised by country dependently, but they focus on each airline to broaden their business operation areas. Firstly, they started the cooperation with Lufthansa in Germany (2014), which was followed by Air-France and KLM in France and the Netherlands (2015), and United Airline from the USA (2016). Their internationalisation followed the *unfocused sequencing strategy* which chases the *existing customer demand in the market*. This unfocused sequencing strategy building was highly influenced by their interest of *competing with global competitors, knowledge about operations of partner, and financial buffer*.

According to the interviewee, the product of company 8 is international and their market is the world from the very start. As a born-global company, *competing with global competitors strategically* was already unavoidable. Consequently, company 8 shows high level of global mindset and they continuously give attention to global players who might be their competitors: “There are one or two, competitor like companies. One of them is a suitcase manufacturer. They also have a tag build into the suitcase through a very luxurious suitcase manufacturer. And we are very happy about that because this is a very big market, we are talking about hundreds of millions of tag to be sold potentially.”

In terms of cultural intelligence, company 8 actually indicates *having knowledge about foreign legal and economic systems* during the interview: “Then you would have to confirm to certain certifications, the standards in the USA are indeed different than the one in Europe. Those are the kinds of practical things you have to take into account.” Having said this, even though they are one of born-global companies, they do have low cultural intelligence (0, 41) in average. This could be explained by the fact that their business partners and customers are global corporations that might already have the standardised organisational culture for global business. In other words,

company 8 does not require high cultural intelligence to serve the demand of big airlines because they already have the globally-oriented business structure within their organisation and there is no requirement of culturally adjustment to each operation country.

One further characteristic that was not significant to be considered as an important accelerator for the unfocused sequencing was the learning orientation of company 8. There was only one aspect of *market information processing behaviour* critical for their learning orientation that they received the feedbacks about the products: “I think with all conversations we have, we receive new insights. And that is quite important, and this happens in various ways. We would also speak to a stewardess from city hopper to see what the experiences are there and we learn a lot from that. We learn a lot from this and this can advance us in other conversations. Additionally, this might also be the way we learn about certain airlines, so not countries in this case, that can be classified.” However, this learning process often happened after the actual sequencing and market entry; hence, it is very sceptical to be considered as a crucial aspect for building internationalisation strategy of company 8.

Company 8 indicates high level of network competence, especially, in terms of having *knowledge about operations of partners*. They mentioned in the interview: “We can say the network has a large influence on which way the company is going. It is true, entering those airlines and selling is not easy. Because those are very complex organisations with lots of different departments or sub-groups.” Knowing and understanding the operation systems of partners are crucial to recognise the *existing customer demand* in the market; hence, their high level of network competence surely supported to follow their unfocused sequencing strategy.

Moreover, having *financial buffer* and enough resources are a vital characteristic for company 8 to create and broaden new networks. During the interview, they specifically mentioned that they invest vast amount of money in their internationalisation strategy: “The amount of financial resources available does influence the internationalisation strategy and might even influence the decision to what kind of expo we will be visiting next. We are still a fairly small company so we have to focus very well.” Because attending trade shows and expos provide them a great opportunity to meet their future customers directly and it enables to identify the customers’ demand, having financial resources undoubtedly influence the development of *unfocused sequencing strategy* where they follow the *existing customer demand in the market*.

CR8) The unfocused sequencing strategy in form of following existing customer demand consists of the combination of high global mindset, low cultural intelligence, low learning orientation, high network competence and high financial resources.

5.9. Case 9

Company 9 is SME which was established in 1998 in the Netherlands and it produces machineries for researching and discovering new materials. They executed the internationalisation from entering China (2007) which was followed by the market entry in India (2014). Currently, they are planning to broad their business into US market. Their internationalisation followed the *unfocused sequencing strategy* which chases the *existing customer demand*

in the market. This choice for unfocused sequencing strategy was mainly influenced by their interest of considering *global customers*, being open for *adaptive learning* and *knowledge sharing* with their networks.

One of the pivotal characteristics for their unfocused sequencing strategy comes from global mindset which indicated the high level of *importance of global customers* for their business. As mentioned during the interview: “The internationalisation strategy, that is – all of our customers could just as well have been somewhere else.” Most of their customers are universities that are governmentally funded, but they are spread all over the world. Thus, putting extraordinary interest on global customers and follow their demand profoundly have had the impact on their internationalisation strategy.

Interestingly, from the result of average percentage calculation, company 9 does not have significant level of cultural intelligence, even though they indicated very high level of *accuracy of cultural knowledge* and able to bridge the customers’ demand and cultural knowledge: “What we hope to do is to make customers want one mid-range system instead of a couple of low end systems, because you can accomplish a lot more. This is what happened in China as well. The demanded quality has risen and we responded to that development. I hope and expect this will be the case in India as well.” Thus, the accuracy of cultural knowledge here should be understood more in the direction of ‘having’ the knowledge, instead of ‘applying’ the knowledge.

Because their target group is universities and scholars, the meaning of scientific communities is tremendous for their business. Especially, scholars, who are real actors of the network, open new opportunities to win further customers because they request the equipment specifically since they are already familiar with the machineries produced by company 9. When it comes to *sharing information* among networks, they do indicate a very high network competence (0, 58) and it initially played a vital role for growing up as a global company. According to the interview, they mentioned the importance of this kind of knowledge sharing in their internationalisation strategy: “For instance, by asking what the best circumstances are to produce a certain material, so we can pass that information on to others that want to start working on that as well.”

How they share, but also how they adapt new information in their internationalisation process is also one of influential characteristic for their unfocused sequencing strategy of following existing customer demand. Company 9 indicates high level of learning orientation which was significantly recognisable in terms of *adaptive learning*. They do accept the upcoming information from the market and customer actively and adapt these into their product development: “Sometimes when you see customers breaking something you receive more knowledge on what you have to pay attention to make sure it does not happen again.”

According to the interview, it is recognisable that the existence of financial resources is certainly one of important characteristic for doing the business and their market entry strategy: “As you can imagine, if your market is 20 million that is what it is, you know exactly where is maximum. This is what we noticed. When you are growing, you are able to specialise a little bit more and have more financial space to put in marketing and product development.” Having said this, if the quote is considered more in detail, it is clearly mentioned that they had the financial slack only due to the growing business, but not at the time of the decision for internationalisation was made. In other words, the meaning of financial slack could not be considered as the pivotal characteristic for their

unfocused sequencing strategy of following existing customer demand and it should be only identified as a sub-characteristic that might enhance the further business performance through marketing for instance. Hence, there was not a great influence of financial slack on their internationalisation strategy.

CR9) The unfocused sequencing strategy in form of following existing customer demand consists of the combination of high global mindset, low cultural intelligence, high learning orientation, high network competence and low financial resources.

5.10. Case 10

Company 10 is a medium sized company which produces bio-energy system. It has the headquarter in the Netherlands and their first international market entry happened in 2004 when they entered Rumania which was followed by Belgium (2009), Poland (2010), UK (2011), Germany (2012), France (2013), Ireland (2014), Croatia (2016), Sweden (2016), and Finland (2017). Their internationalisation is based on opportunistic way and follows the *unfocused sequencing strategy*. It is observed in form of *unexpected pull of network partners* which has been highly influenced by the combination of their high global mindset and cultural intelligence. Their decision to go further beyond the national market has been evoked due to the destroyed home market in the Netherlands, but their internationalisation has been vitally supported by the governmental subsidies.

Having global mindset is crucial for the company 10 to be independent from the market and divide their risk which comes from their home market. In the interview, they showed the importance of *performance in multinational business* in their unfocused sequencing that they enter the market not only based on the geographical closeness, but their cultural understanding and experiences: “We went to Belgium because man called us. But generally, we look where the market is. This does not have to do with cultural agreements or nearer, more of which lies the odds.”

Moreover, they mentioned in the interview directly about the cultural differences they are dealing with and how the *accurate cultural knowledge* has been integrated in their strategy decision which supports the aggregated result that their cultural intelligence is high (0, 50). It could be also seen from the fact that they have several international offices especially in Eastern Europe. Their high ability to understand the cultural accuracy was recognisable during the interview, as they mentioned: “in different countries, you sometimes work in different ways.” However, this kind of high cultural intelligence hinders acting recklessly, which might sometimes help to take risk and accelerate their internationalisation in different types of countries; hence, it works as a barrier for their market entry into the market in China or Middle East.

In terms of learning orientation, the qualitative interview indicates the high *organisational learning* that they are constantly and generatively learning from their own market entry experiences and try to analyse the updated market information as much as possible within the organisation. In particular, their market entry for each country has its own process and works independently; thus, their unfocused sequencing is based on trial-and-error instead of having standardised template of market entry. Also, they have the shared vision through all offices around the world where they maintain the vision from the Netherlands. Having said this, from the result of the quantitative questionnaire, they see themselves as the organisation with low learning orientation (0, 44), and this

clearly influence their low rate of learning orientation (0, 32) accumulated by both quantitative questionnaire and qualitative interviews.

The most interesting part in this case might come from the characteristic network competence. As mentioned previously, they receive governmental subsidies; hence, they have significantly high *economic ties* with their partner – the Dutch government – who largely influences most of the internationalisation strategy through financial resources. During the interview, they specifically mentioned: “Our product is always dependent on rates and subsidies. So, in fact, we are always dependent on subsidies.” This impact considerably leads them to lose their autonomous decision on their market entry which directly connects to the fact that they follow the *unexpected pull of network partners* as their unfocused sequencing strategy. Arrestingly, the accumulated result from both qualitative and quantitative research reveal that they have low network competence (0, 38) despite of the significant dependency on network partner which could be interpreted into two different ways: Firstly, it could mean that they do not see the partnership with government as a network. Because of that reason they indicate themselves with low network competence in the quantitative questionnaire which might have significant impact to the end result. Secondly, the governmental influence could be seen as the ‘forced’ partnership that is independent from the network competence of the company itself, especially due to the lack of autonomous decision in the existing partnership. Consequently, this example highlights the importance of autonomous perception of companies in each characteristic which should be considered by interpreting the accumulated result of the research.

As mentioned previously, their financial resources which come from the Dutch government have the strong *political* characteristic and the firm is highly dependent on subsidies in their every single strategic decision. Consequently, they are “very dependent on political movements” and their “sales are affected by policies and subsidies”. The remarkable challenge with which the firm is confronting is that they have not enough financial resources (0, 31) to take all projects and opportunities in the market. It clearly indicates that there is no slack within the company 10 and it could be emphasised by the fact that the company reinvest into the firm internally in case of having remaining profit instead of performing other strategic activities outside of the firm.

CR10) The unfocused sequencing strategy in form of unexpected pull of network partners might consist of the combination of high global mindset, high cultural intelligence, low learning orientation, low network competence and low financial resources.

The result of case description based on the aggregated result could be summarised (see Table 1). If this result is compared with the one of proposition (2-6), it is recognisable that only one combination row X_8 of the organisational characteristics can be agreed based on the case description. The other combination rows, however, show various deviations between these two truth tables. Therefore, the other propositions from 2-6 could neither be agreed nor disagreed based on the combination appearance of the case descriptions directly. In other words, the decision of true or false is not possible to make because the case analyses result do not cover all of different set variations that are mentioned for propositions, which are based on the literature evidence.

Out of this reason, it is crucial to implement the modified version of fsQCA from the set-theory, to identify the meaning of each characteristic in their combination to certain outcome of sequencing strategy. Hence, in the

following part of the research result, the concept of set-theory in form of modified fsQCA is implemented and the case descriptions are eventually compared with the propositions that have been proposed at the beginning of the thesis.

Case	Global Mindset (G)	Cultural Intelligence (C)	Learning Orientation (L)	Network Competence (N)	Financial Resources (F)	Focused Sequencing (Y1)		Unfocused Sequencing (Y2)	
1	0,72	0,45	0,50	0,72	0,41	0,18	Industry Clustering (Geographic Region)	0,26	Existing Customer Demand (market pull)
2	0,64	0,46	0,56	0,62	0,05	0,09	Enhancing Organisational Learning	0,13	Existing Customer Demand (market pull)
3	0,62	0,48	0,56	0,52	0,08	0,24	Standardised Template	0,09	Existing Customer Demand (market pull)
4	0,50	0,51	0,46	0,48	0,34	0,25	Cultural Similarity	0,11	Existing Customer Demand (market pull)
5	0,53	0,47	0,55	0,47	0,38	0,20	Other Focused Sequencing Strategy	0,08	Existing Customer Demand (market pull)
6	0,52	0,39	0,51	0,66	0,46	0,06	Enhancing Organisational Learning	0,13	Unexpected Pull of Network Partners
7	0,55	0,50	0,46	0,42	0,30	0,16	Cultural Similarity	0,05	Unexpected Pull of Network Partners
8	0,59	0,41	0,46	0,63	0,42	0,13	Diffusion of Trends	0,15	Existing Customer Demand (market pull)
9	0,57	0,46	0,53	0,58	0,33	0,09	Diffusion of Trends	0,15	Existing Customer Demand (market pull)
10	0,52	0,50	0,32	0,38	0,30	0,06	Enhancing Organisational Learning	0,10	Unexpected Pull of Network Partners

Table 1 Result of case descriptions

6. Modified fsQCA Set-Analysis

The main question of the thesis is to find out the combination set out of five different characteristics and how they affect the decision of sequencing strategies as the outcome. As previously mentioned in the methodology part, the analysis is based on the *conjectural causation* of fsQCA – conditions do not necessarily exert their impact on the outcome in isolation from one another, but sometimes have to be *combined* in over to reveal causal patterns (Schneider & Wagemann, 2012, p. 89) – consequently, every possible appearance of combination is considered in a combination set instead of each single characteristic.

For analysing the impact of combination on the outcome, two relationship sets between combinations and outcome will be considered: (1) $X_x \rightarrow Y_y$ (The combination set of X_x drives to one certain outcome Y_y . If X_x is present, Y_y is always present. The combination set of X_x ; hence, represent the sufficient condition to Y_y) and (2) $X_x; X_y \rightarrow Y_y$ (This second pattern represents the *equifinality* of fsQCA at most which allows for different mutually non-exclusive explanations of the same phenomenon and tolerates the possible multiple paths or solution to the same outcome (Elliot, 2013). In this case, both combination of X_x and X_z lead to the same outcome of Y_y . Because X_x and X_z contain different types of combination, the meaning of *sufficient* characteristic and *necessary* characteristic might be interesting in this type of relationship pattern.

Based on the given three possible relationship patterns, the combination sets of the organisational characteristics of the cases are analysed. The main concept, supported by the notion of the modified fsQCA analysis, is sufficient and necessary conditions: all possible combinations (X_x) that lead to an outcome (Y_y) are *sufficient conditions* of the outcome (Y_y). It indicates that in the presence of the combination set of (X_x), the presence of the outcome (Y_y) is also true which is proofed by the actual case description result. *Necessary conditions* represent the conditions that are required to produce the outcome (Y_y) and the conditions (X_x) is also present, if whenever the outcome (Y_y) is present. The detailed calculation and set-analysis description can be found in Appendix 5.2.

Identification of Possible Outcomes (Y_y) in Level 1				
Level 1	Result	Case	Relationship Pattern (Level 1)	Necessary Condition (Level 1)
Focused Sequencing Strategy (Y_1 or Y_1D_d)	SR6	Case 3 / 4 / 5 / 7	$X_x; X_z \rightarrow Y_y$	$G \sim F$
Unfocused Sequencing Strategy (Y_2 or Y_2D_d)	SR7	Case 1 / 2 / 6 / 8 / 9 / 10	$X_x; X_z \rightarrow Y_y$	G

Table 2 Identification of Possible Outcomes Y_y in Level 1

The result of set-analysis is depicted in Table 2 and Table 3 where the possible sequencing outcomes (Y_y) are mentioned. The Table 2 demonstrates the set-analysis results SR_6 and SR_7 in level 1, how the combination sets of the organisational characteristics relate to the focused (Y_1) and unfocused (Y_2) sequencing strategies, while the Table 3 specifically indicates the differentiated strategies that were chosen by the cases as the dominant sequencing

strategies ($Y_y D_d$) or recessive sequencing strategies ($Y_y R_r$) for each focused (Y_1) and unfocused (Y_2) sequencing strategy.

Identification of Possible Outcomes (Y_y) in Level 2						
Level 1	Level 2	Result	Sequencing Strategy	Case	Relationship Pattern (Level 2)	Necessary Condition (Level 2)
Focused Sequencing Strategy (Y_1)	Dominant ($Y_1 D_d$)	SR1	Standardised Template ($Y_1 D_1$)	Case 3	$X_x \rightarrow Y_y$	$G \sim CLN \sim F$
		SR2	Cultural Similarity ($Y_1 D_2$)	Case 4 / 7	$X_x \rightarrow Y_y$	$GC \sim L \sim N \sim F$
		SR3	Other Sequencing Strategy ($Y_1 D_3$)	Case 5	$X_x \rightarrow Y_y$	$G \sim CL \sim N \sim F$
	Recessive ($Y_1 R_r$)	SR4	Industry Clustering ($Y_1 R_1$)	Case 1	$X_x \rightarrow Y_y$	$G \sim CLNF$
		SR8	Enhancing Organisational Learning ($Y_1 R_2$)	Case 2 / 6 / 10	$X_x; X_z \rightarrow Y_y$	G
		SR9	Diffusion of Trends ($Y_1 R_3$)	Case 8 / 9	$X_x; X_z \rightarrow Y_y$	$G \sim CN$
Unfocused Sequencing Strategy (Y_2)	Dominant ($Y_2 D_d$)	SR10	Existing Customer Demand ($Y_2 D_1$)	Case 1 / 2 / 8 / 9	$X_x; X_z \rightarrow Y_y$	$G \sim CN$
		SR11	Unexpected Pull of Network Partners ($Y_2 D_2$)	Case 6 / 10	$X_x; X_z \rightarrow Y_y$	G
	Recessive ($Y_2 R_r$)	SR12	Existing Customer Demand ($Y_2 R_1$)	Case 3 / 4 / 5	$X_x; X_z \rightarrow Y_y$	$G \sim F$
		SR5	Unexpected Pull of Network Partners ($Y_2 R_2$)	Case 7	$X_x \rightarrow Y_y$	$GC \sim L \sim N \sim F$

Table 3 Identification of Possible Outcomes Y_y in Level 2

7. Refinement of Propositions

The result of the modified fsQCA analysis show that organisations need to contain a high level of global mindset and low level of financial resources ($G\sim F$) as the necessary condition to construct the focused sequencing strategy (Y_1) from the level 1 perspective (see SR_6 in Table 2). Based on this, it confirms the proposition 1 and 3 with the combination set of GC and 7 with the combination set of $GCL\sim N\sim F$.

R1) The proposition 1,3 and 7 are confirmed by the set analysis result 6 (SR_6).

Also, SR_7 shows a high level of global mindset as the necessary condition for the unfocused sequencing strategy (Y_2). All suggested propositions 2,4,5 and 6 contain such a high level of global mindset, hence, it can be confirmed based on the set analysis result of SR_7 with a level 1 analysis in general (see Table 3).

R2) The proposition 2, 4, 5 and 6 are confirmed by the set analysis result 6 (SR_7).

Because all of the suggested propositions are confirmed in the level 1 examination, the set analysis result of level 2 will be considered in order to investigate the combination sets of organisational characteristics more in detail. The differentiation has the form of the dominant outcome ($Y_d D_d$) – which indicates the actual observable sequencing strategy of companies – and the recessive outcome ($Y_r R_r$) – which is present, but not observable in the actual sequencing strategies (see the Table 3).

As the SR_6 shows, if an organisation demonstrates a high level of global mindset and low level of financial resources, it is more likely to follow the focused sequencing strategies (Y_1) (see Table 2). These strategies are varied into three different dominant focused sequencing strategies ($Y_1 D_d$) based on the sample cases – following standardised template ($Y_1 D_1$) in case 3 (SR_1), cultural similarity ($Y_1 D_2$) in case 4 and 7 (SR_2), and following other focused sequencing strategies ($Y_1 D_3$), such as, technology penetration rate in case 5 (SR_3) (see Table 25).

The dominant focused sequencing strategies ($Y_1 D_d$) in the given forms demonstrate three possible combination sets: $G\sim CLN\sim F$ (SR_1), $GC\sim L\sim N\sim F$ (SR_2) and $G\sim CL\sim N\sim F$ (SR_3). All three results consist of the combination of a high level of global mindset and a low level of financial resources, while the level of the other organisational characteristics vary from on to the other.

The SR_1 shows that organisations need to retain a high level of learning orientation and a high level of network competence, while the meaning of cultural intelligence is overlooked. The main organisational characteristic to follow a standardised template for their sequencing strategy is the low level of financial resources within the organisation, consequently, company 3 for instance has attempted to follow the standardised internationalisation receipt from the other established competitors with which the success of the market entry is ensured and less financial resource is required. However, for the integration of external information, generated by the competitors, the organisation should actively learn, thus, a high level of learning orientation is crucial.

Similar to SR_1 , SR_3 demonstrates the other form of focused sequencing strategies (Y_1) which requires a low level of network competence, such as, following a technology penetration rate for the sequencing. If an organisation generates their strategic building based on the statistical data, it does not require any high level of cultural intelligence, network competence or financial resources, but only a high level of learning orientation, which supports the adaptive learning process of the organisation.

The only dominant focused sequencing strategy (Y_1D_2) that indicates the importance of cultural intelligence is when the organisation targets to follow cultural similarity to enter the foreign market. If an organisation has a high level of global mindset and cultural intelligence, they rather set focused sequencing strategies (Y_1D_2) with which they are able to intentionally follow cultural similarity and manage the cultural aspects of different countries. In this case, despite of the low level of other organisational characteristics, organisations are able to intentionally set their sequential order of foreign market entry at t_0 .

The recessive focused sequencing strategies (Y_1R_r), shown as SR_4 , SR_8 and SR_9 , are the focused sequencing strategies that played a role in the strategic decision at t_0 , but not shown as the chosen sequencing strategies at t_1 . By considering them, all three results indicate the vital meaning of a high level of global mindset, however, two of them (SR_4 and SR_9) see the meaning of cultural intelligence as not significant for the focused sequencing strategic building, although both of them emphasise the importance of a high level of network competence for following the industry clustering (Y_1R_1) and diffusion of trends (Y_1R_3).

These results - SR_1 , SR_2 and SR_3 as the dominant focused sequencing strategies (Y_1D_d), and SR_4 , SR_8 and SR_9 as the recessive focused sequencing strategies (Y_1R_r) – generally indicate a high level of global mindset as an essential specification for following the focused sequencing strategy (Y_1) in combination with a low level of cultural intelligence. Compared to the suggested proposition 1, which sees the combination of a high level of global mindset and cultural intelligence as an essential and fundamental component for following the focused sequencing strategy (Y_1), the result of the set-analysis demonstrates the complementary function of other organisational characteristics. In other words, in case of a lack of cultural intelligence, organisations manage the deficiency by complementing it through other organisational characteristics, for instance, through a high level of learning orientation (SR_1 , SR_3 and SR_4) or a high level of network competence (SR_1 , SR_4 and SR_9). A high level of cultural intelligence is required, only if the organisation follows the cultural similarity for their sequential foreign market entry, such as, from Germany to other European countries, as confirmed by SR_2 .

Hence, the set-analysis results SR_1 , SR_3 , SR_4 and SR_9 indicate that the combination of a high level of global mindset and a high level of cultural intelligence is not a fundamental composition of the organisational characteristics that lead organisations to follow the focused sequencing strategies (Y_1). Therefore,

R3) The proposition 1 with the combined organisational characteristic of a high level of global mindset and a high level of cultural intelligence (GC) for following focused sequencing strategies needs to be reconsidered.

Furthermore, SR_1, SR_2, SR_3 and SR_4 even indicate the negative relationship between cultural intelligence and learning orientation that in case of having a low level of cultural intelligence, organisations have a high level of learning orientation. Additionally, different than proposition 3, despite of the negative relationship between cultural intelligence and learning orientation, organisations tend to follow focused sequencing strategies (Y_1). This result disagrees with the provided argumentations based on the literature that organisations with the high level of learning orientation should also have the high level of cultural intelligence. Thus,

R4) Proposition 3 with the combined organisational characteristic of a high level of global mindset, a high level of cultural intelligence and a high level of learning orientation (GCL) for following focused sequencing strategies needs to be reconsidered.

As shown from the result in level 1 (see Table 2), in order to follow focused sequencing strategies (Y_1), the combination of a high level of global mindset and a low level of financial resources are considered as the necessary condition. It is also consistently shown in the dominant focused sequencing strategies (Y_1D_d). It indicates that the combination of a high level of global mindset, but a low level of financial resources provides organisations various options to decide among different form of focused sequencing strategies (Y_1D_d), for instance, following the standardised template, cultural similarity or technology penetration rate. This combination component has been also mentioned by proposition 7 which asserts the negative relationship between focused sequencing strategies and financial resources.

Regarding the network competence, however, no significant consistency in its combination with the other organisational characteristics is observable in SR_1, SR_2 and SR_3 . Hence, it is not possible to completely agree or disagree with the suggested proposition 7. Also, due to the exclusion of the fundamental combination, which consists of a high level of global mindset and cultural intelligence, proposition 7 can be only partially agreed by SR_6 (in level 1 analysis). Therefore,

R5) Proposition 7 with the combined organisational characteristic of a high level of global mindset, a high level of cultural intelligence, a high level of learning orientation, a low level of network competence and a low level of financial resources (GCL~N~F) for following focused sequencing strategies should be reconsidered. It can only be confirmed partially that the combination of high level of global mindset and low level of financial resources leads organisations to follow the focused sequencing strategies (Y_1), as indicated by the SR_6 .

From the SR_7 , if an organisation demonstrates a high level of global mindset, it is more likely to follow the unfocused sequencing strategies (Y_2) (see Table 2). Accordingly, the unfocused sequencing strategies (Y_2D_d or Y_2R_r) can be seen in different forms, such as, following the existing customer demand (Y_2D_1 and Y_2R_1) in cases 1, 2, 3, 4, 5, 8 and 9 (SR_{10} and SR_{12}) or unexpected pull of network partners (Y_2D_2 and Y_2R_2) in cases 6, 7 and 10 (SR_{11} and SR_5) (see Table 3).

As shown in SR_7 in level 1 analysis, both dominant unfocused sequencing strategies Y_2D_1 and Y_2D_2 consist of high level of global mindset; $G\sim CN$ (SR_{10}) and G (SR_{11}). Also, the recessive unfocused sequencing strategies

show the combination sets of $G\sim F$ (SR_{12}) and $GC\sim L\sim N\sim F$ (SR_5) with which a high level of global mindset is included.

As the primitive expression of $G\sim CN$ of SR_{10} shows that the organisations with the combination set of a high level of global mindset and network competence, but a low level of cultural intelligence choose the unfocused sequencing strategy (Y_2) in form of following the existing customer demand (Y_2D_1). The primitive expression of SR_{10} , however, does not provide any significance regarding the other organisational characteristics, such as, the level of learning orientation or the financial resources. In other words, the SR_{10} is only able to evaluate the level of global mindset, cultural intelligence and network competence in its combination, but not the level of learning orientation or financial resources of the organisation. This absence of the primitive expression can mean that the level of learning orientation or financial resources is not significantly consistent to organisations to decide for following the unfocused sequencing strategies (Y_2). Thus, the organisational characteristic combination of a high level of global mindset and network, and a low level of cultural intelligence is already sufficient for executing the unfocused sequencing strategy (Y_2D_1) based on the SR_{10} .

Also, it means that a high level of network competence which leads organisations to follow unfocused sequencing strategies (Y_2) is independent from the organisational level in learning orientation, while the literature indicates the positive relationship between network competence and the organisational learning in terms of processing the market information and new knowledge. Hence, the network competence could be supported by the learning orientation, but it is not necessary for organisations to perform a high level of network competence. In the same vein, there is no significant evidence for the level of financial resources for the decision of following unfocused sequencing strategies Y_2D_a , while the literature often asserts the creative or improvisational strategic behaviour which can be supported by the existence of financial resources. Therefore,

R6) Proposition 6 with the combined organisational characteristic of a high level of global mindset, a high level of cultural intelligence, a high level of learning orientation, a high level of network competence and a high level of financial resources (GCLNF) for following unfocused sequencing strategies needs to be reconsidered due to the lack of empirical statement of SR_{10} .

Moreover, even though these only appear as a form of recessive unfocused sequencing strategies (Y_2R_r), the combination sets, provided by the SR_{12} ($G\sim F$) and the SR_5 ($GC\sim L\sim N\sim F$) are still compelling. As SR_5 shows, organisations with a high level of global mindset, cultural intelligence but low level of learning orientation, network competence and financial resources recessively follow the unfocused sequencing strategies (Y_2) in form of chasing the unexpected pull of network partners (Y_2R_2). The SR_5 indicates that the positive relationship between global mindset and cultural intelligence as the essential condition for recessively following unfocused sequencing strategies (Y_2R_r), even though the organisation performs at a low level of learning orientation and financial resources. This supports the notion of proposition 2 partially which asserts the importance of a high level in both global mindset and cultural intelligence, when it comes to the unfocused sequencing strategies (Y_2). Hence,

R7) Proposition 2 with the combined organisational characteristic of a high level of global mindset and a high level of cultural intelligence (GC) for following unfocused sequencing strategies can be partially confirmed that the combination is only shown in terms of the recessive unfocused sequencing strategy Y_2R_2 .

Likewise, while proposition 4 alleges the profound meaning of generative learning orientation for accelerating the unfocused sequencing strategies (Y_2) in the combination with the high level of global mindset and cultural intelligence, none of the given set-analysis results SR_{10} , SR_{11} , SR_{12} and SR_5 consider a high level of learning orientation as essential for following the unfocused sequencing strategies (Y_2). Additionally, SR_5 even negates the meaning of a high level of learning orientation and indicates that the combination of a high level of global mindset and cultural intelligence and the low level of learning orientation, network competence and financial resources ($GC\sim L\sim N\sim F$) supports organisations to follow a unexpected pull of network partners for their unfocused sequencing strategy (Y_2R_2). The previous assumptions based on the literature that an organisational learning orientation might support organisations to react appropriately towards the innovativeness and improvisational characteristics of the market, therefore, needs to be reconsidered. Thus,

R8) Proposition 4 with the combined organisational characteristic of a high level of global mindset, a high level of cultural intelligence and a high level of learning orientation (GCL) for following unfocused sequencing strategies needs to be reconsidered.

Last but not least, the lack of financial resources in SR_{12} and SR_5 demonstrates that organisations are able to have the intention of following unfocused sequencing strategies (Y_2R_r) even though they do not have the sufficient financial slack for supporting the innovativeness and organisational learning processes. This disagrees proposition 5 which argues that organisations are able to follow unfocused sequencing strategies, if the combination of their organisational characteristics consists of high level of financial resources and learning orientation. Having said this, SR_5 contains the combination component of low level of learning orientation and financial resources ($GC\sim L\sim N\sim F$) which could be interpreted that there is a positive relationship between the organisational characteristic of learning orientation and financial resources. Thus,

R9) Proposition 5 with the combined organisational characteristic of a high level of global mindset, a high level of cultural intelligence, a high level of learning orientation and a high level of financial resources (GCLF) for following unfocused sequencing strategies can be partially confirmed due to the existence of a positive relationship between learning orientation and financial resources. However, the unfocused sequencing strategies only appear in combination with a low level of learning orientation.

Overall, as mentioned at the beginning of the chapter, if the propositions are only considered from the level 1 analysis, all of the suggested propositions could be confirmed because the given necessary conditions from SR_6 and SR_7 (see Table 2), calculated through the modified fsQCA, cover the general boundary of the essential combination sets of the organisational characteristics. For a more differentiated analysis in terms of each possible appearance of focused (Y_1) and unfocused (Y_2) sequencing strategies, and dominant (Y_yD_d) and recessive (Y_yR_r) sequencing strategies suggested by propositions are examined in more detail. The analysis result is as follows (C=confirmed; R=reconsideration is needed; N=Not approvable):

Set-Analysis Result (SR_x) and Propositions																		
Propositions	Strategies	G	C	L	N	F	Level 1		Level 2									
							SR6	SR7	SR1	SR2	SR3	SR4	SR5	SR8	SR9	SR10	SR11	SR12
P1	Y1	1	1	0	0	0	C	N	R	C	R	R	N	C	R	N	N	N
P3	Y1	1	1	1	0	0	C	N	R	R	R	R	N	C	R	N	N	N
P7	Y1	1	1	1	0	0	C	N	R	R	R	R	N	C	R	N	N	N
P2	Y2	1	1	0	0	0	N	C	N	N	N	N	C	N	N	R	C	C
P4	Y2	1	1	1	0	0	N	C	N	N	N	N	R	N	N	R	C	C
P5	Y2	1	1	1	0	1	N	C	N	N	N	N	R	N	N	R	C	R
P6	Y2	1	1	1	1	1	N	C	N	N	N	N	R	N	N	R	C	R

Table 4 Set-analysis result (SR_x) and propositions

8. Discussion

Due to the increasing importance of the global business, many scholars have been emphasizing the strategic roles of internationalisation for organisations (e.g., Burgel & Murray, 2000; Barkema et al., 1996; Zahara et al., 2000; Halebian & Finkelsten, 1999; Hayward, 2002), such as, to create competitive advantages (Argote & Olivera, 1999) or to learn how to disseminate knowledge (Darr et al., 1995) in general. Some of them have specified the term internationalisation into a certain order of foreign market entry, which is called *sequencing strategies* where organisations follow a specified order of country entries (Delios & Henisz, 2003; Bingham, 2007;2009).

The existing literature, however, has demonstrated two significant research gaps: The former is that they only focus on the relationship between the single organisational characteristics towards the sequential internationalisation, for example, how the global mindset relates to the improvised or less improvised internationalisation and how the organisational performance depends on it. The latter is that the combination of the organisational characteristics have been overlooked, thus, the aggregated effect which consist of different organisational characteristics at the same time has not yet been researched intensively.

To fill the research gap, the aim of the given paper has been to differentiate the term sequencing into *focused* (in which organisations proactively maintain a control power in their autonomous strategic decision making at t_0 and the consequence of sequencing strategy they choose at t_1 is predictable and obvious) and *unfocused* (in which companies are highly influenced by external impacts at t_1 that are not predictable and not obvious at t_0) sequencing strategies. Moreover, based on the existing literature, the five most frequently researched organisational characteristics – *global mindset*, *cultural intelligence*, *learning orientation*, *network competence* and *financial resources* – have been selected for the research on how the combined effect of the given organisational characteristics relate to focused and unfocused sequencing strategic building of organisations.

Initially, based on the literature, seven propositions are suggested that demonstrate the combination sets of organisational characteristics and how they relate to the focused and unfocused sequencing strategies. Based on the aggregated result of 10 qualitative interviews, questionnaires, case descriptions and the modified fsQCA analysis, these given propositions are examined and refined.

The main findings from the aggregated examination demonstrate the necessary conditions for the focused and unfocused sequencing strategy: For following the focused sequencing strategy (Y_1), the combination set of a high level of global mindset and a low level of financial resources ($G\sim F$) is necessarily required (based on SR_6), while high level of global mindset (G) has been seen as essential for following the unfocused sequencing strategy (Y_2) (based on SR_7). It asserts that the high level of global mindset is the most fundamental organisational characteristics for both focused and unfocused sequencing strategies. However, the necessary condition represents only the combination for sequencing strategies (Y_y) in general, further investigation has been performed into the differentiated form of the dominant ($Y_y D_d$) and recessive ($Y_y R_r$) sequencing strategies.

The seven suggested propositions have been performed based on argumentations from the literature that a combination of a high level of global mindset and a high level of cultural intelligence is fundamental for

international assignments or internationalisation (e.g., Lovvorn & Chen, 2011; Earley et al. 2007). Having said this, the aggregated analysis result shows that a high level of cultural intelligence in combination with a high level of global mindset is only observable in case of following the certain focused sequencing strategy of cultural similarity (Y_1D_2 from the case 4), but the result cannot be generalised to all focused sequencing strategies. For instance, in the case of company 10, despite of having cultural intelligence, it does not follow the focused sequencing strategy.

Compared to the literature, that underlies the crucial meaning of cultural understanding for having the high level of global mindset (e.g., Begley & Boyd, 2003; Gouldner, 1957; Archibugi & Pietrobelli, 2003; Beck, 2000; Hannerz, 1996), the level of cultural intelligence does seem to occur independently from the level of global mindset. Consequently, the combination set consisting of both organisational characteristics has not been persistently presented by either focused or unfocused sequencing strategies dominantly.

This can be explained by the fact that the cultural perspective of the global mindset covers the general geocentric cognitive setting and orientations, while cultural intelligence more specifically mentions the knowledge about the legal or language of countries and the actual capability to adjust to diverse cultural situations (Ang et al., 2006; Earley & Ang, 2003). Also, it is not necessary to have a high level of organisational cultural intelligence at t_0 when the strategic decision is made because the knowledge about foreign legal and economic system could be gained additionally along the actual internationalisation at t_1 , for instance, through the cultural knowledge of business partners or hiring foreign employees (in the case of company 4) who are able to capture the complex perception about cultural influence on economic, network, and business structure (in the case of company 7). Therefore, the combined effect of high level of global mindset and cultural intelligence is not significant on the focused or unfocused sequencing strategy building.

Furthermore, proposition 3 and 4 have suggested the combined effect of high level of global mindset, cultural intelligence and high level of learning orientation on both focused and unfocused sequencing strategies respectively. While both propositions are argued based on the literature which demonstrates that culture is learnable and the process capability of cultural intelligence is highly supported by the organisational learning ability (Adler & Kwon, 2002; Dyer & Nobeoka, 2000; Kang et al, 2007), all of the case descriptions in terms of the combination of the level of cultural intelligence and learning orientation show the negative relationship to each other (see Table 1). In other words, if an organisation has a high level of cultural intelligence, it does not perform a high level of learning orientation automatically and vice versa. Also, the combination of a high level of cultural intelligence and a low level of learning orientation does not occur only in focused sequencing strategies (in case 3 and 5), but also in unfocused sequencing strategies (in the case 1,2,6 and 9).

If the interview of case 2, 3 and 5 with a significant high level of the learning orientation are considered, all of them have emphasised the commitment to learn and share the knowledge within the organisations. These cases show the importance of having a high level of leaning orientation for following both focused or the unfocused sequencing strategies at t_0 . Additionally, most of them mentioned that the meaning of transferring knowledge as the essential ability when the organisation is growing and operating internationally that the gathered information and knowledge is equally transferred within the organisation which demonstrates the increasing importance of a

high level of learning orientation after the actual sequencing strategy executes at t_1 . The suggested propositions that indicate the positive relationship between the cultural intelligence and the learning orientation, therefore, could consistently occur after executing the actual internationalisation when the level of cultural intelligence is also increasing due to the gathered cultural experiences. Thus, a high level of learning orientation might enhance to digest the new information and cultural knowledge after the actual sequencing happens at t_1 , but the combination of these organisational characteristics does not affect either focused or unfocused sequencing strategies at t_0 , where organisations not yet have sufficient cultural information in order to proceed.

Moreover, even though the combined effect of high level of network competence and learning orientation is not significant from the set-analysis result, most of the cases which include high level of both characteristics tend to follow the unfocused sequencing strategies; in case of a high level of learning orientation and network competence, the organisations choose to follow focused (in the case of company 3) or unfocused sequencing strategies (in the case of company 1,2,6 and 9). This result supports the argumentation based on the existing literature that the market-specific and improvisational knowledge gained through the network is proceed by a high level of learning orientation (e.g., Petersen et al., 2003; Johanson & Vahlne; 2007). If organisations have a high level of network competence which is supported by a high level of learning orientation, they are more capable to share knowledge with partners (in the case of company 3 and 9), more aware of partner selection with whom they can have an advantage due to previous experiences of the partners (in the case of company 1 and 8), and to gain access to new markets (in the case of company 6). The actual appearance of unfocused sequencing strategies differs from company to company, however, their high level of network competence has been supported by a high level of learning orientation and the combination demonstrates the synergy in most of the cases.

Also, the combination of a high level of global mindset and a low level of financial resources is significantly presented by SR_6 that organisations with this combination tend to follow focused sequencing strategies. This is also supported by the literature that the search for optimal behaviour would be more intensive and organisations with a low level of financial resources are more likely to avoid the risky and unpredictable strategic action (Cyert & March, 1963). Thus, the combined effect of high level of global mindset, which enables organisations to internationalise at all, and a low level of financial resources lead organisations to follow the focused sequencing strategy.

The given research findings regarding the combined effect of the organisational characteristics on the focused and unfocused sequencing strategies contribute to literature as follow: (1) The relationship between the five organisational characteristics and the internationalisation strategies in general has been specifically focused or unfocused sequencing strategy. For this purpose, the term sequencing strategy, which has been only considered the characteristic of improvisational and less improvisational, has been reformulated and differentiated into focused and unfocused sequencing strategies depending on the timing (pre-setting t_0 and post-setting t_1) whether organisations are able to maintain the autonomous strategic decision at t_1 based on their abilities and characteristics at t_0 .

Furthermore, (2) instead of researching the effect of the single organisational characteristics the combined effect of these characteristics on the focused and unfocused sequencing strategies is considered. Even though some of

the relationships among the given organisational characteristics have already been considered by the literature, such as the one between the level of global mindset and cultural intelligence, the combination and especially its effect on the focused and unfocused sequencing strategies have not yet researched.

Hence, the given paper contributes to fill the research gaps and bridge the two different research fields regarding the definition of sequencing strategies and the combination of the organisational characteristics by answering the research question of the combined effect of the organisational characteristics that affect the focused and unfocused segueing strategy building of the organisation.

9. Limitation and Future Research Suggestions

Because the given thesis covers broad research boundaries and tries to discover the holistic perspective of the strategic decisions of companies in their sequential internationalisation in the global business, it has been a challenging task to consider and limit the research area. Consequently, there are several aspects that could be mentioned as the limitation of the given thesis.

First, the perception of each of five characteristics greatly differs among interviewees and it leads to them having different conceptualisation towards the scales of the quantitative questionnaire, but also for the qualitative interview questions. Even though the meaning of characteristics was previously discussed with the interviewees, the answers from each interviewee fluctuate depending on the individual perception towards the given organisational characteristics.

In the same vein, because the qualitative interview was designed to pursue the semi-structured interview, which was important for receiving more broad information as much as possible, it was recognisable that the answers from the qualitative interviews were highly dependent from the interviewees. Hence, the coding and its calculation were profoundly affected by the interviewees' intention where the focus of the interview lied. For instance, if an interviewee has more background knowledge regarding specific organisational characteristic, there were higher number of quotations regarding that characteristic which influences the percentage of each organisational characteristic eventually.

Furthermore, the given thesis only focuses on the static status of the characteristics that appears before the real sequencing actually happens at t_0 , hence, the development and learning process of the companies through the actual sequencing has not been considered. Based on the case descriptions, it was remarkable that the upcoming information from the market affect the further strategic decisions at t_2 and they tend to perform the iterative strategic building process. The performance of the first sequencing strategy at t_2 influences the organisational characteristics at t_3 after the first sequencing has been executed. Especially, when they have a high level of learning orientation from the beginning, it is more likely to perform extreme iteration in their further sequencing building because they tend to be flexible to integrate new information from the market compared to the companies with lower learning orientation. Accordingly, it might be interesting to follow how the upcoming information actually influences further strategic building after processing the iteration, specifically, how the learning orientation of the organisation might influence the learning process to perform on a higher level of each characteristic.

One other limitation for the generalisation of the research result occurs due to the small amount of case studies included in the research that has affected the result of the set-analysis result and the findings accordingly. Also, because all of them have its headquarter in Germany or in the Netherlands – both countries are located in Europe and geographically close to each other – the research result could only cover the limited boundaries of the whole phenomenon.

Generally, based on the given research limitations, future research can be recommended. During the interviews, It was recognisable that the upcoming e-commerce industry demonstrates a more extreme concept of sequencing strategy that they perform without being physically present onsite. If the non-presence sequencing is also taken into account, the level of organisational characteristics should present the different combinations towards the sequential internationalisation.

Moreover, the further organisational characteristic in terms of *resources* has been mentioned during the interviews, such as, *lack of time* or *external pressure*. For example, the lack of time made them to put themselves into the controlled environment and forced them to go abroad and process quickly where the organisations show the tendency to follow the focused sequencing rather than the unfocused sequencing strategies.

Also, the level of given organisational characteristics could be considered on an individual or managerial level and how this affects the sequencing strategic decision of the organisation. The differentiation between the organisational characteristics into the individual and organisational level has been discussed by various literature, for instance, that the impact of an individual's global mindset does not stop with that person, but the process of noticing and constructing meaning might have significant implications for the strategic capabilities of the firm (Egelhoff, 1991). Consequently, the combined effects of the given five characteristics might demonstrate different appearance of focused and unfocused sequencing strategies.

Therefore, it might be also highly compelling to include other perspectives of organisational characteristics into the research to observe whether there is any further possible combinations that affect the focused or unfocused sequencing strategies.

10. Managerial Implications

The given paper fundamentally researches the pre-setting of the organisation which can be illustrated as the organisational characteristics, such as, *global mindset*, *cultural intelligence*, *learning orientation*, *network competence* and *financial resources*, and how these characteristics are combined for strategic decision making in terms of focused and unfocused sequencing strategies.

Because the core of the research lies the combined effect of the organisational characteristics, other companies could easily reference the given research findings by analysing the level of their own organisational characteristics for making the strategic decision in which order they enter the foreign market by following either focused or unfocused sequencing strategies. Also, the lack of certain organisational characteristics for planned sequencing strategic decision could be detected prior to the actual sequencing execution, thus, the preparation of required organisational characteristics for the planned sequencing strategy can be referenced based on the given research findings.

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Appendix

Appendix 1. Scales and Codes of Organisational Characteristics

Appendix 1.1 Measurement of Global Mindset

1.	Is your company a leader (rather than a laggard) in your industry in discovering and pursuing emerging market opportunities in all corners of the world?
2.	Do you regard each and every customer whenever they live in the world as being as important as a customer in your own domestic market?
3.	Do you draw your employees from the worldwide talent pool?
4.	Do employees of every nationality have the same opportunity to move up the career ladder all the way to the top?
5.	In scanning the horizon for potential competitors, do you examine all economic regions of the world?
6.	In selecting a location for any activity, do you seek to optimise the choice on a truly global basis?
7.	Do you view the global arena not just as a playground (that is, a market to exploit) but also as a school (that is, a source of new ideas and technology?)
8.	Do you perceive your company as having a universal identity and as a company with many homes?

Table 5 Scale for Global Mindset (Gupta and Gobindarajan 2001; 2002)

Ability to adapt (multi-dimensional)	Acceptance of complexity (multi-dimensional)
Assessing global markets (strategic)	Attention to the global environment
Balance between global and local tension	Balancing organisational processes
Balancing time zones	Cognitive abilities
Competing with global competitors (strategic)	Competitive advantage (strategic)
Complex global competition	Cosmopolitanism (transnational cultures / cultural)
Cross-border capital flows	Cross-border flows of goods
Cross-border flows of services	Cross-border know-how flows
Cultural global mindset	Cultural heterogeneity
Cultural perspective (global mindset)	Curiosity (multi-dimensional)
Dynamic management environment (strategic)	Economic interdependency
Emotional interconnection (multi-dimensional)	Ethnocentric (home-country orientation / cultural)
Flexibility to risk-taking	Geocentric (world-orientation / cultural)
Global cultural interconnection	Global political interconnection
Global social relationship (cultural)	Globalisation pathways (strategic)
High level of information processing demands	Identifying emerging opportunities (strategic)
Importance of global customer (strategic)	Information processing capabilities
Integrating geographical distant operations / markets	Looking for unexpected trends (multi-dimensional)
Multi-internationality of employees (cultural)	Openness (cultural)
Optimisation of choices on global basis (strategic)	Organisational level of global mindset
Performance in multinational business	Polycentric (host-country orientation / cultural)
Responding to local demands (strategic)	Strategic capabilities
Strategic complexity (strategic)	Strategic global mindset
Transnational organisation (strategic)	Universal / global identity (cultural)

Table 6 Codes for Global Mindset

Appendix 1.2 Measurement of Cultural Intelligence

Metacognitive CQ	
1.	My organisation is conscious of the cultural knowledge that is used when interacting with people with different cultural backgrounds.
2.	My organisation adjusts to the cultural norms when interacting with people from an unfamiliar culture.
3.	My organisation is conscious of the cultural knowledge being applied to cross-cultural interactions.
4.	My organisation checks the accuracy of the cultural knowledge when interacting with people from different cultures.
Cognitive CQ	
1.	My organisation is familiar with the legal and economic systems of other cultures.
2.	My organisation is familiar with the rules (e.g., vocabulary, grammar) of other languages.
3.	My organisation is familiar with the cultural values and religious beliefs of other cultures.
4.	My organisation is familiar with the marriage systems of other cultures.
5.	My organisation is familiar with the arts and crafts of other cultures.
6.	My organisation is familiar with the rules for expressing nonverbal behaviours in other cultures.
Motivational CQ	
1.	My organisation enjoys interacting with people from different cultures.
2.	My organisation is confident in socialising with locals in an unfamiliar culture.
3.	My organisation is sure to cope with the stresses of adjusting to a culture that is new to us.
4.	My organisation enjoys living in cultures that are unfamiliar to us.
5.	My organisation is confident in getting accustomed to the shopping conditions in a different culture.
Behavioural CQ	
1.	Company associates are able to change their verbal behaviour (e.g., accent, tone) when a cross-cultural interaction requires it.
2.	Company associates use pauses and silences differently to suit different cross-cultural situations.
3.	Company associates vary the rate of speaking when a cross-cultural situation requires it.
4.	Company associates change nonverbal behaviour when a cross-cultural situation requires it.
5.	Company associates alter facial expressions when a cross-cultural interaction requires it.

Table 7 Scale for Cultural Intelligence (Ang et al., 2007)

Accuracy of cultural knowledge	Adjustment of verbal behaviour
Adjustment to different cross-cultural situations	Adjustment to new culture
Adjustment to new shopping conditions	Cross-cultural communication
Cross-cultural coordination	Cross-cultural experience
Cross-cultural interactions	Cross-cultural resource fungibility
Cross-cultural structural position	Cultural distance
Cultural orientation	Interacting with people from an unfamiliar culture
Interacting with people with different cultural background	Joy in cultural interactions
Joy in living in unfamiliar culture	Knowledge about foreign arts
Knowledge about foreign cultural values and religious beliefs	Knowledge about foreign language
Knowledge about foreign legal and economic systems	Knowledge about foreign marriage system
Knowledge about foreign nonverbal behaviours	Organisational culture
Overcome cultural differences	Shared values and assumptions
Socialisation in an unfamiliar culture	

Table 8 Codes for Cultural Intelligence

Appendix 1.3 Measurement of Learning Orientation

Commitment to Learning
1. Managers basically agree that our organisation's ability to learn is the key to our competitive advantage.
2. The basic values of this organisation include learning as key to improvement.
3. The sense around here is that employee learning is an investment, not an expense.
4. Learning in my organisation is seen as a key commodity necessary to guarantee organisational survival.
Shared Vision
1. There is a commonality of purpose in my organisation.
2. There is total agreement on our organisational vision across all levels, functions and divisions.
3. All employees are committed to the goals of this organisation.
4. Employees view themselves as partners in charting the direction of the organisation.
Open-Mindedness
1. We are not afraid to reflect critically on the shared assumptions we have made about our customers.
2. Personnel in this enterprise realise that the very way they perceive the marketplace must be continually questioned.
3. We rarely collectively question our own biases about the way we interpret customer information.
Market Information Generation
1. We do a lot of in-house market research.
2. We often talk with or survey those who can influence our end users' purchases (e.g., retailers, distributors).
3. We periodically review the likely effect of changes in our business environment (e.g., regulation) on customers.
Market Information Dissemination
1. Marketing personnel spend time discussing customers future needs with other functional departments.
2. There is minimal communication between marketing and other departments concerning market developments.
3. When one department finds out something important about customers, it is slow to alert other departments.
Marketing Program Dynamism
1. Our mix of products / brands has been changed through the marketing program dynamic.
2. Our sales strategies has been changed through the marketing program dynamic.
3. Our sales promotion / advertising strategies have been changes through the marketing program dynamic.

Table 9 Scale for Learning Orientation (Sinkula et al., 1997)

Acquiring knowledge	Active way of learning
Adaptive learning	Behavioural change
Breakthrough	Commitment to learn
Commitment to the organisational goal	Commonality of organisational purpose
Creating knowledge	Creativity
Critical reflection on shared assumptions	Employees' view as partners
External environment and changes	Generative learning
Learning orientation	Market information processing behaviour
Open-Mindedness	Organisational action
Organisational learning	Organisational learning as guarantee for survival
Organisational learning as investment	Organisational learning for competitive advantage
Organisational learning for improvement	Organisational unlearning
Organisational value	Organisational vision
Passive learning approach	Process of organisational learning
Questioning interpretation of customer information	Questioning the market perception
Shared vision	Transferring knowledge
Understanding of environment	

Table 10 Codes for Learning Orientation

Appendix 1.4 Measurement of Network Competence

Cross-Relational	
1.	We evaluate the way our relationship with each technical partner depends on our relations with other technical partners.
2.	We evaluate the way our relationship with each technical partner interferes with our relations with other technical partners.
3.	We organise regular meetings among those in our firm involved in relationships with our technical partners.
4.	We assign people to each relationship with our technical partners.
5.	We assign responsibility to people for each relationship with our technical partners.
Relationship-Specific	
1.	We use organisations, apart from our existing technical partners, to identify potential technical partners (e.g., chambers of commerce, consultants, industry associations, government organisation).
2.	We visit industrial fairs and exhibitions to identify potential technical partners.
3.	We look at company advertisements in specialised technical journals to identify potential technical partners.
4.	We discuss ways of collaborating with people from our network partners.
5.	We put people from our network partners in contact with key people in the firm.
6.	We put people in our firm in contact with key people from our network partners.
Special	
1.	People in our firm who are involved in dealing with our network partners have good relations with important people in our firm.
2.	People in our firm who are involved in dealing with our network partners have good knowledge about the way our firm works.
3.	People in our firm who are involved in dealing with our network partners have good knowledge about the way the firms of other network partners work.
4.	People in our firm who are involved in dealing with our network partners are experienced in dealing with other partners.
Social	
1.	People in our firm who are involved in dealing with our network partners easily communicate their needs to others.
2.	People in our firm who are involved in dealing with our network partners confidently handle negotiations with others.
3.	People in our firm who are involved in dealing with our network partners mix well with other people.
4.	People in our firm who are involved in dealing with our network partners easily sense potential conflict.
5.	People in our firm who are involved in dealing with our network partners work out constructive solutions when there is conflict.
6.	People in our firm who are involved in dealing with our network partners easily put themselves in another person's position.
7.	People in our firm who are involved in dealing with our network partners easily understand other people's behaviour.

Table 11 Scale for Network Competence (Ritter, 2002)

Activity links	Activity synchronisation
Actor bonds	Allocation of personnel
Blocking competitors	Change of economic circumstances
Change of political circumstances	Change of social circumstances
Change of technological circumstances	Communication ability
Competitive relations	Conflict management skills
Cooperativeness	Cost saving
Cross-relational tasks (portfolio of relationship)	Diverse actors and stakeholders
Economic ties	Economies of scale
Enhance flexibility	Enhance learning process
Environmental analysis	Experiential knowledge
Externally oriented control activities	Gain access to new markets
Gain access to new resources	Implementation of plans
Information exchange	Inter-organisational relationship
Know-how exchange	Knowledge about operations of partners
Knowledge sharing	Legal skills
Managing network boundaries	Marketing exchange
Monitoring industry-related journals	Network analysis
Network capability	Network controlling
Network coordination	Network exchange
Network initiation	Network organising
Network planning	Network position
Network qualification management	Network social competence
Network staffing	Network task execution management
Neutralise competition	Organisation-related exchange
Partner selection	Person-related exchange
Product development	Product exchange
Resource allocation	Resource ties
Schema couplings	Self-reflectiveness
Sense of justice	Service development
Service exchange	Services ties
Share cost	Share risk
Social ties	Specialist skills
Staffing conflict management	Staffing responsibilities
Synergies	Technical ties
Technology-related exchange	Understanding of capabilities
Understanding of requirements	Understanding of technical needs
Visiting trade shows / events	Visiting company
Ways of communication	Whole network level

Table 12 Codes for Network Competence

Appendix 1.5 Measurement of Financial Resources (Slack)

1. To what extent did the firm possess enough financial resources to execute the internationalisation strategy?
2. How important were the financial resources for the internationalisation strategy of the firm?
3. How important were the financial resources for the sequence of market entries?
4. To what extent did the amount of financial resources of the firm force the firm to be creative in the sequence of market entries?
5. To what extent was the firm financially able to be experimental in the internationalisation strategy (think of trial-and-error for example)?

Table 13 Scale for Financial Resources (Slack) (Danneels, 2008)

Agent theory perspective	Financial buffer
Financial resources	Financial resources for international execution
Financial resources for strategic activities	Financial resources for strategic behaviour
Financial Resources operational variable	Financial resources organisational theory perspective
Importance of financial resources for internationalisation	Importance of financial resources for sequencing
Influence of financial resources for sequencing	Political activities
Resource for conflict resolution	Source of inducements
Suboptimal behaviour	Technical buffer

Table 14 Codes for Financial Resources (Slack)

Appendix 1.6 Measurement of Sequencing Strategy

Cultural similarity
Diffusion of trends
Enhancing organisational learning
Fleeting opportunity (First-mover advantage)
Industry Clustering (Geographic Region)
Leveraging
Lower tier countries to higher tier
Small to larger countries
Standardised template
Surrounding by big players
Tech reputation
Other focused (less improvised) foreign market entry

Table 15 Codes for Focused International Market Entry Strategies

Existing customer demand (market pull)
Unpredictable Nature of Technology Market (technology push)
Unexpected pull of network partners
Other unfocused (improvised) foreign market entry

Table 16 Codes for Unfocused International Market Entry Strategies

Appendix 1.7 Qualitative Interview Questions

Sequencing Strategy
<ul style="list-style-type: none"> • Why did your organisation decide to go international in the first place?
<ul style="list-style-type: none"> • Why did you go to country A? B? C? Why did your organisation make the decision to particularly go to that country?
<ul style="list-style-type: none"> • Why did you decide to go for the order of your country sequence (A-B-C countries)? Was there a rationale behind this decision?
<ul style="list-style-type: none"> • By what was the first internationalisation driven? What moved your organisation to go international / what were the motivations of the organisation?
<ul style="list-style-type: none"> • How satisfied was your organisation after the country sequence? If not, why were you not convinced by that decision?
Global Mindset
<ul style="list-style-type: none"> • How was your sequencing strategy influenced by the global mindset of the organisation? How did that affect firm performance? (GM-SQ)
<ul style="list-style-type: none"> • How does the global mindset of your organisation influence your sequencing strategy? (GM-SQ)
Cultural Intelligence
<ul style="list-style-type: none"> • How was your sequencing strategy influenced by the cultural intelligence of the organisation? (CI-SQ)
<ul style="list-style-type: none"> • How does the cultural impact influence the learning orientation of your organisation? (CI-LO)
Learning Orientation
<ul style="list-style-type: none"> • How did the learning orientation of your organisation influence your sequencing strategy? (LO-SQ)
<ul style="list-style-type: none"> • How is your organisation's learning orientation influenced by the global mindset of your organisation? (LO-GM)
Network Competence
<ul style="list-style-type: none"> • How did your organisation's network competence influence the decision to go abroad? (NC-SQ)
<ul style="list-style-type: none"> • How did your organisation's network competence influence your sequencing strategy? (NC-SQ)
<ul style="list-style-type: none"> • To what extent was your organisation's network competence influenced by the organisational cultural intelligence? (NC-CI)
<ul style="list-style-type: none"> • To what extent was your organisation's network competence influenced by the organisational global mindset? (NC-GM)
Financial Resources
<ul style="list-style-type: none"> • How did the amount of financial resources of the firm influence your sequencing strategy for country A, B, C? (FR-SQ)
<ul style="list-style-type: none"> • To what extent was the sequence of market entries influenced by financial resources gathered from the company's network? (FR-NW)
<ul style="list-style-type: none"> • To what extent was the allocation of financial resources influenced by your organisation's view on differences between markets? (FR-GM)

Table 17 Qualitative Interview Questions

Appendix 2. Propositions

Appendix 2.1 Direct Relationship between Organisational Characteristics and Sequencing Strategies

Relationship between Organisational Characteristics and Sequencing Strategies		
Organisational Characteristics	Focused Sequencing (Y1)	Unfocused Sequencing (Y2)
Global Mindset	Integrating geographical distant operating and markets; importance of global customers; balance between global and local customers; competing with global competitors; high level of information processing demands and capabilities; cultural orientation; assessing global market; optimisation of strategic choices	Acceptance of complexity; ability to adapt in multidimensional circumstances; exploitation of emerging opportunities
Cultural Intelligence	Accuracy of cultural knowledge; knowledge about foreign cultural values; knowledge about foreign language; knowledge about foreign legal and economic systems	Interacting with people from an unfamiliar culture; interacting with people with different cultural backgrounds; socialisation in an unfamiliar culture
Learning Orientation	Adaptive learning, organisational learning; commitment to learning, market information processing behaviour; transferring knowledge	Generative learning; learning from external environment and changes; open-mindedness; questioning interpretation of customer information
Network Competence	Abilities in network planning, organising, staffing; technology-related exchange, cooperative relations; gain access to new resources; marketing exchange; information exchange	Enhancing flexibility, learning process; experiential knowledge; network initiation through technological changes; environmental analysis
Financial Resources	Strategic and political activities and behaviours	Supporting innovative processes

Table 18 Relationship between organisational characteristics and sequencing strategies

Appendix 2.2 Propositions for Combined Effects of Organisational Characteristics on Sequencing Strategies

Truth Table of Propositions							
Case	G	C	L	N	F	Focused Sequencing (Y1)	Unfocused Sequencing (Y2)
1	1	1	1	1	1		Proposition 6
2	1	1	1	1	0		
3	1	1	1	0	1		Proposition 5
4	1	1	1	0	0	Proposition 3 Proposition 7	Proposition 4
5	1	1	0	1	1		
6	1	1	0	1	0		
7	1	1	0	0	1		
8	1	1	0	0	0	Proposition 1	Proposition 2
9	1	0	1	1	1		
10	1	0	1	1	0		
11	1	0	1	0	1		
12	1	0	1	0	0		
13	1	0	0	1	1		
14	1	0	0	1	0		
15	1	0	0	0	1		
16	1	0	0	0	0		
17	0	1	1	1	1		
18	0	1	1	1	0		
19	0	1	1	0	1		
20	0	1	1	0	0		
21	0	1	0	1	1		
22	0	1	0	1	0		
23	0	1	0	0	1		
24	0	1	0	0	0		
25	0	0	1	1	1		
26	0	0	1	1	0		
27	0	0	1	0	1		
28	0	0	1	0	0		
29	0	0	0	1	1		
30	0	0	0	1	0		
31	0	0	0	0	1		
32	0	0	0	0	0		

Table 19 Truth Table of Propositions

Appendix 3. Information about Cases

Case Information						
Case	Company Description	Founding Year	Head Quarter	Sequencing Order		
1	Software consultancy which provides 3D printing consulting service and develops the 3D printing software	2014	Germany	Germany (Berlin) (2014)	Poland (2015)	Silicon Valley (US) (2016)
2	Providing transportation service application which focuses on the business people who desire to have the quality transfer service around the world	2012	Germany	100 cities within 100 days (2013)	20 cities (2014)	35 cities (2015)
3	Providing the reservation service application for tourists	2009	Germany	Germany (Berlin) (2010)	Rom (2014)	Paris, London, Barcelona (2015)
4	A financial application service provider, which offers the bank transaction services to the European countries	2015	Germany	Germany; Austria (January 2015)	France, Italy, Spain, Island, Greece, Slovakia (December 2015)	9 other European Countries (November 2016)
5	A application service provider that focuses on providing women-oriented healthcare application in Android and iOS operating system	2013	Germany	German; English (2013)	Danish; French; Chinese; Italian, Portuguese, Spanish (2014-2015)	Japanes; Korean; Polish; Hindi (Early 2016)
6	Producing eye measuring equipment for fitting lenses	2010	Netherlands	Germany; Italy; France; Luxemburg (2014)	USA (2015)	
7	Producing outdoor toys for childrens	1985	Netherlands	Germany (1995)	Belgium (2000)	Ireland (2002)
8	Producing electronic baggage tags for check-in luggage at airports	2013	Netherlands	Germany (Lufthansa) (2014)	France (Air-France); Netherlands (KLM) (2015)	USA (United) (2016)
9	Producing machineries for researching and discovering new materials	1998	Netherlands	China (2007)	India (2014)	USA
10	A medium sized company which produces bio-energy system	1991	Netherlands	Rumania (2004)	Belgium (2009)	Poland (2010); UK (2011); Germany (2012); France (2013); Ireland (2014); Croatia (2016); Sweden (2016); Finland (2017)

Table 20 Case Information

Appendix 4. Result of Sample Cases

Appendix 4.1 Codes Appearance Table

	Case 1	Case 2	Case 3	Case 4	Case 5	Case 6	Case 7	Case 8	Case 9	Case 10
Global Mindset										
Ability to adapt (multi-dimensional)	0	0	5	1	0	0	4	0	5	0
Acceptance of complexity (multi-dimensional)	0	0	0	0	0	0	1	0	0	0
Assessing global markets (strategic)	5	6	2	1	5	3	0	1	1	2
Attention to the global environment	1	2	0	0	2	5	0	1	1	0
Balance between global and local tension	0	2	7	0	1	3	2	1	1	0
Balancing organisational processes	0	0	0	0	0	0	0	0	0	0
Balancing time zones	1	4	3	0	1	0	0	0	0	0
Cognitive abilities	0	0	0	0	0	0	0	0	0	0
Competing with global competitors (strategic)	3	3	2	1	0	0	1	2	2	1
Competitive advantage (strategic)	2	2	0	1	0	0	1	0	1	0
Complex global competition	1	1	0	0	0	0	0	0	0	0
Cosmopolitanism (transnational cultures) (cultural)	2	0	0	0	1	1	0	1	0	1
Cross-border capital flows	0	0	0	0	0	0	0	0	0	0
Cross-border flows of goods	0	0	0	0	0	0	0	0	0	0
Cross-border flows of services	0	0	0	0	0	0	0	0	0	0
Cross-border know-how flows	0	2	0	0	0	0	0	0	0	0
Cultural global mindset	4	4	0	0	0	2	1	0	1	1
Cultural heterogeneity	0	0	0	0	0	0	0	0	0	0
Cultural Perspective (GM)	0	2	0	0	1	0	0	0	0	0
Curiosity (multi-dimensional)	0	0	0	0	0	0	0	0	0	0
Dynamic management environment (Strategic)	0	0	0	0	0	0	0	0	0	0
Economic interdependency	0	0	0	0	0	0	0	0	0	1

Emotional interconnection (multi-dimensional)	0	0	0	0	0	0	0	0	0	0
Ethnocentric (home-country orientation) (cultural)	1	0	0	0	0	0	0	0	0	0
Flexibility to risk-taking	1	0	2	0	0	4	1	0	1	1
Geocentric (world-orientation) (cultural)	0	0	0	0	0	0	0	0	0	0
Global cultural interconnection	3	1	0	0	1	0	0	0	0	0
Global political interconnection	1	0	0	0	0	0	0	0	0	1
Global social relationship (cultural)	0	0	0	0	0	0	0	0	0	0
Globalisation pathways (strategic)	0	2	1	0	0	0	0	0	0	0
High level of information processing demands	0	0	0	0	0	0	0	0	0	0
Identifying emerging opportunities (strategic)	4	1	0	2	0	3	1	1	0	1
Importance of global customer (strategic)	6	3	2	0	4	1	0	2	5	0
Information processing capabilities	0	0	0	0	0	0	0	2	0	0
Integrating geographical distant operations and markets (strategic)	1	0	0	1	0	0	3	0	0	2
Looking for unexpected trends (multi-dimensional)	0	1	0	0	0	0	0	1	1	0
Multi-internationality of employees (cultural)	2	4	5	1	7	0	0	0	3	1
Openness (cultural)	3	4	2	0	2	0	0	0	0	0
Optimisation of choices on global basis (strategic)	0	0	0	0	0	1	0	0	0	0
Organisational level of global mindset	1	4	4	0	3	1	0	0	0	0
Performance in multinational business	0	0	0	0	3	0	0	0	2	2
Polycentric (host-country orientation / cultural)	2	0	0	0	0	0	0	0	0	0
Responding to local demands (strategic)	0	1	7	1	0	1	2	1	1	0
Strategic capabilities	0	0	0	0	0	1	0	0	0	0
Strategic complexity (strategic)	0	0	1	0	0	1	1	0	0	0
Strategic global mindset	5	0	0	0	0	1	0	1	1	1
Transnational organisation (strategic)	1	0	0	0	0	0	1	2	0	1
Universal / global identity (cultural)	0	1	0	0	0	0	0	0	0	0
Total Number of Codes for Global Mindset	50	50	43	9	31	28	19	16	26	16

Total Number of Citations with Global mindset	23	27	28	8	22	22	17	11	24	15
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Cultural Intelligence										
Accuracy of cultural knowledge	4	9	0	3	2	3	11	2	9	6
Adjustment of verbal behaviour	0	0	0	0	0	0	0	0	0	0
Adjustment to different cross-cultural situations	2	2	0	0	0	1	0	0	0	0
Adjustment to new culture	2	1	0	0	0	0	0	0	1	0
Adjustment to new shopping conditions	0	0	0	0	0	1	0	0	0	0
Cross-cultural communication	1	6	0	0	3	0	0	1	0	1
Cross-cultural coordination	3	3	0	0	0	0	0	0	0	0
Cross-cultural experience	2	4	0	0	0	0	0	0	0	1
Cross-cultural interactions	3	2	0	0	1	0	0	0	0	0
Cross-cultural resource fungibility	0	0	0	0	0	0	0	0	0	0
Cross-cultural structural position	0	0	0	0	0	0	0	0	0	0
Cultural distance	0	1	1	0	0	0	1	0	0	0
Cultural orientation	1	3	0	0	2	0	0	0	0	0
Interacting with people from an unfamiliar culture	1	0	0	0	1	0	0	0	0	0
Interacting with people with different cultural backgrounds	3	0	0	0	3	0	0	0	0	0
Joy in cultural interactions	0	0	0	0	1	0	0	0	0	0
Joy in living in unfamiliar culture	0	0	0	0	0	0	0	0	0	0
Knowledge about foreign arts	0	0	0	0	0	0	0	0	0	0
Knowledge about foreign cultural values and religious beliefs	2	4	0	0	2	3	2	0	0	1
Knowledge about foreign language	0	0	1	4	7	1	1	0	0	3
Knowledge about foreign legal and economic systems	0	3	5	5	0	4	1	3	3	1
Knowledge about foreign marriage system	0	0	0	0	0	0	0	0	0	0
Knowledge about foreign nonverbal behaviours	0	0	0	0	0	0	0	0	0	0

Organisational culture	1	0	1	0	1	0	0	0	0	0
Overcome cultural differences	0	4	2	2	3	0	4	0	0	0
Shared values and assumptions	0	0	2	0	0	0	0	0	0	1
Socialisation in an unfamiliar culture	0	0	0	0	0	0	0	0	0	0
Total Number of Codes for Cultural Intelligence	25	42	12	14	26	13	20	6	13	14
Total Number of Citations with Cultural Intelligence	8	16	11	11	18	7	16	4	10	12

Learning Orientation										
Acquiring knowledge	1	4	1	0	1	1	0	0	1	0
Active way of learning	0	2	3	1	2	0	2	0	2	1
Adaptive learning	1	1	6	1	0	0	2	0	7	1
Behavioural Change	0	0	0	0	0	0	0	0	0	0
Breakthrough	0	0	0	0	0	0	0	0	0	0
Commitment to learn	2	0	7	1	4	0	0	0	6	1
Commitment to the organisational goal	0	0	5	1	3	2	0	0	0	1
Commonality of organisational purpose	0	0	0	0	0	0	0	0	0	0
Creating knowledge	0	5	0	0	1	0	0	0	0	0
Creativity	0	0	0	0	0	0	0	0	0	0
Critical reflection on shared assumptions	0	0	2	0	0	0	0	0	0	0
Employees' view as partners	0	2	1	0	2	0	0	0	0	0
External environment and changes	1	0	1	0	1	0	0	0	0	0
Generative Learning	0	1	0	1	4	0	1	0	1	2
Market information processing behaviour	0	1	0	1	2	2	0	3	1	1
Open-Mindedness	6	2	2	0	2	0	0	0	0	0
Organisational action	0	1	0	0	0	0	0	0	0	0
Organisational learning	1	5	5	1	7	2	1	1	2	3

Organisational learning as guarantee for survival	0	0	0	0	1	0	0	0	0	2
Organisational learning as investment	1	1	1	0	3	0	0	0	0	0
Organisational learning for competitive advantage	0	1	0	0	0	0	1	0	0	0
Organisational learning for improvement	0	2	2	1	4	0	0	1	1	0
Organisational unlearning	0	1	0	0	0	0	3	0	1	0
Organisational value	0	0	0	0	0	0	0	0	0	0
Organisational vision	2	4	2	3	1	0	1	0	1	0
Passive learning approach	0	0	1	0	0	0	0	0	0	0
Process of organisational learning	2	1	2	1	2	0	1	1	4	2
Questioning interpretation of customer information	1	1	2	1	3	0	0	1	2	0
Questioning the market perception	1	0	1	1	3	0	0	0	0	0
Shared Vision	2	2	6	0	0	0	1	0	1	2
Transferring knowledge	0	7	7	1	0	0	1	0	6	0
Understanding of environment	1	0	0	0	0	0	0	0	0	0
Total Number of Codes for Learning Orientation	22	44	57	15	46	7	14	7	36	16
Total Number of Citations with Learning Orientation	11	26	30	10	23	8	8	5	18	12

Network Competence										
Activity links	0	1	0	0	1	1	1	1	0	3
Activity synchronisation	0	0	0	0	0	0	0	1	0	0
Actor bonds	0	2	0	0	1	1	0	1	0	1
Allocation of personnel	0	0	0	0	0	0	0	0	0	0
Blocking competitors	1	1	0	0	0	0	0	1	0	0
Change of economic circumstances	0	2	1	1	0	0	1	1	0	0
Change of political circumstances	0	0	0	0	0	0	0	0	0	0
Change of social circumstances	0	0	0	0	0	0	1	0	0	0

Change of technological circumstances	1	2	1	0	2	1	0	1	1	0
Communication ability	1	7	2	0	0	0	0	1	0	0
Competitive relations	0	0	0	0	0	0	0	0	0	0
Conflict management skills	0	0	0	0	0	0	0	0	0	0
Cooperativeness	4	0	0	0	1	4	1	2	1	2
Cost saving	2	0	0	0	0	0	0	0	0	0
Cross-relational tasks (Portfolio of relationship)	0	0	0	0	0	0	0	0	0	0
Diverse actors and stakeholders	0	0	0	0	0	0	0	0	1	0
Economic ties	0	0	0	0	0	0	0	0	0	4
Economies of scale	0	0	0	1	0	0	0	0	0	0
Enhance flexibility	0	0	0	0	1	3	0	0	0	0
Enhance learning process	2	1	3	0	1	0	0	1	1	1
Environmental analysis	0	0	0	0	0	0	0	0	0	0
Experiential knowledge	0	2	1	2	1	1	0	0	2	2
Externally oriented control activities	0	0	0	0	0	0	0	0	0	0
Gain access to new markets	4	1	0	0	3	5	1	1	0	0
Gain access to new resources	0	1	0	0	0	0	0	2	1	2
Implementation of plans	0	0	0	0	0	0	0	0	0	0
Information exchange	0	0	0	0	0	2	0	1	2	0
Inter-organisational relationship	0	1	0	0	0	0	0	0	0	0
Know-how exchange	4	2	0	0	1	0	0	1	2	0
Knowledge about operations of partners	0	7	1	1	0	4	1	3	2	1
Knowledge sharing	3	6	7	1	2	2	2	1	7	0
Legal skills	0	2	1	2	0	0	0	0	0	0
Managing network boundaries	1	1	0	0	1	1	0	1	1	0
Marketing exchange	0	0	0	0	0	1	0	0	2	0
Monitoring industry-related journals	0	0	0	0	0	0	0	0	0	0
Network analysis	1	0	0	0	0	0	0	1	0	0

Network capability	2	0	2	2	2	4	1	1	5	1
Network controlling	0	2	0	0	0	0	0	0	0	0
Network coordination	3	2	0	0	0	0	0	0	0	0
Network exchange	1	0	0	0	1	0	0	2	1	0
Network initiation	3	0	0	0	0	0	0	0	1	0
Network Organising	2	3	2	0	1	1	3	0	1	2
Network planning	0	3	0	0	0	3	0	0	0	1
Network position	2	1	0	0	1	1	0	0	0	1
Network qualification management	0	0	0	1	0	0	0	0	1	0
Network social competence	0	0	0	0	0	0	0	0	1	1
Network staffing	4	1	1	0	5	2	0	1	1	0
Network task execution management	0	1	1	0	1	2	0	0	0	0
Neutralise competition	0	0	0	0	0	0	0	0	0	0
Organisation-related exchange	0	1	0	0	0	0	0	0	0	0
Partner selection	4	8	2	1	3	5	0	1	4	1
Person-related exchange	0	1	0	0	0	0	0	0	1	0
Product development	1	0	0	0	0	2	0	0	1	0
Product exchange	0	0	0	0	0	2	0	0	0	0
Resource allocation	0	0	0	0	0	1	0	0	1	0
Resource ties	1	1	0	0	0	0	0	2	2	2
Schema couplings	0	0	0	0	0	0	0	0	0	0
Self-reflectiveness	0	0	0	0	0	0	0	0	0	0
Sense of justice	0	0	0	0	0	0	0	0	0	0
Service development	0	0	0	0	0	0	0	0	0	0
Service exchange	0	0	0	0	0	0	0	1	0	0
Services ties	0	0	0	0	1	1	0	0	0	1
Share cost	0	0	0	0	0	0	0	1	0	0
Share risk	0	0	0	0	0	1	0	1	1	3

Social ties	1	0	0	0	0	0	0	1	0	0
Specialist skills	0	0	0	0	0	0	0	0	0	0
Staffing conflict management	0	0	0	0	0	0	0	0	0	0
Staffing responsibilities	1	0	0	0	0	0	0	0	0	0
Synergies	1	0	0	0	0	1	0	0	0	0
Technical ties	2	1	0	0	1	0	0	0	0	0
Technology-related exchange	3	0	0	0	0	1	0	0	2	0
Understanding of capabilities	2	0	0	0	0	0	0	1	0	0
Understanding of requirements	1	0	0	0	0	0	0	0	0	0
Understanding of technical needs	2	1	0	0	2	0	0	1	0	0
Visiting trade shows / events	2	1	0	0	0	2	0	1	2	3
Visitng company	0	0	0	0	0	0	0	0	0	0
Ways of communication	1	5	2	0	0	0	0	1	0	0
Whole network level	0	0	0	0	0	0	0	1	1	0
Total Number of Codes for Network Competence	63	71	27	12	33	55	12	37	49	32
Total Number of Citations with Network Competence	23	34	18	11	19	29	9	17	27	19

Financial Resources										
Agent theory perspective	0	0	0	0	0	2	0	0	1	0
Financial buffer	6	4	4	0	5	4	1	2	2	2
Financial Resources	5	4	5	0	5	3	1	1	3	1
Financial resources for international execution	2	2	1	0	0	1	1	1	0	0
Financial resources for strategic activities	3	1	1	0	0	3	1	2	2	1
Financial resources for strategic behaviour	2	1	1	0	1	2	0	0	1	1
Financial Resources Operational variable	0	0	1	0	1	0	0	0	0	1
Financial resources organisational theory perspective	0	0	0	0	0	0	0	0	0	0

Importance of financial resources for internationalisation	3	3	1	0	1	5	3	1	4	0
Importance of financial resources for sequencing	1	0	0	0	0	2	1	1	1	0
Influence of financial resources on sequencing	1	1	0	0	1	2	0	0	1	0
Political activities	0	0	0	0	0	0	0	0	0	3
Resource for conflict resolution	0	0	0	0	0	0	0	0	0	0
Source of inducements	0	0	0	0	0	0	0	0	0	0
Suboptimal behaviour	0	0	0	0	0	0	0	0	0	0
Technical buffer	0	0	0	0	0	0	0	0	0	0
Total Number of Codes for Financial Resources	23	16	14	0	14	24	8	8	15	9
Total Number of Citations with Financial Resources	8	4	6	0	7	10	3	3	6	6

Focused Internationalisation										
Cultural similarity	0	0	0	7	4	0	3	0	0	0
Diffusion of trends	0	0	0	0	1	0	1	2	2	0
Enhancing organisational learning	1	5	5	1	4	2	1	2	2	3
Fleeting opportunity (first-mover advantage)	2	0	0	1	0	0	1	0	0	0
Industry Clustering (Geographic Region)	3	0	4	1	0	0	0	0	1	0
Leveraging	0	0	0	0	0	0	0	0	0	0
Lower tier countries to higher tier	0	0	0	0	0	0	0	0	0	0
Small to larger countries	0	0	0	0	0	0	1	0	0	0
Standardised template	0	0	10	0	0	0	0	0	0	0
Surrounding by big players	0	0	0	0	0	0	0	0	0	0
Tech reputation	0	0	0	0	1	0	0	0	0	0
Other Focused (less improvised) foreign market entry	4	2	2	1	6	2	1	1	1	1
Total number of codes for Focused Internationalisation	10	7	21	11	16	4	8	5	6	4

Unfocused Internationalisation										
Existing customer demand (market pull)	6	8	5	2	4	3	0	5	8	1
Technology push	0	1	0	0	3	0	1	1	0	0
Unexpected pull of network partners	2	0	0	1	0	5	1	0	0	4
Other unfocused (improvised) foreign market entry	4	1	2	2	0	0	0	0	2	2
Total number of codes for Unfocused Internationalisation	12	10	7	5	7	8	2	6	10	7

Organisational Characteristics										
Global Mindset	59%	35%	36%	18%	29%	35%	40%	28%	37%	24%
Cultural Intelligence	21%	21%	14%	25%	24%	11%	37%	10%	15%	19%
Learning Orientation	29%	33%	38%	23%	31%	13%	19%	13%	28%	19%
Network Competence	59%	44%	23%	25%	25%	47%	21%	44%	42%	30%
Financial Resources	21%	5%	8%	0%	9%	16%	7%	8%	9%	10%
Sequencing Strategy Outcome										
Focused internationalisation	18%	9%	24%	25%	20%	6%	16%	13%	9%	6%
Unfocused internationalisation	26%	13%	9%	11%	8%	13%	5%	15%	15%	10%

Table 21 Codes Appearance of Organisational Characteristics and Sequencing Strategies

Appendix 4.2 Quotations from Case Interviews

Global Mindset			
Case	Characteristic Description	Dominant Code	Quotation
1	They hire lots of foreign employees. The official language within the office is in English. They deal with the office in Silicon Valley very well (time zone issue).	Importance of global customer (6)	<p>"I mean also there is market demand in the States, so we also said, 'OK, we are doing quite well in Germany and we want to grow and get customers also from the States.' We saw there is a demand and of course there are some competitors there, but we are growing and we are also improving our product and we want to become, of course, number. That's why we decided to go there and show that we exist and gain customers."</p> <p>"There's so many opportunities to do with customers and we made lots of connections and we make some partnerships and we sold the software also quite quickly. Let's say, we raised the awareness of the market that we are existing and they can use our services. "</p>
2	The concept of the business is already targeting the global users, especially business people who are traveling around the globe. They try to fulfill the need of luxurious service for the business people. They open new office in Singapore to settle the trust to the partners in Asia.	Assessing global markets (strategic) (6)	<p>"We have the second office in Singapore which we opened in this year in February I think. The part from that we have few people sitting as freelancers in every different parts of the world, or we have also employees (globally)."</p> <p>"We develop the entire program to foster the relationship with our partners to communication and we learn especially in the Asia Pacific people felt we were very far away. This was before we opened the Singapore office. And I understand, because we literally are very far away. Add to this, many parts of the Asia, many company cultures, or the overall culture of the company different from here. It's more about relationships and here many things are very technical and very formal. And what we did, we developed the communication series only for that region because we wanted also these partners feel like they are part of their community."</p>

3	<p>The concept of the business is already targeting the global users of the application. The organisation itself is also very international and hiring people from all around the world. They also have the local offices.</p>	<p>Balancing between global and local tension (7)</p> <p>Responding to local demands (7)</p>	<p>"Hotels, they saw the need to being local present, who build the relationship with the partners, strengthen the relationship and out of the win-win-situation where both partners get profit from. They were able back then to prove from the data perspective that once an office is opened and once people hire locally, that the acquisition or the onboarding of the new partners would suddenly peaked and addition to that the revenue that the destination would make out of the country."</p> <p>"After that we opened Rom and after that Paris, and then London. That was the order, (...) I think decision why was, on the one hand, we saw a lot of potential in the destinations, on the other hand, we had a lot of challenges, not being local with having the distance to travel, with building relationships with partners, that's why we decided to open the offices there."</p>
4	<p>They seems to be not that much global, even though they offer the services with in almost in every European country, they only have the office in Berlin.</p> <p>Also, the industry itself has the limitation (finance, regulation related branch), so it seems to be not easy to scale the service into the non-European countries.</p>	<p>Identifying emerging opportunities (2)</p>	<p>"We saw harmonisation, we saw big market, we saw all of these opportunities without product reached larger audience, the question was how efficiently do you serve the audience. For that part, we get then the country manger."</p> <p>"Based on pass board system, based on internet, based on mobile, we just sort of saw lots of opportunities to serve like the much broader market, sort of realised the economies of scale and I think sort of that where both of their backgrounds also contributed to the process."</p>
5	<p>The organisation is already very international, but they do not hire someone specifically to cover the new language. They use all the freelancers around the world to cover the new languages and traslate the text into the local languages. They only have the office in Berlin.</p>	<p>Multi-internationality of employees (cultural) (7)</p>	<p>"I don't think we talked about the culture differences. I think the company takes the approach when we are hiring not about cultural differences, but about company fit. That's taken far more superior. We don't talk about cultural fit, like cultural background from the culture, but we talk about the company cultural fit. So, it doesn't really matter where you are during the interview, so if the company culture fits, then it really doesn't matter if you are from small island somewhere around the world. You speak English, you can communicate in English, you can understand what we are talking about, you have passion in the mission of company, and the culture itself, then that would be more the pre-requirement than we say, 'Oh, are you from this country? so...' I don't think that was in it. That's the reason why we have such different people (in the organisation) because it didn't matter and we really don't care. We don't say, 'Oh, we need only German people because we are in Germany.'"</p>

6	<p>The global mindset is high as they clearly display appreciating the difference between markets. They were able to recognise France and China as markets that would not be interesting because of certain regulations and norms. Also, they identified the original eight EU members and the USA as interesting markets right from the start.</p>	<p>Attention to global environment (5)</p>	<p>"We did however already identify north America and Europe as markets. For Europe this means, the original eight members of the union. Because in those countries the earnings are generally speaking higher to such an extent compared to newer EU members, there is our market. And in North America, this is still the largest market. In the area of technology, the budgets are significantly higher."</p> <p>"That is the case for the European countries but it should be noted European countries are also individual markets although thresholds are eliminated concerning, the cultural and language barriers are still very much present. Therefore, you should, and this is the tough thing when it comes to Europe, you would have to approach markets in isolation. Also, you would have to choose, which country is worth the effort, and which isn't."</p>
7	<p>Global mindset is high in the case of company 7, since they were able to recognise different markets needed radically different approaches when being entered. Germany for instance was conducted by going through a dealer initially while in the UK they went with direct sales instead. They thoroughly consider the proper approach for every isolated case and realise they can differ despite geographic similarities (UK vs Ireland).</p>	<p>Ability to adapt (multi-dimensional) (4)</p>	<p>"When looking at the biggest toy market in Europe it's the UK. Well, the UK is absolutely not a good market for us, and France comes in second and Germany is third. But looking at the largest ride-on toys and looking at the same kind of ranking, Germany does become number one, and France becomes second and the UK third. So you notice that within the toy market, categories differ. Then, it becomes much easier to sell ride-on's in Germany compared to other countries."</p> <p>"We have to market our product very differently in Asia compared to the USA. We are already having trouble to make it happen in the USA, to create a new category in the market which is unknown. Americans would say what is a go-kart, where is the engine, paddles? That is tiresome, etc. so then the question becomes how are you going to introduce that category."</p>
8	<p>Right from the start, they view the world as their market and therefore global mindset is high. However, because of the nature of their products, they focus more in airlines and not individual markets or countries. As a born-global company, competing with global competitors strategically was already unavoidable.</p>	<p>Competing with global competitors (strategic) (2)</p>	<p>"There are one or two, competitor like companies. One of them is a suitcase manufacturer; they also have a tag build into the suitcase, a very luxurious suitcase manufacturer. And we are very happy about that because this is a very big market, we are talking about hundreds of millions of tags to be sold potentially. So when you know there are 4,5 billion tags being printed on an annual basis, you can imagine there is a vast number of devices that can be sold."</p>

9	Putting extraordinary interest on global customers and follow their demand profoundly have had the impact on their internationalisation strategy.	Importance of global customer (5)	<p>"No, and for a large part it has been a coincidence. The internationalisation strategy that is, all of our customers could just as well have been somewhere else."</p> <p>"I frankly expect this will happen in Latin-America as well. Which is not doing so well at the moment but there is a lot of potential when you consider the population that can go to that direction as well."</p>
10	Global mindset is vital for the firm. This is done to spread the risks and not to become dependent on one market. International markets have always been part of the firm for survival.	Performance in multinational business (2)	<p>"Yes, yes. In any case, we grow very strongly. I think there are not many companies that have experienced such growth. So it was successful."</p> <p>"We went to Belgium because man called us. But generally we look where the market is. This does not have to do with cultural agreements or nearer, more of which lies the odds."</p>

Cultural Intelligence			
Case	Characteristic Description	Dominant Code	Quotation
1	They hire local people from all over the world to learn their culture and the market. Their market entries in Poland and US show the sample cases how they gathered the cultural experiences and knowledge about the market.	Accuracy of cultural knowledge (4)	<p>"Because we are getting customers now, and it's very important to think about scaling up, and it's good to choose the place where easy to get the customer. Silicon Valley is a perfect place according to guys and according to what they see from the things that they are selling and bringing to table. So it's very important to choose the good place to scaling up and Silicon Valley and the place like this. American approach is very different than German one. So it's also very interesting that it's so much easier to get the connections, you know to tell about the product, and all the things what you are doing."</p> <p>"I think it's important to hire people in the country where we are in. That's the best way to learn the culture, to learn the market and so on."</p>
2	The office language is also in English and the company understands the importance of the being global and understand the culture of their customers. However, due to the business characteristic of targeting the global customers who are travelling from one to the other countries, there is no pivotal meaning of dealing with cultural differences that might be important for their sequencing strategy.	Accuracy of cultural knowledge (9)	<p>"The luxurious and black car service is more established, I would say more in North American culture than some parts of Europe."</p> <p>"They offer different driver licenses and the company licenses, sometimes they have the offices at different places. So, all of these things are part of checking in order to be aligned with local regulation."</p> <p>"He (CEO) used to be working in Boston Consulting Group and he had to go between I think a lot, Chicago and Europe back and forth and he was using the ground transportation. He encountered this problem each time that he had to book everything in advance, your hotel, your flight, it's all good but for the last mile you always encounter that problem and then in underground, you have to wait in the line, you have to change money because they only except cash, and you know, maybe, they tried to cheat with the price, and you don't know the local regulations and all of these basically off the table when you book in advance and when your provider, in this case, us, guarantee that you pay the price that you see in booking process."</p>

3	From their business model, it is crucial to understand the legal and economic system of the entering countries.	Knowledge about foreign legal and economic systems (5)	<p>"There is not a 100% clear structure, why we opened the offices, it's always the combination of how much revenue we make now, how much potential we see in the region, plus, do we have any major challenges that we can't solve with legal local. And that's mostly related to the working with government or also with strong cultural differences that might be overcome with legal local offices."</p> <p>"It was mostly because the company believed that it's easier to hire talent in Berlin compared to Zurich, because there are lots of thriving startup scene in Berlin, so getting people would be faster than trying out in Switzerland. Also, the cost of living might be much more higher in Switzerland and other things making opening business much more expensive there."</p>
4	They have more than 50% of the employees non-German. The office language is in English	Knowledge about foreign legal and economic systems (5)	<p>"It's not like that you have to make large capital investment to get the license from France, build up an office or all the stuffs, it's very very easy to open up your product basically to another market."</p> <p>"If we want to go to the US, or UK, or China or whatever, we would need other licenses in other currencies and sort of much more effort to put in the market, then obviously become relevant to consider raising separate capital for that for instance something that we haven't gone through yet."</p> <p>"From legal perspective, we work together with the legal team here, so the international team is very much the team at the interface to other departments."</p>
5	They literally do not care where the employees are coming from, as long as they can fulfill the job description. The office language is in English	Knowledge about foreign language (7)	<p>"For the support team we have German, English, French, Spanish, Portugueses. There are the five languages that we support from our support team side."</p> <p>"If you are talking about more localisation, we are localising in 15 different languages. That's slightly different."</p> <p>"We already had half around 9 languages, so I think, what other languages we had was, Danish, French, Chinese, then."</p>

6	<p>Despite of having the knowledge about foreign legal and economic systems, which should be indicated more in global mindset instead of in terms of cultural intelligence, they considered the cultural aspects of a market very well before assessing the potential earning power.</p>	<p>Knowledge about foreign legal and economic systems (4)</p>	<p>"Yes, many people and many people means a lot of eyes but that does not mean it is for us the largest market. There are a number of large obstacles over there, in China, corruption. Our market is very poorly organised. Like in many Chinese markets, but in this case maybe even more extremely. There have been a lot of cowboy behavior from the first entrepreneurial sector there. And there are certainly some shortcomings there."</p> <p>"For Europe this means the original eight members of the union. Because in those countries the earnings are generally speaking higher to such an extent compared to newer EU members, there is our market. And in North America, this is still the largest market. And in the area of technology the budgets are significantly higher. So initially those were marketing activities. Branding, you are a new player. Not only presenting a revolutionary new product, but you are also a new player. You can't just say "guys, here we are!". No, you have to develop your brand and you have to develop your network, and letting people know its coming. "</p>
7	<p>They performed the developed cultural understanding which is not only about the cultural differences, but also about the complex perception about cultural influence on economic, network and business structure</p>	<p>Accuracy of cultural knowledge (11)</p>	<p>"If you are considering the UK for instance, we could not make decisions as easily, because the distribution is very different there. Germany is for instance very focused on trade whereas the UK is more oriented on mass market."</p> <p>"I want a country like Germany, how do I want to engage in that. A country that is five times the size of the Netherlands with five times as many people."</p> <p>"A Belgium account manager has a better understanding of his country compared to a Dutch person doing business there."</p> <p>"In the UK it is much more protected, kids are not playing in the streets as much. So, those large ride-ons remains a difficult sale. So now by combining the trade store with the fact that we have focused on a younger target group, with smaller ride-ons. And we are being to see the results of that, now we can see that market is starting to work out."</p>

8	Cultural intelligence was not an important focus as the company focuses on airlines and not individual countries.	Knowledge about foreign legal and economic systems (3)	<p>"Then you would have to confirm to certain certifications, the standards in the USA are indeed different than the one in Europe. Those are the kinds of practical things you have to take into account."</p> <p>"Because you have to be able to guarantee nobody is capable of changing the data on the screen. Especially with all the tensions in the world lately this is a very sensitive subject. Not only the tag has to be secure but also all the information involved like the password and everything has to be online."</p>
9	Initially they did not focus a lot on overcoming cultural differences since cultures in the scientific community are not that different from each other. However, after the expansion strategy agents were hired for specific markets, thus, their cultural intelligence increased and trained to have higher level of it.	Accuracy of cultural knowledge (9)	<p>"What we hope to do is to make customers want one mid range system instead of a couple of low end systems, because you can accomplish a lot more. This is what happened in China as well. The demanded quality has risen and we responded to that development. I hope and expect this will be the case in India as well."</p> <p>"We do not have as strong of a position and then you have the low end market. There is a lot of competition in there and we almost cannot compete because local businesses in China for instance with pricing is so low that we cannot beat with."</p> <p>"There are a number of local competitors in the United States so that is almost impossible to compete with. Now we see the euro is a lot more affordable since a year or three, so we see that has an effect on the market."</p>
10	The cultural intelligence in the firm is high. This is due to fact that the firm has international offices which support in sales in (mostly) Eastern Europe. However, cultural differences is a barrier for the firm to enter China and the Middle East at the moment.	Accuracy of Cultural Knowledge (6)	<p>"In different countries, you sometimes work in different ways. With agents, partners, all kinds of different constructions. And in every country you work in a different way."</p> <p>"It's not the case that in every country you come with that is the most effective, because in every country the market is different and also the parties you encounter. Therefore nothing is the same."</p>

Learning Orientation			
Case	Characteristic Description	Dominant Code	Quotation
1	They hire local people from all over the world to learn their culture and the market. The organisational culture generally supports the learning process and the casual working environment of the company enables the freedom of knowledge sharing among employees. They are very open-minded to try the new approaches.	Open-mindedness (6)	<p>"We are totally open for international people, both here and there. Here we have, yeh, I think 30-50% are German because, I mean, Germans are also very enthusiastic to work here but we are very open to have this international environment and we have people from Greece, from Argentina, and from Poland also, we have people from China, from Usbekistan, Austria. Yes, I mean all around the world actually. (...) We have, let's say, international approach and we are very happy to have people who have also different approach than Germans. Because this is also the point of the company that we have this very open-minded approaches."</p> <p>"We are very satisfied and we are always very happy to tell that we have three different offices and we work with different people and very international people. So, it's always good to know that we have this open minded and that we are open for working closer with different culture and different company and so on."</p>
2	The opinion from employees are highly appreciated in the strategy building process. There is an open day for the other department to come to certain department to share their functions and works. In that way, every employee has a chance to understand what the other side of the organisation is doing. Also, the employees from Singapore came to the HQ to get more knowledge about the Blacklane's business and gathered the knowledge about what the other employees are doing there.	Transferring knowledge (7)	<p>"We also have something we call as 'Deep Dive ' which is one department presenting one topic. I would say these sort of ,more communicate, and something really helps to organisation to keep talking. Because the biggest danger is the silence, that people don't talk to each other anymore, you don't know what the others are doing that makes you slow down. You don't really want to slow down."</p> <p>"I do not think that we have a cultural institutionalise learning mechanism. I mean that would be new to me, and I don't think so. But in terms of like the overall market entry, we try to document this as much as possible and in the end of the day, cultural things are within that basket."</p> <p>"We also developed lots of internal communications formats, for instance, we have something we call 'Open Day' which is also very successful and I really love it, and we really liked it."</p>

3	<p>They have regular meetings to transfer knowledge among employees within the organisation. Also, they have 5 core values that were established from the beginning of the early stage within the organisation which is shared from one to the other department in the organisation.</p>	<p>Commitment to learn (5) Transferring knowledge (5)</p>	<p>"One thing that we do now more and more, it's not easy because having 13 different colleges working around the world to share all that learnings with the very strong growing organisation, it's not so easy, but we are doing to do best. So we have regular meetings, regular calls, we meet also regularly so people they get flow into Berlin for having common interest, we have meeting to exchange all the challenges and success we have."</p> <p>"We have five core values we defined our company culture by, and that's learning, commitment, positivity, clarity and passion. And learning is the key point, we obviously open to feedback to learn and we open to try out things and also do great things if it's necessary. If we don't try we never know if it works or not. "</p>
4	<p>Even it's a startup, it seems to be highly conservative when it comes to be the learning. They have the shared vision, but it's not organically raised but it's more or less fixed from the founder. They seem to have learning support as well, but for the limited areas.</p>	<p>Organisational vision (3)</p>	<p>"The general vision which driven by the founders, you know, being the Fin-Tech Hub and being the panel in bank, being the owner of the customer relationship where the customers take the next decision, I think, that's very powerful and that's something that makes us successful and that's something easy to buy. I've not encountered that the country managers seem saying at totally disagree with it, they do everything by themselves. So, there has to be no mismatch."</p> <p>"Our vision is like the Fin-Hub, one platform where you find the solution to everything but that doesn't mean that we build all the products that we need. We integrate with other partners, who then Transadvise as the best example of a similar integration with customers, transfer money to Canada, USA, Australia with the couple of clicks and with the background Trasadvise are doing that."</p>
5	<p>Employees have the certain budget to receive the further educations whatever and whenever they would like to learn that could help to increase their job efficiency and effectiveness. This should be asserted by the manager.</p>	<p>Organisational learning (7)</p>	<p>"The organisation is committed to support the learning of employees that they give you the money (for further education and self-development), so it is up to the individual employee to be proactive, so you can decide whether you want to use the money or not. If you don't need it, then you don't use it."</p> <p>"I would say we have a learning budget, so the company gives us specific amount of year to learn something whatever we want to learn. What ever we want to learn that can benefit the company. So something you can learn then kind of make and improve yourself in your job. It doesn't need to be the thing they you are working on. If you feel like, say, I am more product person and I want more about programming then yeh, it could also mean that it helps me become more efficient, better job, then it's fine. So, we have a learning budget for the year that you can spend it, in the end that could benefit the company."</p>

6	The interviewee strongly believe that a learning orientation is essential for being an entrepreneur and not just for internationalisation efforts. This intention of the learning orientation is well shown through the interview.	Market information processing behaviour (2)	"Branding, you are a new player. Not only presenting a revolutionary new product, but you are also a new players. You can't just say 'guys, here we are!'. No, you have to develop your brand and you have to develop your network, and letting people know its coming."
7	The fast changing product trend should be integrated into the product development which requires high flexibility and unlearning process within the organisation.	Organisational unlearning (3)	"Children grow up quicker. Kids play very differently compared to 20 years ago." "We are already having trouble to make it happen in the USA, to create a new category in the market which is unknown."
8	Learning Orientation takes a vital role for company 8, but only in terms of market information processing behaviour which happens after the actual internationalisation. They gather the received information and insights and try to learn about the nature of the airlines, for instance, which of them might be innovators and which are not.	Market information processing behaviour (3)	"I think with all conversations we have, we receive new insights. And that is quite important, and this happens in various ways. We would also speak to a stewardess from city hopper to see what the experiences are there and we learn a lot from that. We learn a lot from this and this can advance us in other conversations. Additionally, this might also be the way we learn about certain airlines, so not countries in this case, that can be classified."
9	Company 10 indicates high level of learning orientation which was significantly recognisable in terms of adaptive learning. They do accept the upcoming information from the market and customer actively and adapt these into their product development.	Adaptive learning (7)	"Sometimes when you see customers breaking something you receive more knowledge on what you have to pay attention to make sure it does not happen again." "That is a little bit of an exaggeration but we do see here the focus in more on discovering new materials and if one out of ten proves to be useful we would move on to building circuits which is also possible with our equipment. "
10	The qualitative interview considerably indicates the high organisational learning that they are constantly and generatively learning from their own market entry experiences and try to analyse the updated market information as much as possible within the organisation.	Organisational learning (3)	"We have always had a lot in Eastern Europe and because of our experience in Eastern Europe, it has made it easier to work in other Eastern European countries." "In different countries, you sometimes work in different ways. With agents, partners, all kinds of different constructions. And in every country you work in a different way. And sometimes you think afterwards that was not the best way."

Network Competence			
Case	Characteristic Description	Dominant Code	Quotation
1	The founders networking was the essential point to establish the business. One of the co-founder comes from Poland and he knew about the 3D printing industry already which help them to start the business together. They all met at Technical University in Berlin. Their connection helps them to establish the HQ in Berlin.	Partner selection (4)	<p>"I think that one of the reason was that Bolek, the head of the operation team in Poland, was somehow in touch with the guys from Technical University in Berlin. So they knew each other and Bolek was, is very, yes, he is the head of the whole office there actually, and he is an architect and he has also some experiences, had some experiences in 3D printing, so guys met somehow after few months. Bolek was, and also he used to work for the first 3D printing company in Poland."</p> <p>"When they got the investment from US, it's the biggest 3D manufacturer, one of the biggest manufacturer in the world. They got very big investment and they said, 'Ok, we have money, we have the resources to start the new office there', so in the mean time and they met Bolek and said 'Ok, Bolek is the perfect person to run the company and office there.'"</p>
2	They do need the deep partnership with their partners who locate in other countries, but operate the real business service to the end customers. These experienced people could support the company to bring relationships and networks from their previous job experiences.	Partner selection (8)	<p>"Internationalisation for us means to have the partners on the ground who would actually be the one to drive from A to B and for us to be able to offer this online and this actually doesn't require for us to (...) We go through the wide complex process when we scan those companies, our partners, and that this possibly also impact the internationalisation interesting."</p> <p>"The thing is we don't really need to be integrated because we cooperate with partners who are on the ground and from the culture and already in align with their local legal systems. And that's also, what I think the business model is so smart."</p>
3	They build the relationship with the CEO's experience. For them the relationship with the local tourist stakeholders is really important. They emphasise the need for networking to build the relationship with partners.	Knowledge sharing (7)	<p>"One of our key investors was the former CEO of Booking.com. He brought a lot of knowledge from his experience and I assume that the founder team and the leadership team of the company kind of took his advise and tested in few offices and it really worked, therefore, decided to move on with this strategy of localising our business."</p>

4	All the partnerships and hiring country manager are hired after entering the market. All some extend, the background of the founders (Austrians) influence to go to Austrian market first (and the same language as well), but the second phase of the internationalization (9 other countries) was not influenced by the network competence.	Legal skills (2)	<p>"From legal perspective, we work together with the legal team here, so the international team is very much the team at the interface to other department."</p> <p>"Sort of trying to enforce the implementation and deregulation, because we are the first bank solving the whole license, sort of trying to serve whole Europe with German IBAN, these are sort of challenges of country managers. Either how to get the French IBAN, or how to get the German IBAN accepted, more accepted, more accepted obviously 90% of the cases, when the employees can't pay salary because this is the German IBAN and you can't fill the form contract obviously not good experience for the customers. "</p>
5	The partnership with the business angel came from the network of the founders. Also, their network influences to have the partnership with the health research institutions and universities around the world.	Network staffing (5)	" I would say the founders knew some of angel investors and venture capitalists, some of them they got know each other through other recommendation. So I guess, that's also how Angels work."
6	Company 6 has the ability to process the information that they received from the market. For instance, when they firstly tried to build the market entry strategy, they recognised the necessity of development themselves in the market in terms of network and branding	Gain access to new market (5)	<p>"Our distributor is an independent seller, say in the UK, there is a company and they would have a wide range a medical equipment, and then you could add your machine. You would then use their network, the selling capabilities and perhaps their service capabilities. Actually, their power is the network."</p> <p>"Because, the US is going way faster than Europe, at this moment. Initially it was Europe, meaning certain countries in Europe. We are now able to have this opportunistic reaction because we have those possibilities and network constructed in both regions."</p>
7	Tthe meaning of network competence had low influence on their focused sequencing of following cultural intelligence as well, because they try to build up new networks after entering the international market.	Network organising (3)	<p>"Yes, there is a network or it still has to be constructed. It does not stand already. Most of the time it has to be constructed. We have sold very little of our products through existing networks."</p> <p>"The only thing that should be considered when it comes to export is the cost. There has to be a greater difference between purchasing and sales and it should pay off the distributor, so the export has to bring enough volume advantages. With that advantage, company could work more efficient and cover a bigger spot that comes with a higher level of costs. So, the volume has to be converted to more added value."</p>

8	Knowing and understanding the operation systems of partners are crucial to recognise the existing customer demand in the market. They try to talk to people on all level of the organisation to get more brand recognition and see where the decision makers are at.	Knowledge about operations of partners (3)	<p>"We can say the network has a large influence on which way the company is going. It is true, entering those airlines and selling is not easy. Because those are very complex organisations with lots of different departments or sub-groups."</p> <p>"Certainly, but also the status of such an airline in the industry. So the two where we have the most development right now, Lufthansa and Air France-KLM, those are both well known as being innovative. Those are the ones that tend to set trends in the market, and when they do the others tend to follow their lead."</p>
9	Because their target group is universities and scholars, the meaning of scientific communities is tremendous for their business. Especially, scholars, who are real actors of the network, open new opportunities to win further customers because they request the equipment specifically since they are already familiar with the machineries produced by company 10.	Knowledge sharing (7)	<p>"For instance, by asking what the best circumstances are to produce a certain material, so we can pass that information on to others that want to start working on that as well. Just last week we organised a course for starting PhD students, which we do every year."</p> <p>"Take China, they used to be all about plastic junk but when a government is making a good amount of money you see them wanting to move up to more advanced products like phones and cars. For that they need scientific and technical knowledge. People also need the proper training to make that happen so they are heavily investing in technical higher education."</p> <p>"What is relatively easy in the scientific community is there are lots of large conference which makes it easy to see where developments are going in your field of study."</p>
10	They receive governmental subsidies, thus, they have significantly high economic ties with their partner – the Dutch government – who largely influences most of the internationalisation strategy through financial resources.	Economic ties (4)	<p>"Our product is always dependent on rates and subsidies. So, in fact, we are always dependent on subsidies."</p> <p>"He wanted to buy parts of us. He eventually did that too. And finally, we are now in a position to enter into a partnership with them to continue exclusively in Finland."</p>

Financial Resources (Slack)			
Case	Characteristic Description	Dominant Code	Quotation
1	To get the reputation and the financial support, they participate in the competition that was supported by the German government. As the winner of the competition, they received the financial support from the German government, but also the office for enterin US market in Silicon Valley is offered to them.	Financial Buffer (6)	<p>"I think this opportunity started when they met Bolek, and I think it was few months after and also they started the company, and they had the idea. They had the very big support from TU and from the government, and it wasn't enough to already start planning for the next steps. When they got the investment from US, it's the biggest 3D manufacturer, one of the biggest manufacturer in the world. They got very big investment and they said, 'Ok, we have money, we have the resources to start the new office there.'"</p> <p>"There is a very good support for startups from polish universities and also government, so we also get some supports from them."</p>
2	Before entering the 100 cities, they got the financial support round already. The founders worked already in the BCG consulting firm, and they had the connection to gather the financial support as well. However, the existng financial buffer does not show the direct link to choose the unfocused sequencing strategy of following existitng customer demand.	Financial buffer (4)	<p>"I am pretty sure that was another financing round after the launching 100, I remember that there was something in 2014, just from the press release and stuff."</p> <p>"It was one of the goals, but it's not that we got the funding only for that. We wanted to do some things and that was one of them. Yes. Of course, it is also much easier when you want to do few businesses on ground, you know, you need to pay hotel, you need to find the one. Of course, it's much more comfortable when you had the funding round few months ago."</p>
3	There was low requirements of financial resources for their focused sequencing strategy of following standardised template.	Financial resources (5)	"The good thing to be a e-commerce company is that we don't need that many resources. Our resources are the people so that's the thing. First hire the country manager who manages countries. So they go initial training in Berlin and then they open the local office. That's very strict forward."
4	The decision to enter the new market does not cost lots of money in their case. They use the same English version of app and publish in the local App store. There is no risk to enter the market at all. When the market seems to have more interest and demands, they start to grow up on that.	0	"The good thing with our product is that the marginal cost of entering the market is extremely low."

5	First round of the investment came from the business angel, and in the second phase they got the investment from the venture capitalists.	Financial buffer (5)	<p>"The fund raising: the first we received our A-series funding end of 2015. And we received the second fund raising end of 2016. One year by. And the prior to that we were just fully angel funded."</p> <p>"I would say we have a learning budget, so the company gives us specific amount of year to learn something whatever we want to learn. What ever we want to lean that can benefit the company. So something you can learn then kind of make and improve yourself in your job. It doesn't need to be the thing they you are working on."</p> <p>"Especially from media etc. So, I think you already know that we are venture founded."</p>
6	During the interview, it was mentioned that they invest in the networking, especially for attending in large expos, however, there was no direct evidence, whether they have financial slack.	Importance of financial resources for internationalisation (5)	<p>"We invested heavily in this, by means of large expo's and trade shows."</p> <p>"Yes, of course, how quickly can you proceed with your activities. When you have an abundant of resources you are able to react much faster and put down a team somewhere quicker. Or hiring locals. That certainly makes a big difference."</p>
7	Sometimes it is absolutely the case the financial slack allows for certain steps in the internationalisation process, this is true with the USA for instance in which is now being invested very heavily. But in other markets, where the dealer would take most of the risk the financial resources would not have been the limiting factor.	Importance of financial resources for internationalisation (3)	<p>"We are now investing in that market to get everthing up and running. If that is the case, you do require that financial slack or room. Sometimes that financial space is also not necessary, because when you start corporate with a distributor, they are taking that risk."</p> <p>"It is not like there is a lack of availability of financial resources but more like they are not required in some cases and this is the step we would like to make."</p>
8	Having financial buffer and enough resources are a vital factor for company 8 to create and broaden new networks. They do have sufficient financing available to be able to afford going to expos and the manpower to approach airlines.	Financial buffer (2)	<p>"The amount of financial resources available does influence the internationalisation strategy and might even influence the decision to what kind of expo we will be visiting next. We are still a fairly small company so we have to focus very well."</p>
9	It is recognisable that the existence of financial resources is certainly one of important factor for doing the business and their market entry strategy. However, their actual financial slack has been build up only due to the growing business, but not at the time of the decision for internationalisation was made.	Importance of financial resources for internationalisation (4)	<p>"As you can imagine, if your market is 20 million that is what it is, you know exactly where is maximum. This is what we noticed. When you are growing, you are able to specialise a little bit more and have more financial space to put in marketing and product development."</p> <p>"This might be the finances are missing for a conference in the US you don't meet them. On the other hand, if they do not have the money to spend on the trip they probably are not going to be able to afford our equipment either."</p>

10	Their financial resources which come from the Dutch government have the strong political characteristic and the firm is highly dependent on subsidies in their every single strategic decision.	Political activities (3)	<p>"We are very dependent on political movements."</p> <p>"Our sales are affected by policies and subsidies."</p>
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Sequencing Strategy			
Case	Characteristic Description	Dominant Code	Quotation
1	The sequencing happened spontaneously. They take the chance to go abroad if the chance comes, such as the competition they were involved in to have the financial support to go to Silicon Valley. Entering the Poland market was due to the founders background.	<i>Unfocused sequencing</i> Existing customer demand (market pull) (6)	<p>"We decided to open an office in Wroclaw, Poland where right now we run operations which mean that we run some projects, the 3D-model projects, so we have our customers who, users, for example as a consultant, also the 3D printing company."</p> <p>"I mean also there is market demand in the States, so we also said, 'OK, we are doing quite well in Germany and we want to grow and get customers also from the states.' We saw there is a demand and of course there are some competitors there, but we are growing and we are also improving our product and we want to become of course number one and that's why we decided to go there and show that we exist and gain customers."</p> <p>"It's important for the companies, that are doing quite well and have the investment, are getting customers because we are getting customers now, and it's very important to think about scaling up. It's good to choose the place where easy to get the customer. Silicon Valley is a perfect place according to guys and according to what they see from the things that they are selling and bringing to table."</p>
2	Their internationalisation is 'insane'. They decided to go into 100 cities within 100 days. They need to have dense relationship with the local transport companies to sequence with the plan of 'Being everywhere, where our customers need us.' Also, entering in the Asia pacific region was strategically planned in very strict way.	<i>Unfocused sequencing</i> Existing customer demand (market pull) (8)	<p>"That's probably already the answers to the internationalisation questions, because if you are a business traveler who is our target group, you don't just go between Berlin and Paris. You also sometimes go to London, to New York, wherever. And so basically business that helps travel needs to be international."</p> <p>"In order to launch in the cities, what we usually do is that we think about the market, think about the competitors, we are looking also at travel patterns, we are listening to our customers and sometimes the customers say, „Look, I really love to use your service in Turkey, or Kuwait or Vietnam, while I am there.“ If the sufficient number of customers say and the number makes sense, then also from the competition point of view and market volume, then we take the look closely."</p> <p>"This is another thing that we are usually looking at, and if we measure the price, then also looking at the prices from the competitors, looking at our drivers, and we only lounge the cities from the customer side and we have all of this."</p>

3	<p>They focused firstly in the European market and the most attractive locations for the tourists, such as Rom, Paris, and London. Then, broaden the business to Asia and Middle-East.</p>	<p>Focused sequencing Standardised template (10)</p>	<p>"We saw that Expedia very strongly focusing on the same thing as Booking.com, for example, opening offices where Booking.com already had an office, and started competing with Booking.com with locally, so there was something where we realised that they finally notice one of the recipes for success and started and following them."</p> <p>"I know back then Expedia and another players decided not to go there strategy, they were more less local, they had few offices to cover local all over the Europe, like 4 or 5, whereas Booking.com has 40-50. Having and building the strong relationships with the local hotels, really helped them gaining market share in."</p>
4	<p>First entering in the German speaking countries because there they get easier access with the German banking license they have. Then, entering other countries as the "test" version. (Slowakai: Sample for the East Europe; Greece: Sample for the 'country with the financial problem', Island: Sample for the UK market)</p>	<p>Focused sequencing Cultural similarity (7)</p>	<p>"The app is in German, and then subsequently still to gather the old partner banks, who would also pass board everywhere, we expanded to France, Italy and Spain which are like the biggest economics in Euro currency, and then Island, Greece and Slovakia. The reason for that was, we saw Island as the test market for the UK, we saw Slovakia as the test market for the Eastern European markets, and Greece as the test market, sort of for the disrupted financial country. So, we launched all of them with the English product only, so really no localisation, no real effort to tailor for the market, and then sort of when we moved on to own banking license, we asked for that everywhere, and then, 1/3 opened our own bank, we were sort of immediately in all the other markets as well. So, mainly, like the three step approach: Germany / Austria - 6 additional - and then all of them."</p>

5	<p>Interesting to see how they "sequence" their service. It was not about the local presence, but it was about the language order, how they dealt with to provide their app in other languages and with that entering the new market. (Broadly used languages are not depending on the continents!)</p> <p>Different than the other focused sequencign strategies, it focuses on the rate of technology and smartphone penetration in the entering countries. Becuase it focuses on the service specified for women, it seems to be crucial to measure the female population of the entering country as well.</p>	<p>Focused sequencing Adopting rate of technology, smartphone penetration rate and female population</p>	<p>"As I already said, by pure localisation the first phase like I said, for Europe, purely proximately in being in Europe. And then the third phase, like I said, Korea, Japan, we took multiples, we looked at country size, we looked at adapting rate of technology, we looked at yeh, and the female population as well. I mean we look very very briefly on, and we also look into the smart phone penetration rate because we knew we are a smart phone app, so there was no point going to in a very big country like Pakisatan, where the smart phone penetration rate is very very low, but the population is very high. So, we looked at in a very very simplistic way. We looked at the population, looked at female rates and technology. That's really simple as that. Nothing else. And if you look at the list of countries, technically those countries ended up pretty much at the top. And you might have ... If you look at Korea, Japan by populations, I think, these might not be the biggest, but by in terms of penetration of smart phone, they are extremely high. That's why we ended up the list of countries, and of course, maybe kind of more sub-criteria was, how adaptable was the technology those countries are. I mean in terms of technology, they are kind of top in the world, Japan and Korea, very very great top. And others, we just watch and see."</p>
6	<p>They focused their efforts on multiple markets at the same time because that was where they could be making a difference and their internationalisation was highly influenced by the network power they had.</p>	<p>Unfocused sequencing Unexpected pull of network partners (5)</p>	<p>"It really depends, some countries have an excellent congress which perfectly fits our objectives. This provides an opportunity to properly network and conduct sales. Because, again, we cannot go around and visit protential customers, we have to meet folks at central meeting points like expos."</p> <p>"The decision is primarily based on the extent to which there are possibilities for network expansions through expos. Because that is eventually what the first sales are going to deliver and the first sales are going to make sure we get distributors etc."</p>
7	<p>Their internationalisation is based on the focused sequencing strategy which follows the cultural similarity and significantly influenced by the ability to adapt themselves into the culturally diverse countries that was supported by their high global mindset and cultural intelligence</p>	<p>Focused sequencing Cultural similarity (3)</p>	<p>"We were first looking for the areas around the border of our home market, because that is, I think, the easiest. Geographically speaking."</p> <p>"Because in Belgium we did not find that distributor. And, in Belgium we actually did all steps by ourselves. Also because it is close and they are speaking our own language. And, that was founded from The Netherlands with the consequence we did book successes from 2000-2001."</p>

8	<p>Their internationalisation is not organised by country dependently, but they focus on each airline to broaden their business operation areas. Their internationalisation followed the unfocused sequencing strategy which chases the existing customer demand in the market. This unfocused sequencing strategy building was highly influenced by their interest of competing with global competitors, knowledge about operations of partners and financial buffer.</p>	<p>Unfocused sequencing Existing customer demand (market pull) (5)</p>	<p>"As the English say, the proof is in the pudding of the eating, so we have to proof ourselves now. But if you consider what we are hearing and the feedback from the airlines, we have the best product in the market and everybody wants this. Because it provides advantages for everybody. For passengers, they can check in from home, hotel or beach, they do not have to stand in line. For airlines, they would like to reduce their costs, for one they would like to provide their passengers with a great experience and that is possible. "</p> <p>"It is another way of providing service to the customer because they will be satisfied for not loosing their suitcase. And for the airports it is also a big deal because they want to remove as much obligatory things as possible because they would rather use that space to place more things like a Starbucks etc. Also, the check-in process has to be a smooth as possible to you can, as a customer, quickly go do your shopping and buy your souvenirs. So everybody wins in this case."</p> <p>"Yes, in fact, there already are airline who fly with it already to try it and they are tremendously enthusiastic."</p>
9	<p>A born global firm for which initial sequencing was random and completely dependent on the origin of the customer. After a relatively slow growth period they started hiring agents in certain promoting economies like China and later India, they are now looking into the USA as well. The choice for unfocused sequencing strategy was mainly influenced by their interest of considering global customers, being open for adaptive learning and knowledge sharing with their networks</p>	<p>Unfocused sequencing Existing customer demand (market pull) (8)</p>	<p>"Since about ten years we have started to do this in China, because that is where the large market is right now for us."</p> <p>"I frankly expect this will happen in Latin-America as well. Which is not doing so well at the moment but there is a lot of potential when you consider the population that can go to that direction as well."</p> <p>"We only deliver based on a customer which means we only start building once we have the order."</p> <p>"Yes, and you would indeed need to sit around the table with customers to find out what they want and based on that make a proposal before the procurement procedure starts."</p>

10	<p>Their internationalisation is based on opportunistic way and follows the unfocused sequencing strategy. It is observed in form of unexpected pull of network partners which has been highly influenced by the combination of their high global mindset and cultural intelligence. Their decision to go further beyond the national market has been evoked due to the destroyed home market in the Netherlands, but their internationalisation has been vitally supported by the governmental subsidies.</p>	<p>Unfocused sequencing Unexpected pull of network partners (4)</p>	<p>"I still know that a farmer called Belgium and we were so urgently looking for work that I said where do you live, I'm coming straight now. So then we went to Belgium. That was actually the first thing we did not go abroad through a construction of the RVO [Rijksdienst voor Ondernemende Nederland (from Ministry of Economic Affairs) (= government)]."</p> <p>"In Finland, I just found someone on a scholarship, which came from Finland. As a result, I got a network in Finland."</p> <p>"He eventually did that too. And finally, we are now in a position to enter into a partnership with them to continue exclusively in Finland. "</p>
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Table 22 Quotations from Case Interviews

Appendix 4.3 Aggregated Sample Coding Result

Company 1							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	100	105	110	28		
Qualitative Coding	0,59	0,21	0,29	0,59	0,21	0,18	0,26
Quantitative Questionnaire	0,85	0,68	0,70	0,85	0,61		
Average Percentage	0,72	0,45	0,50	0,72	0,41		

Company 2							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	85	90	110	0		
Qualitative Coding	0,35	0,21	0,33	0,44	0,05	0,09	0,13
Quantitative Questionnaire	0,93	0,72	0,79	0,80	0,00		
Average Percentage	0,64	0,46	0,56	0,62	0,05		

Company 3							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	95	105	110	0		
Qualitative Coding	0,36	0,14	0,38	0,23	0,08	0,24	0,09
Quantitative Questionnaire	0,88	0,82	0,74	0,82	0,00		
Average Percentage	0,62	0,48	0,56	0,52	0,08		

Company 4							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	100	105	110	28		
Qualitative Coding	0,18	0,25	0,23	0,25	0	0,25	0,11
Quantitative Questionnaire	0,83	0,77	0,70	0,72	0,68		
Average Percentage	0,50	0,51	0,46	0,48	0,34		

Company 5							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	45	95	105	110	28		
Qualitative Coding	0,29	0,24	0,31	0,25	0,09	0,20	0,08
Quantitative Questionnaire	0,78	0,69	0,78	0,68	0,68		
Average Percentage	0,53	0,47	0,55	0,47	0,38		

Company 6							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	35	100	90	110	28		
Qualitative Coding	0,35	0,11	0,13	0,47	0,16	0,06	0,13
Quantitative Questionnaire	0,69	0,67	0,89	0,85	0,75		
Average Percentage	0,52	0,39	0,51	0,66	0,46		

Company 7							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	100	105	110	28		
Qualitative Coding	0,4	0,37	0,19	0,21	0,07	0,16	0,05
Quantitative Questionnaire	0,70	0,62	0,73	0,64	0,54		
Average Percentage	0,55	0,50	0,46	0,42	0,30		

Company 8							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	85	105	110	28		
Qualitative Coding	0,28	0,1	0,13	0,44	0,08	0,13	0,15
Quantitative Questionnaire	0,90	0,72	0,78	0,82	0,75		
Average Percentage	0,59	0,41	0,46	0,63	0,42		

Company 9							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	40	100	105	110	28		
Qualitative Coding	0,37	0,15	0,28	0,42	0,09	0,09	0,15
Quantitative Questionnaire	0,78	0,76	0,77	0,75	0,57		
Average Percentage	0,57	0,46	0,53	0,58	0,33		

Company 10							
	G	C	L	N	F	Focused Sequencing (Y ₁)	Unfocused Sequencing (Y ₂)
	35	100	100	110	21		
Qualitative Coding	0,24	0,19	0,19	0,3	0,1	0,06	0,10
Quantitative Questionnaire	0,80	0,81	0,44	0,45	0,52		
Average Percentage	0,52	0,50	0,32	0,38	0,31		

Table 23 Aggregated Sample Coding Result

Primitive Expression										
Case	Global Mindset (G)	Cultural Intelligence (C)	Learning Orientation (L)	Network Competence (N)	Financial Resources (F)	Primitive Expression	Focused Sequencing (Y1)		Unfocused Sequencing (Y2)	
1	0,72	0,45	0,50	0,72	0,41	G~CLNF	0,18	Industry Clustering (Geographic Region)	0,26	Existing Customer Demand (market pull)
2	0,64	0,46	0,56	0,62	0,05	G~CLN~F	0,09	Enhancing Organisational Learning	0,13	Existing Customer Demand (market pull)
3	0,62	0,48	0,56	0,52	0,08	G~CLN~F	0,24	Standardised Template	0,09	Existing Customer Demand (market pull)
4	0,50	0,51	0,46	0,48	0,34	GC~L~N~F	0,25	Cultural Similarity	0,11	Existing Customer Demand (market pull)
5	0,53	0,47	0,55	0,47	0,38	G~CL~N~F	0,20	Other Focused Sequencing Strategy	0,08	Existing Customer Demand (market pull)
6	0,52	0,39	0,51	0,66	0,46	G~CLNF	0,06	Enhancing Organisational Learning	0,13	Unexpected Pull of Network Partners
7	0,55	0,50	0,46	0,42	0,30	GC~L~N~F	0,16	Cultural Similarity	0,05	Unexpected Pull of Network Partners
8	0,59	0,41	0,46	0,63	0,42	G~C~LNF	0,13	Diffusion of Trends	0,15	Existing Customer Demand (market pull)
9	0,57	0,46	0,53	0,58	0,33	G~CLN~F	0,09	Diffusion of Trends	0,15	Existing Customer Demand (market pull)
10	0,52	0,50	0,32	0,38	0,30	GC~L~N~F	0,06	Enhancing Organisational Learning	0,10	Unexpected Pull of Network Partners

Table 24 Primitive Expression of Aggregated Sample Result

Appendix 4.4 Truth Table of Case Result

Truth Table Row (X_x)	G	C	L	N	F	Focused Sequencing (Y_1)	Unfocused Sequencing (Y_2)
1	1	1	1	1	1		
2	1	1	1	1	0		
3	1	1	1	0	1		
4	1	1	1	0	0		
5	1	1	0	1	1		
6	1	1	0	1	0		
7	1	1	0	0	1		
8	1	1	0	0	0	CR4) Cultural Similarity CR7) Cultural Similarity	CR10) Unexpected Pull of Networks
9	1	0	1	1	1		CR1) Existing Customer Demand (Market Pull) CR6) Unexpected Pull of Networks
10	1	0	1	1	0	CR3) Standardised Template	CR2) Existing Customer Demand (Market Pull) CR9) Existing Customer Demand (Market Pull)
11	1	0	1	0	1		
12	1	0	1	0	0	CR5) Other Sequencing Strategy	
13	1	0	0	1	1		CR8) Existing Customer Demand (Market Pull)
14	1	0	0	1	0		
15	1	0	0	0	1		
16	1	0	0	0	0		
17	0	1	1	1	1		
18	0	1	1	1	0		
19	0	1	1	0	1		
20	0	1	1	0	0		
21	0	1	0	1	1		
22	0	1	0	1	0		
23	0	1	0	0	1		
24	0	1	0	0	0		
25	0	0	1	1	1		
26	0	0	1	1	0		
27	0	0	1	0	1		
28	0	0	1	0	0		
29	0	0	0	1	1		
30	0	0	0	1	0		
31	0	0	0	0	1		
32	0	0	0	0	0		

Table 25 Truth Table of Case Result

Appendix 5. Result of Modified Set-Analysis

Appendix 5.1 Identification of Combination Sets (X_x)

Identification of Combination Sets (X_x)		
Truth Table Row (X_x)	Observable Sample Case	Primitive Expression
8 (X_8)	Case 4 / 7 / 10	$GC \sim L \sim N \sim F$
9 (X_9)	Case 1 / 6	$G \sim CLNF$
10 (X_{10})	Case 2 / 3 / 9	$G \sim CLN \sim F$
12 (X_{12})	Case 5	$G \sim CL \sim N \sim F$
13 (X_{13})	Case 8	$G \sim C \sim LNF$

Table 26 Identification of Combination Sets X_x

Appendix 5.2 Set-Analysis Description and Calculation

a) Relationship Patterns in Set-Analysis

Relationship Pattern 1: $X_x \rightarrow Y_y$

The combination set of X_x drives to one certain outcome Y_y . If X_x is present, Y_y is always present. The combination set of X_x ; hence, represent the sufficient condition to Y_y .

Relationship Pattern 2: $X_x; X_z \rightarrow Y_y$

This second pattern represents the *equifinality* of fsQCA at most which allows for different mutually non-exclusive explanations of the same phenomenon and tolerates the possible multiple paths or solution to the same outcome (Elliot, 2013). In this case, both combination of X_x and X_z lead to the same outcome of Y_y . Because X_x and X_z contain different types of combination, the meaning of *sufficient* characteristic and *necessary* characteristic might be interesting in this type of relationship pattern.

Based on these two possibilities of the relationship between the combination set and outcome, in the following thesis, the sample result from the previous part is interpreted and analysed in more details.

b) Identification of Combination Patterns (X_x)

Based on the aggregated average percentage of case analyses result, the truth table has been proposed (see Table 20 in Appendix 4.4): As mentioned previously, there are five combination sets – (X_8), (X_9), (X_{10}), (x_{12}), and (X_{13}) – that are observable in the actual case descriptions and these could be categorised, as it is shown in the Table 21 in Appendix 5.1.

The table 4 shows the combination row on truth table and the case studies where the given combination set is observable as result. On the right column, the *primitive expressions* of the combination are written. For instance, the combination pattern, which is shown in the truth table (see Table 20 in Appendix 4.4) row 8 (X_8) – G (1), C (1), L (0), N (0) and F (0), has been shown in the company 4, 7, and 10 equally. It means that the given three companies have shown high level of global mindset (G), cultural intelligence (C), but low level of learning orientation (L), network competence (N), and financial resources (F). Because only $X \geq 0,5$ is indicated as significant ($X \geq 0,4$ for F), in case of existence of each characteristic could be noted as G, C, L, N, and F. In case of $X < 0,5$ ($X < 0,4$ for F), the characteristic is considered as not significant; hence, it is noted as $\sim G$, $\sim C$, $\sim L$, $\sim N$, and $\sim F$, as it is proposed for primitive expression in set-theory. Accordingly, the combination row 8 in the truth table could be written in primitive expression of $GC\sim L\sim N\sim F$. All other rows also represent the different combination patterns that could be observed in the sample result and its primitive expressions are noted in the Table 21 in Appendix 5.1.

c) Identification of Possible Outcomes (Y_y)

As demonstrated in Table 19 in Appendix 4.3, the evidence from the case descriptions are highly dynamic, consequently, it is challenging to define the outcome of sequencing strategy. In other words, each case performs both focused and unfocused sequencing strategy parallel, and it only differentiates in the level of each sequencing strategy. For instance, the company 1 had the intention of following the focused sequencing (0, 18) in form of industry clustering recessively, while they dominantly gave more effort to follow unfocused sequencing (0, 26) in form of considering existing customer demand (market pull). It clearly represents the fsQCA characteristic of *asymmetrical causation* that having focused sequencing (Y_1) as their sequencing strategy does not automatically mean not having unfocused sequencing strategy (Y_2), which means $1 - Y_1 \neq Y_2$. Thus, Y_1 and Y_2 outcome are not symmetrically distributed and these should be analysed independently.

Because of this given asymmetrical and independent relationship between the outcome (Y_1) and (Y_2), all possible outcomes are differentiated in the given thesis as follow: First, the outcome of focused sequencing (Y_1) and unfocused sequencing (Y_2) are identified as ‘level 1’ outcome. On this level, there are no differentiation between dominant and recessive outcome because the only interesting aspect that the thesis considers in this level is about the existence of focused (Y_1) or unfocused (Y_2) sequencing strategy in their internationalisation that might be more or less covered only by the dominant characteristic of the sequencing strategy (Y_1D_d and Y_2D_d). Second, each Y_1 and Y_2 is differentiated into ‘level 2’ outcome which is categorised into *dominant outcome* (Y_yD_d) - it is the actual outcome that has been mainly operated by the companies – and *recessive outcome* (Y_yR_r) - it indicates the further sequencing strategy that was present, but not dominant to be considered as a main strategy. Accordingly, all possible outcomes that are considered in the given thesis are identified in the Table 23 in Appendix 5.2.

d) Combination Set (X_x) and Possible Outcome (Y_y) Analysis

1. Relationship Pattern 1: $X_x \rightarrow Y_y$

The first possible combination analysis indicates the impact of the combination set (X_x) on the outcome (Y_y). If (X_x) is present, then (Y_y) is always present.

1.1. Level 1: Focused (Y_1) and Unfocused (Y_2) Sequencing Strategy

The level 1 analysis only contains the significant outcome of focused (Y_1) and unfocused (Y_2) sequencing strategy. From the result of the qualitative case descriptions, as it is shown in the Table 2, there are three specific combination sets that only show the one certain outcome among sequencing strategy of (Y_1) and (Y_2), if each combination set (X_x) is considered independently. For example, the row 9(X_9) with the combination of G~CLNF only has the impact on Y_2 which was shown through the cases 1 and 6. This means, if the combination (X_9), in which the characteristics global mindset (G), learning orientation (L), network competence (N), and financial resources (F) are present, but cultural intelligence is absent (~C), then companies always tend to pursue unfocused sequencing strategy (Y_2). Hence, if the combination set (X_9) in form of G~CLNF is present, then companies would follow the unfocused sequencing strategy (Y_2).

Furthermore, if global mindset (G) and learning orientation (L) are present, but cultural intelligence ($\sim C$), network competence ($\sim N$), and financial resources ($\sim F$) are absent, which is shown in the combination set of 12 (X_{12}), a company might choose to follow the focused sequencing strategy Y_1D_d , as it is demonstrated by the case 5 result. Therefore, if the combination set (X_{12}) in form of $G\sim CL\sim N\sim F$ is present, then companies would follow the focused sequencing strategy (Y_1).

In the same vein, the combination set 13 (X_{13}) with $G\sim C\sim LNF$ demonstrates the combination set where global mindset, network competence, and financial resources are present, but cultural intelligence and learning orientation are absent. In this case, a company would always choose to follow the unfocused sequencing strategy (Y_2D_d), as it is known in case 8. Thus, if the combination set (X_{13}) in form of $G\sim C\sim LNF$ is present, then companies would follow the unfocused sequencing strategy (Y_2).

In the given modified fsQCA analysis part, however, the focus should be on the outcome (Y_y) rather than the combination sets (X_x). In other words, because the given research focuses on the outcome (Y_y), the interpretation of the relationship between combination sets (X_x) and outcome (Y_y) should also emphasis the meaning of outcome (Y_y) superior than that from the combination sets (X_x). Therefore, the combination set of (X_8), (X_{10}), and (X_{12}) affect the outcome of focused sequencing strategy (Y_1), which does not belong to the first pattern of the relationship between combination sets and the outcome ($X_x \rightarrow Y_y$). Based on the same reason, the combination sets (X_8), (X_9), (X_{10}), and (X_{13}) affect the outcome of unfocused sequencing strategy (Y_2) at the same time that does not belong to the given relationship pattern of ($X_x \rightarrow Y_y$). Therefore, there is no combination set which could be categorised into ($X_x \rightarrow Y_y$) relationship from the sample result for level 1. Having said this, these are the combination sets that show the characteristic of *equifinality* of fsQCA at most; hence, it will be discussed in the part where the second relationship pattern ($X_x; X_z \rightarrow Y_y$) will be analysed.

1.2. Level 2: Dominant (D_d) and Recessive (R_r) Sequencing Strategy

Conducting the analysis for both focused (Y_1) and unfocused (Y_2) sequencing strategy independently, there are five outcomes – standardised template (Y_1D_1), cultural similarity (Y_1D_2), other sequencing strategy (Y_1D_3), industry clustering (Y_1R_1), and unexpected pull of network partners (Y_2R_2) - that are affected by one combination set respectively (see the Table 23 in Appendix 5.2 on the rightest column).

The outcome of standardised template (Y_1D_1) belongs to the focused sequencing strategy (Y_1) that is dominant (D_d). This outcome appears only under the condition, if global mindset, learning orientation, and network competence are present, but cultural intelligence, and financial resources are absent, based on the sample result. It means that if the combination set in the row 10 (X_{10}), which could be indicated as the combination of $G\sim CLN\sim F$ (see Table 21 in Appendix 5.1), is present, the outcome of standardised template (Y_1D_1) is always present. There is no further combination set which demonstrates the outcome (Y_1D_1), besides the given combination set of (X_{10}); hence, it should be considered as the one that belongs to the first pattern of relationship between combination and the outcome analysis.

SR1) If the combination set (X_{10}) in form of $G\sim CLN\sim F$ is present, then companies would follow the focused sequencing strategy in form of standardised template (Y_1D_1).

The same logical argumentation could support the outcome of cultural similarity (Y_1D_2) and other sequencing strategy (Y_1D_3). The outcome of cultural similarity only appears through the combination set of (X_8) with $GC\sim L\sim N\sim F$ and the outcome of other sequencing strategy (Y_1D_3), where the technology penetration rate of the population is considered, only comes in the combination set of (X_{12}) with $G\sim CL\sim N\sim F$. Hence, in both combinations sets, the possible outcome is clearly identified.

SR2) If the combination set (X_8) in form of $GC\sim L\sim N\sim F$ is present, then companies would follow the focused sequencing strategy in form of cultural similarity (Y_1D_2).

SR3) If the combination set (X_{12}) in form of $G\sim CL\sim N\sim F$ is present, then companies would follow the focused sequencing strategy in form of other sequencing strategy, such as technology penetration rate of the population (Y_1D_3).

Furthermore, the outcome of industry clustering (Y_1R_1) belongs to the focused sequencing strategy (Y_1) that is recessive (R_r). It means that the case 1 recessively followed the focused sequencing strategy in form of industry clustering; however, it was not a dominant strategy that they mainly followed (all recessive sequencing strategy could be found on the Table 19 in Appendix 4.3 which are not marked yellow). The industry clustering (Y_1R_1) as a sequencing strategy only appears once on the truth table in the case 1 as a recessive sequencing strategy with the combination set of (X_9) with the form of $G\sim CLNF$. Because there is no other variation of combination set that has the impact on the outcome of industry clustering (Y_1R_1), the combination set of (X_9) could be considered as the unique combination which belongs to the first relationship pattern.

SR4) If the combination set (X_9) in form of $G\sim CLNF$ is present, then companies would follow the focused sequencing strategy in form of industry clustering (Y_1R_1).

Another recessive sequencing strategy is observable from the case 7 which follows the unfocused sequencing strategy in form of unexpected pull of network partners (Y_2R_2). As one of the recessive sequencing strategy, the outcome of unexpected pull of network partners (Y_2R_2) only appears in the combination set of (X_8) with $GC\sim L\sim N\sim F$. In other words, there is any further combination set variation that could lead companies to follow the given outcome of (Y_2R_2) regressively.

SR5) If the combination set (X_8) in form of $GC\sim L\sim N\sim F$ is present, then companies would follow the unfocused sequencing strategy in form of unexpected pull of network partners (Y_2R_2).

2. Relationship Pattern 2: $X_x; X_z \rightarrow Y_y$

The further possibility of combination outcome relationship is that several combinations sets, such as (X_x) and (X_z), demonstrate the same outcome of (Y_y). As mentioned previously, this is the essence of *equifinality* which is

the main characteristic of fsQCA. Based on the methodology description, this part would analyse the equifinality of combination sets in *sufficient* conditions and *necessary* conditions.

In general, all possible combinations (X_x) that lead to an outcome (Y_y) are *sufficient conditions* of the outcome (Y_y). It indicates that in the presence of the combination set of (X_x), the presence of the outcome (Y_y) is also true which is proofed by the actual sample result. *Necessary conditions* represent the conditions that are required to produce the outcome (Y_y) and the conditions (X_x) is also present, if whenever the outcome (Y_y) is present.

2.1 Level 1: Focused (Y_1) and Unfocused (Y_2) Sequencing Strategy

The outcome of focused sequencing strategy (Y_1D_d) is shown in the cases 3, 4, 5, and 7, and these are covered by the combination set of (X_8) with GC~L~N~F for the cases 4, and 7, (X_{10}) with G~CLN~F for the case 3, and (X_{12}) with G~CL~N~F for the case 5 (see Table 21 in Appendix 5.1). This clearly represent the second pattern of the relationship between combination set and sequencing strategy because there are different combination sets that lead to one certain outcome. Thus, all of these three conditions are the *sufficient conditions* to reach the outcome of dominant focused sequencing strategy (Y_1D_d). The cases could be written as primitive expression as follows:

$$\begin{aligned}
 & \text{Case 3} \quad + \text{Case 4} \quad + \text{Case 5} \quad + \text{Case 7} \quad \rightarrow \quad Y_1D_d \\
 = & \quad (X_{10}) \quad + (X_8) \quad + (X_{12}) \quad + (X_8) \quad \rightarrow \quad Y_1D_d \\
 = & \quad G\sim CLN\sim F \quad + GC\sim L\sim N\sim F \quad + G\sim CL\sim N\sim F \quad + GC\sim L\sim N\sim F \quad \rightarrow \quad Y_1D_d
 \end{aligned}$$

This is the most complex way of the formula that expresses the information about sufficiency contained in the truth table 2 for focused sequencing strategy as a outcome (Y_1D_d). As mentioned before, there are redundant of the combination pattern (X_8) (see the Table 4); hence, it is crucial to reformulate the same logical truth in a less complex manner through the *logical minimisation* to explore the *necessary condition* of the outcome (Y_1D_d). Because the cases 4 and 7 share the same combination set (X_8), only one of two cases is considered in the calculation.

$$\begin{aligned}
 & \text{Case 3} \quad + \text{Case 4} \quad + \text{Case 5} \quad + (\text{Case 7}) \quad \rightarrow \quad Y_1D_d \\
 = & \quad (X_{10}) \quad + (X_8) \quad + (X_{12}) \quad + ((X_8)) \quad \rightarrow \quad Y_1D_d \\
 = & \quad (X_{10}) \quad + (X_8) \quad + (X_{12}) \quad \rightarrow \quad Y_1D_d \\
 = & \quad G\sim CLN\sim F \quad + GC\sim L\sim N\sim F \quad + G\sim CL\sim N\sim F \quad \rightarrow \quad Y_1D_d
 \end{aligned}$$

Then, the conditions of combination are compared, and the most similar characteristics, that are not sufficient, are eliminated.

$$\begin{aligned}
 & \text{Case 3+4} \quad + \text{Case 5} \quad \rightarrow \quad Y_1D_d \\
 = & \quad G\sim F \quad + G\sim CL\sim N\sim F \quad \rightarrow \quad Y_1D_d \\
 & \text{Case 3+4+5} \quad \rightarrow \quad Y_1D_d \\
 = & \quad G\sim F \quad \rightarrow \quad Y_1D_d
 \end{aligned}$$

After operating the logical minimisation, the necessary condition of G~F remains. It means that the combination of characteristics in the form of G~F is the *necessary* conditions that has the highest impact on the outcome (Y_1D_d). In other words, if a company shows the combination of high level of global mindset (G) and low level of financial resources (slack) (~F) at the same time, it tends to follow the focused sequencing (Y_1D_d) in their internationalisation. This necessary condition could be proofed when the combination pattern in (X_8), (X_{10}), and (X_{12}) are taken into the consideration, where the cases 3, 4, 5, and 7 are included (see the Table 2). The combination set (X_8) indicates the focused sequencing (Y_1D_d) through the cases 4 and 7, and it contains the necessary condition of G~F in its combination. Also, the combination set of (X_{10}) for the case 3 and the combination set of (X_{12}) for the case 5 contain G~F as the necessary condition.

SR6) A combination with high level of global mindset and low level of financial resources (G~F) is the necessary condition for the outcome in form of focused sequencing strategy (Y_1D_d).

The same logic could be used for analysing the necessary condition for the outcome in form of dominant unfocused sequencing strategy (Y_2D_d) where the case 1 with the sufficient condition of (X_9), 2 with (X_{10}), 6 with (X_9), 8 with (X_{13}), 9 with (X_{10}) and 10 with (X_8) are distributed – the cases 6 and 9 are considered as redundant of the cases 1 and 2, respectively.

	Case 1	+ Case 2	+ (Case 6)	+ Case 8	+(Case 9)	+Case 10
	->	Y_1D_d				
	Case1	+Case 2	+Case 8	+Case 10	->	Y_2D_d
=	(X_9)	+(X_{10})	+(X_{13})	+(X_8)	->	Y_2D_d
=	$G\sim CLNF$	+ $G\sim CLN\sim F$	+ $G\sim C\sim LNF$	+ $GC\sim L\sim N\sim F$	->	Y_2D_d
	Case 1+2	+Case 8+10	->	Y_2D_d		
=	$G\sim CLN$	+ $G\sim L$	->	Y_2D_d		
=	G		->	Y_2D_d		

SR7) A combination with high level of global mindset (G) is the necessary condition for the outcome in form of unfocused sequencing strategy (Y_2D_d).

2.2 Level 2: Dominant (D_d) and Recessive (R_r) Sequencing Strategy

Because the sufficient and necessary condition analysis for level 1 is not precise enough, a differentiated analysis in level 2 for each dominant (D_d) and recessive (R_r) sequencing strategy are conducted in the following par. The analysis would follow the order as disputed in the Table 23 in Appendix 5.2.

For the focused sequencing strategy, there is no dominant sequencing strategy that has the second pattern of the relationship between combination set and the outcome where several combination sets exist for one certain

outcome. However, there are two recessive focused sequencing strategies – enhancing organisational learning (Y_1R_2) and diffusion on trends (Y_1R_3) (see the Table 23 in Appendix 5.2).

Enhancing organisational learning are shown as the outcome in form of recessive focused sequencing strategy (Y_1R_2) in the cases 2, 6, and 10 that include the sufficient conditions of (X_{10}), (X_9) and (X_8), respectively.

$$\begin{array}{lllll}
 & \text{Case 2} & + \text{Case 6} & + \text{Case 10} & \rightarrow Y_1R_2 \\
 = & (X_{10}) & + (X_9) & + (X_8) & \rightarrow Y_1R_2 \\
 = & G\sim CLN\sim F & + G\sim CLNF & + GC\sim L\sim N\sim F & \rightarrow Y_1R_2 \\
 \\
 & \text{Case 2+6} & + \text{Case 10} & & \rightarrow Y_1R_2 \\
 = & G\sim CLN & + GC\sim L\sim N\sim F & & \rightarrow Y_1R_2 \\
 = & G & & & \rightarrow Y_1R_2
 \end{array}$$

SR8) A combination with high level of global mindset (G) is the necessary condition for following the focused sequencing strategy in form of enhancing organisational learning (Y_1R_2).

Moreover, the cases 8 and 9 demonstrate the recessive focused sequencing strategy in form of diffusion of trends (Y_1R_3) with the sufficient condition of (X_{13}) and (X_{10}).

$$\begin{array}{llll}
 & \text{Case 8} & + \text{Case 9} & \rightarrow Y_1R_3 \\
 = & (X_{13}) & + (X_{10}) & \rightarrow Y_1R_3 \\
 = & G\sim C\sim LNF & + G\sim CLN\sim F & \rightarrow Y_1R_3 \\
 = & G\sim CN & & \rightarrow Y_1R_3
 \end{array}$$

SR9) A combination with high level of global mindset, low cultural intelligence, and high network competence ($G\sim CN$) is the necessary condition for following the focused sequencing strategy in form of pursuing diffusion of trends (Y_1R_3).

For the unfocused sequencing strategy, there are more outcomes that should be considered in the second pattern of the relationship between the combination and the outcome. Both outcomes in form of following existing customer demand (Y_2D_1) and unexpected pull of network patterns (Y_2D_2) are demonstrated as a dominant unfocused sequencing strategy for the cases 1,2,8, and 9 and the cases 6 and 10, respectively (see the Table 23 in Appendix 5.2). Also, there is one recessive unfocused sequencing strategy, shown in the form of following existing customer demand (Y_2R_1). The outcome (Y_2D_1) and (Y_2R_1) represent fundamentally different characteristic of the sequencing strategy, even though they both express the unfocused sequencing strategy of existing customer demand. As explained at the beginning of the part, a dominant sequencing strategy plays the pivotal role in the actual internationalisation, while a recessive sequencing strategy does not reveal itself in the real sequencing strategy dramatically; hence, both do not appear at the same time. For instance, the case 1 which follows the

dominant unfocused sequencing strategy in form of existing customer demand (Y_2D_1) would not follow (Y_2R_1) as their recessive sequencing strategy. Therefore, both variations of dominant and recessive sequencing strategy should independently be taken into account.

The dominant unfocused sequencing strategy in form of existing customer demand (Y_2D_1) appears if the combination set of (X_9) from the case 1, (X_{10}) from the cases 2 and 9 (the case 9 is the redundant of the case 2), or (X_{13}) from the case 8 is present which also shows the equifinality characteristic of fsQCA.

$$\begin{array}{llll}
 & \text{Case 1} & + \text{ Case 2} & + \text{ Case 8} & \rightarrow & Y_2D_1 \\
 = & (X_9) & + (X_{10}) & + (X_{13}) & \rightarrow & Y_2D_1 \\
 = & G\sim CLNF & + G\sim CLN\sim F & + G\sim C\sim LNF & \rightarrow & Y_2D_1 \\
 \\
 & \text{Case 1+2} & + \text{ Case 8} & & \rightarrow & Y_2D_1 \\
 = & G\sim CLN & + G\sim C\sim LNF & & \rightarrow & Y_2D_1 \\
 = & G\sim CN & & & \rightarrow & Y_2D_1
 \end{array}$$

SR10) A combination with high level of global mindset, low cultural intelligence and high network competence ($G\sim CN$) is the necessary condition for following the dominant unfocused sequencing strategy in form existing customer demand (Y_2D_1).

Following the same logical calculation, the dominant unfocused sequencing strategy in form of unexpected pull of network partners (Y_2D_2) occurs in the case 6 with the sufficient condition set of (X_9) and the case 10 with (X_8).

$$\begin{array}{llll}
 & \text{Case 6} & + \text{ Case 10} & \rightarrow & Y_2D_2 \\
 = & (X_9) & + (X_8) & \rightarrow & Y_2D_2 \\
 = & G\sim CLNF & + GC\sim L\sim N\sim F & \rightarrow & Y_2D_2 \\
 = & G & & \rightarrow & Y_2D_2
 \end{array}$$

SR11) A combination with high level of global mindset (G) is the necessary condition for following the dominant unfocused sequencing strategy in form unexpected pull of network partners (Y_2D_2).

In terms of recessive unfocused sequencing strategy, there is one outcome – existing customer demand (Y_2R_1) - that shows the equifinal relationship between the combination sets and the outcome. It occurs, if the combination set of (X_8) with the case 4, (X_{10}) with the case 3 and (X_{12}) with the case 5 as the sufficient condition.

$$\begin{array}{llll}
 & \text{Case 3} & + \text{ Case 4} & + \text{ Case 5} & \rightarrow & Y_2R_1 \\
 = & (X_{10}) & + (X_8) & + (X_{12}) & \rightarrow & Y_2R_1 \\
 = & G\sim CLN\sim F & + GC\sim L\sim N\sim F & + G\sim CL\sim N\sim F & \rightarrow & Y_2R_1
 \end{array}$$

$$\begin{array}{llll}
& \text{Case 3+4} & + \text{ Case 5} & \rightarrow Y_2R_1 \\
= & G\sim F & + G\sim CL\sim N\sim F & \rightarrow Y_2R_1 \\
= & G\sim F & &
\end{array}$$

SR12) A combination with high level of global mindset and low level of financial resources ($G\sim F$) is the necessary condition for following the recessive unfocused sequencing strategy in form existing customer demand (Y_2R_1).