



Developing a MFW while working

A former student's experience

About me

A very brief summary of my MFW journey



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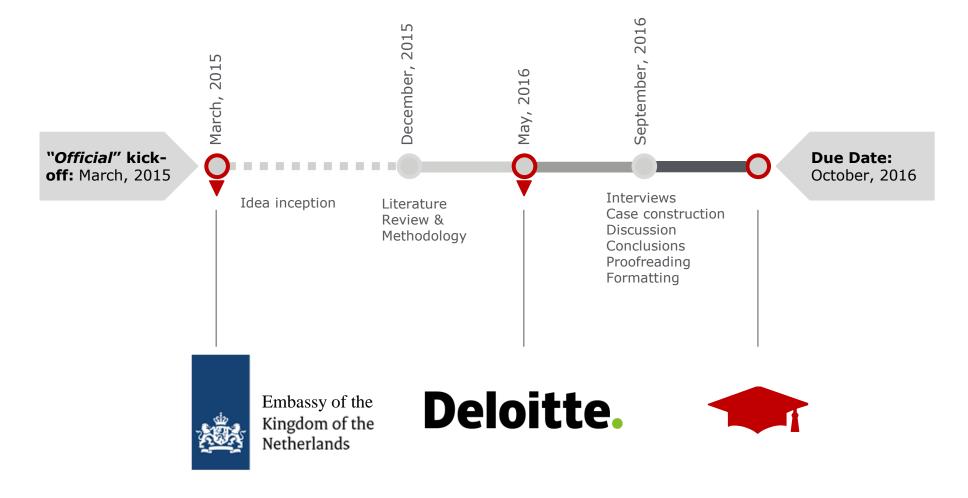
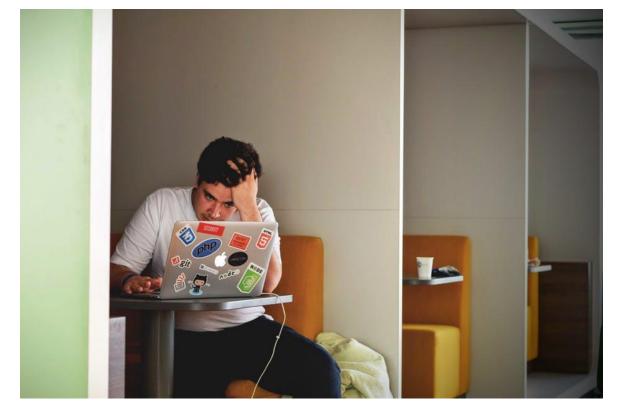


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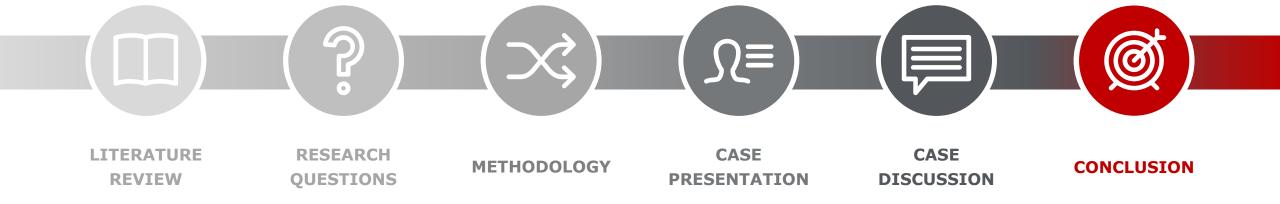
Borderless Companies: The role of Entrepreneurs and Network Relationships in the Development of Global Value Systems

MFW Dissertation | Management and Industrial Strategy

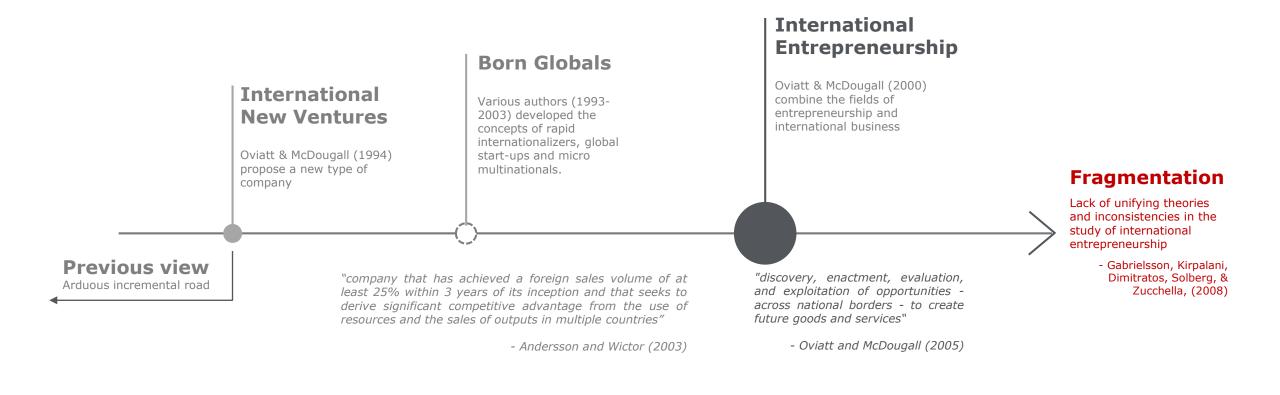
Defendant Gonçalo Eurico Almeida Martins

Supervisor Vítor Corado Simões

Content



International New Ventures & Born Globals in International Entrepreneurship Theory



Drivers of change

Globalization
- Kummerle (2005)

Enabling environment

- Mudambi (2008), Simões & Dominguinhos (2001)

Entrepreneurs and Networks

- Andersson and Wictor (2003)

Network Relationships in internationalization theory



The role of the entrepreneurial team in internationalization



Heart and soul of the company

- Ambos & Birkinshaw (2010); Madsen & Servais (1997); Simões (2012)



Highly qualified

- Dominguinhos (2007), Madsen & Servais (1997); Oviatt & McDougall (1995); Andersson et al. (2004),



Born globals' most valuable resource

- Dominguinhos & Simões (2004), Luostarinen & Gabrielsson (2006), Oviatt & McDougall (1995)



1. Planning approach

2. Effectual approach

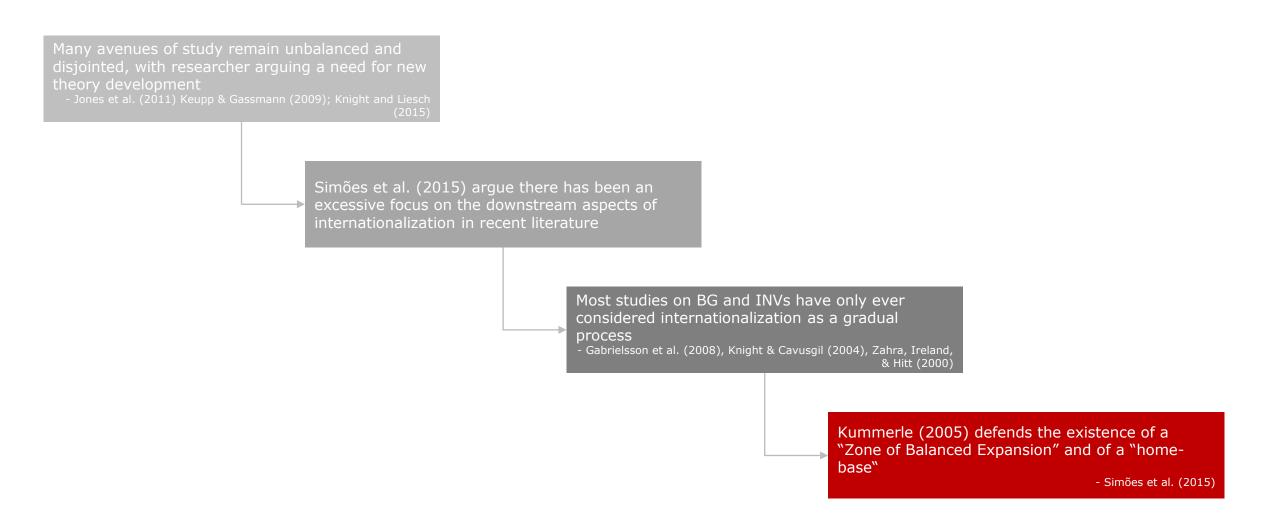
Bricolage view & Effectual logic

Effectual logic

"To the extent we can control the future, we do not need to predict it" - Sarasvathy (2008)

- Effectuation processes are not focused on a single goal, instead they start with the entrepreneurs characteristics and follow a set of principles
 - Andersson (2011); Sarasvathy (2008)
- Grounded on the principles of "non-predictive strategy" and "non-predictive control" and play a particularly effective role when the future is unpredictable
 - Sarasvathy (2001) (2008)
- Entrepreneurs have been found to use effectuation instead of causation in their early internationalization efforts
 - Harms & Schiele (2012)
- Used in the past to assess the progress of born globals
 - Andersson (2011) Galkina & Chetty (2015) Mort, Weerawardena, & Liesch (2012)

Configuration of value-chain activities in born globals (1/2)



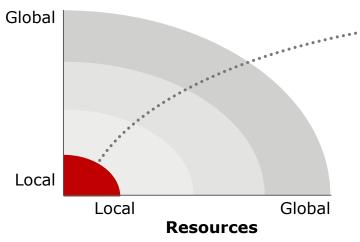
Configuration of value-chain activities in born globals (2/2)

Born Globals
O



Zone of Balanced Expansion

Operations



Borderless firms

- Kuivalainen et al. (2007), Simões et. al (2015)

"Value system that encompasses and integrates contributions from different geographies"

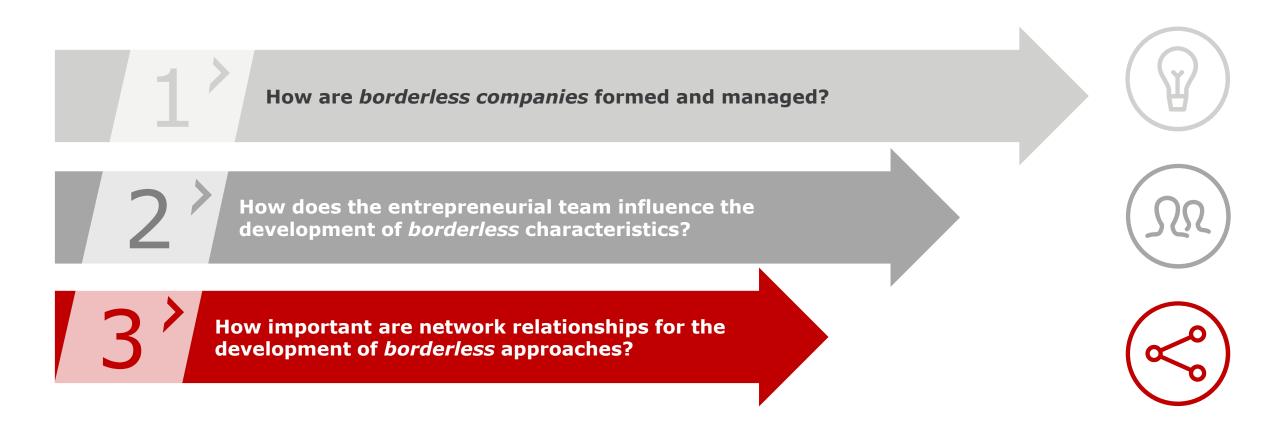
Borderless Firms as a result of:

- A geographic combination that defies the home base logic;
- A mix of design and effectuation;
- Higher market knowledge leads to a higher chance of combining resources in different locations;
- Opportunity discovery cases have an higher reliance on emergent strategies;
- Relationship-based operations have lesser need for tight coordination and control systems in different locations.

- Simões et. al (2015)

Research Questions

Three questions were developed to deepen the borderless research field



Methodology

Why case studies?



Rationale used

The investigation method must be consistent with the research objectives in three dimensions:

- 1. "The type of research questions posed";
- 2. "The extent of control an investigator has over actual behavioral events";
- 3. "The degree of focus on contemporary as opposed to historical events";

- Yin (2009)

DEVELOPMENT OF CASE STUDIES

Why?

Adequate method to answer questions of "how and "why;

- Yin (2009), Eisenhardt (1989)

More appropriate in the initial stages of new phenomena research;

- Eisenhardt (1989)

Allows:

- Access to a diverse set of information;
- · Enhances the reliability of the information;
- Knowledge expansion and theory generalization;
- · Study of new phenomena in the field of international business;

- Madsen and Servais (1997), Simões et al. (2015)

Methodology

The tools we used

Identifying and selecting the cases

Study Case Parameters

- Miles and Huberman (1994)

Potential list using various resources Four *borderless* selection criteria

Final 3 Candidates

Data Gathering

A method of triangulation was employed

- Hurmerinta-Peltomäki & Nummel (2004, 2006). Jick (2011

1. Information about the companies

• Public information found online in several formats:











2. Interviews

- Followed an adapted version of Hashimoto's (2011) questionnaire (semi-structured interviews with open questions);
- During September for approximately 60min each;
- Transcribed using an adapted case study protocol to ensure information validity.

- Edwards & Holland (2013), Gill, Stewart, Treasure, & Chadwick (2008), Quivy & Campenhoudt, (2005), Yin (2009)

Information Validity Procedures

• Trustworthiness of the information obtained was assured by the following criteria: construct validity, internal validity, external validity and reliability.

- Yin (2009)

Analysis of Empirical Evidence

- Exploited different sources;
- Used a replication logic;

- Dominguinhos (2007)

• A review e-mail request was sent to the interviewed individuals.

Case Presentation

The companies selected, lead entrepreneurs & interviewees













João Leitão (CEO) & Vasco Moreira (CMO)

Former International Experience	Specific Industry Experience	Main Market (Sales & Activities)
None	Limited	Germany, U.K., U.S., (tied) Portugal

Nuno Sebastião (CEO)

Former International Experience	Specific Industry Experience	Main Market (Sales & Activities)
Germany & U.K	Substantial	U.S Portugal, U.S. U.K,

Diogo Ortega (CEO) & Lourenço Oliveira (HBD)

Former International Experience	Specific Industry Experience	Main Market (Sales & Activities)
London	None	U.S Portugal, U.S.

BORDERLESS CASES

Discussion

How are borderless companies formed and managed?



The Feedzai and
LineHealth cases differ
from Followprice in the
aspect that the location
decision of each of the
value chain's activities
was not planned in

advance but rather the

result of individual steps

taken.

Context

Feedzai and LineHealth are not tied to a geographical home

base

Home versus Cross border base

Their places of incorporation are not the R&D location

- Gabrielsson et al. (2008)

These companies escape the Zone of Balanced Expansion

- Kuemmerle (2005)

The same cannot be said of Followprice which, despite establishing an office abroad from an early stage, centralized its core activities in Lisbon.

Feedzai and
LineHealth exhibit
an effectuation
approach based
on affordable loss

Design versus Effectuation

- Sarasvathy (2008

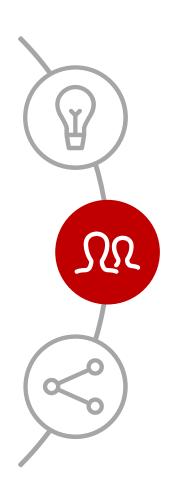
Followprice's shows ties with a expected returns logic

The commitment to strategic alliances was consistent with the principles of "non-predictive strategy"

- Wiltbank et al. (2006)

Discussion

How does the entrepreneurial team influence the development of *borderless* characteristics?



All companies had entrepreneurial teams with highly skilled sets of knowledge

- Oviatt & McDougall (1995)

The borderless firms' founders possessed previous international experience from time spent abroad

- Dominguinhos & Simões (2004); - Luostarinen & Gabrielsson, (2006) Followprice's founders previous professional experience influenced the process of opportunity discovery

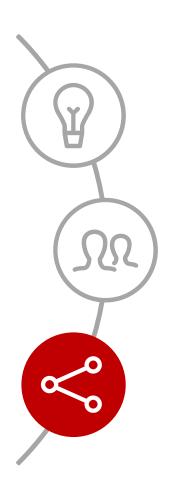
- Oviatt & McDougall (1995) The entrepreneurs' ambition played a key role in the configuration of the companies as borderless

- Andersson et al. (2004); - Oviatt & McDougall (1995) The founders' business vision at inception was crucial when choosing to address the global market

- Madsen & Servais (1997)

Discussion

How important are network relationships for the development of *borderless* approaches?



Important role towards rapid internationalization

Falahat et al. (2015)
 Zain & Ng (2006)

Knowledge sources on external markets

- Ellis (2000); - Madsen & Servais (1997). Crucial in the choice of the first country to approach

- Coviello (2006); Coviello & Munro (1997) Used in different degrees as a way to reduce the risk of foreign market entry...

- Johanson & Vahlne (2006)

...and overcome resource shortages

Mort & Weerawardena (2006);Simões & Dominguinhos, 2001) Unforeseen
network relations
had an important
role in leading
the companies to
a borderless
configuration

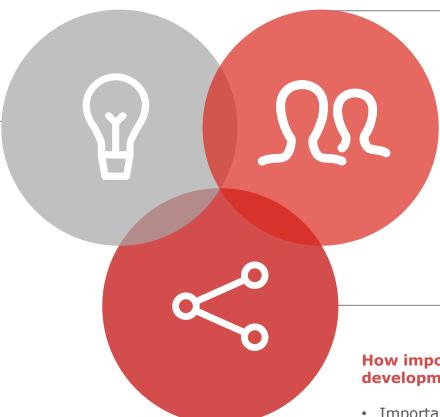
The borderless
cases were
shown to
actively try to
develop their
network
capabilities

Conclusion

Summing up what we've learned

How are *borderless* companies formed and managed?

- Unplanned location of activities as a result of individual steps taken while fine-tuning the business opportunity;
- All companies showed elements of effectuation in their approaches, with the borderless having strong ties with the elements of affordable loss and nonpredictive strategy;
- Other key factors identified were previous international experience and the stressing of partnerships.



How does the entrepreneurial team influence the development of borderless characteristics?

- A crucial element for the development of borderless structures;
- Possess a wide set of competencies and prior international experience;
- Related key factors leading to borderless configurations were found to be the ambition and business vision at inception.

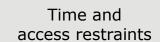
How important are network relationships for the development of *borderless* approaches?

- Important role in the choice of their first country where value chain activities were established;
- Used to reduce entry risk and leverage limited resources;
- Firms are aware of their importance and try to grow them.

Conclusion

Limitations and future research

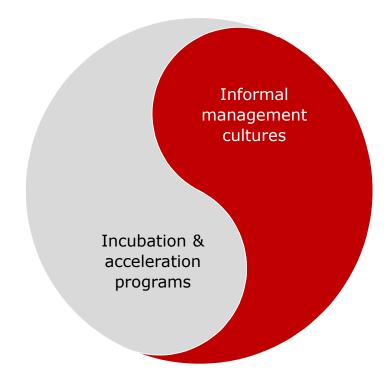
Limitations



Limited Cases

Interview subjects

Future Research







Any questions?

(we're not finished yet)



Time-saving tools

Tools don't make the artist, but they speed up the work

ISEG's proxy to download your papers



Mendely to organize your references and find new research

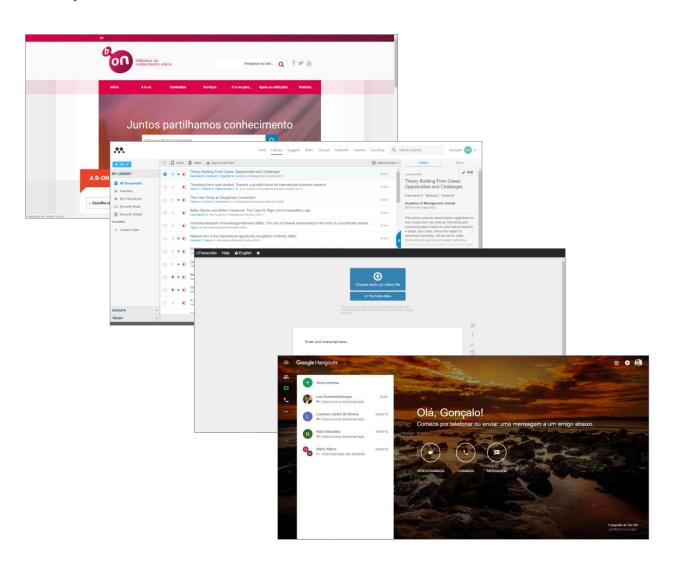


oTranscribe to accelerate your interview write out's



Google Hangouts to easily set up an interview





Some final advices

Good practices that could help along the way

Critical Sucess Factors Key assets A MFW is a project, so plan accordingly Time Carefully schedule your vacations and rest days Don't forget Murphy's law "Save your best hours for yourself" 1111 **Energy** Menial work is best in the evenings Turn off your phone (seriously) Think of them as your safety-net Be considerate of his/her other obligations Don't be afraid to ask silly questions Involve those closest to you (be it your boss or partner) Friends & Ask for feedback when at a crossroads coworkers Make your priorities known

Questions

These one's might have crossed your mind

- "How do I know which papers are relevant?"
- "How do I explain to my boss that I'm having a though time managing the workload?"
- "How do I find companies' contacts?"
- "Should I use my school or personal e-mail when contacting interviewees?"
- "How long should the e-mail/questionnaire be?"
- "What's the best way to archive my web data?"
- "Is it too late to change my Research Questions?"







Thank you for your attention