EXPLORING THE INTERNATIONALISATION PROCESS OF SMALL AND MEDIUM SIZED ENTERPRISES: A STRONG STRUCTURATION PERSPECTIVE

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Declaration

I hereby certify that this material, which I now submit for assessment on the programme of study leading to the award of Doctor of Philosophy is entirely my own work, and that I have exercised reasonable care to ensure that the work is original and does not to the best of my knowledge breach any law of copyright, and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

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Abstract

Aileen Kennedy

Exploring the Internationalisation Process of Small and Medium Sized Enterprises: A Strong Structuration Perspective

Small and medium-sized enterprises (SMEs) are increasingly active in international markets and it is important to understand their processes of internationalisation. Extant studies explain the firms' internationalisation process in terms of dualist and dichotomous thinking, with researchers implicitly emphasising either structural (environmental) or agential (managerial) dimensions. Such approaches exclude the interplay and interaction between structure and agency from their analysis yet knowledge of this relationship is seen as crucial to fully understanding the process of firm internationalisation (Dutta et al., 2016; Sydow et al., 2010).

To overcome the structure-agency divide evident within extant research this study adopts the duality of structure approach and a structuration perspective to research firm internationalisation. It conceptualises the firms' internationalisation process as a reciprocal relationship between structure (contextual and environmental factors) and agency (the individual manager) that operates as a duality, as two intertwined and interdependent elements. Strong structuration theory (Stones, 2005), a strengthened and refined version of Giddens' structuration theory (1984), is applied as the theoretical framework to analyse the internationalisation process in six case studies of Irish SMEs. The case analyses illustrate the role and influence of internal structures (within the agent) and external structures, as well as managerial practices (active agency) on the internationalisation activities and outcomes of the firm. These are the four components of the quadripartite framework (Stones, 2005). The analyses provide a richly contextualised explanation of how and why the internationalisation process occurs within these firms.

Adopting a structuration perspective and embracing the duality of structure contributes to internationalisation research by extending the theoretical explanation of firm internationalisation to include multiple inputs into, as well as multiple outcomes from, the process. A structuration perspective also accounts for the recursive processes and patterns of internationalisation by incorporating both structure and agency into the explanation of firm internationalisation. A further contribution to existing theories of internationalisation is the introduction of the role of soft power within the internationalisation process. This research addresses calls for increased process studies within the international field while also extending strong structuration theory into a new context, that of firm internationalisation. Positioned at the intersection of sociology and internationalisation literatures, this research contributes to scholarship by demonstrating the value of interdisciplinary research in advancing knowledge of firm processes.

CHAPTER ONE: INTRODUCTION

1.1 INTRODUCTION

SMEs are increasingly active in international markets and the activities and processes surrounding their internationalisation are important phenomena to understand from both a research and a managerial perspective (Kuivalainen et al., 2012; Vanninen & Kuivalainen, 2015). This research adopts a process approach, based on a structure and agency perspective, to explore and understand the 'how' and 'why' of the internationalisation process of the firm (Langley et al., 2013; Pettigrew, 1997). Adopting this approach addresses the acknowledged paucity of process studies within the field, where although process approaches are needed they have remained scarce (Coviello & McAuley, 1999; McAuley, 2010; Piekkari & Welch, 2004; Welch & Paavilainen-Mäntymäki, 2014).

Existing research explains the firms' internationalisation process in terms of dualist and dichotomous thinking. Researchers have implicitly emphasised either structural dimensions (environmental or contextual features) or agential dimensions (knowledge and characteristics of managers) within their studies. By adopting this approach, existing research excludes the interplay and interaction between structure and agency from explanations of firm internationalisation. As a result, much of the extant research on internationalisation in SMEs offers a highly focused, but necessarily partial explanation, of the internationalisation process (Coviello & McAuley, 1999; Lamb et al., 2011). This has led to calls for alternative frameworks and alternative ways of understanding the firms' internationalisation process (Kuivalainen et al., 2012; Li & Gammelgaard, 2014; Welch et al., 2016).

This research proposes an alternative framework for researching and understanding the firms' internationalisation process, based on a structuration perspective. The firms' internationalisation process is conceptualised as a reciprocal relationship between structure (contextual and environmental factors) and agency (the individual manager) that operates as a duality, incorporating interdependent and mutually enabling elements (Giddens, 1979, 1984; Farjoun, 2010; Sewell, 1992; Slattery, 2003). Within the context of internationalisation, the recursive interplay of structure and agency is seen as representative of the process whereby a firm's ability to undertake internationalisation activities is dependent on the types of actions managers can take (agency) within existing environmental and contextual influences (structures). Knowledge of this

relationship between structure and agency is crucial to understanding the process of firm internationalisation (Dutta et al., 2016; Sydow et al., 2010). Offering a unique processual view on internationalisation, a structuration perspective overcomes the structure-agency divide evident within existing research. Drawing from a structuration perspective the research question for the study is:

To explore the reciprocal relationship between structure (environmental and contextual factors) and agency (the individual manager) during the internationalisation process of SMEs.

This research draws on strong structuration theory (Stones, 2005), a strengthened and refined version of Giddens' (1984) structuration theory, as a theoretical framework to analyse the interaction, and interdependence, of structure and agency within the internationalisation process. Giddens' (1984) original structuration theory is based on a local ontology where structure has no physical existence existing instead as a 'virtual reality' (Busco, 2009). The strong structuration ontology underpinning Stones' (2005) work recognises the existence of external structures, which are autonomous from the agent and exert a causal influence. This change in the ontological status of structure (Englund & Gerdin, 2016), coupled with additional ontological and methodological developments, have been recognised as being of considerable use to researchers adopting a structuration perspective (Coad et al., 2015; Jack & Kholief, 2007, 2008; Parker, 2006; Stones & Jack, 2016). The quadripartite nature of structuration (Stones, 2005) is applied as the interpretative framework to investigate the internationalisation process in six case studies of Irish SMEs. The components of the framework include internal structures of managers, external structures, active agency, and outcomes.

By interviewing multiple managers, including the CEOs or MDs involved in internationalisation activities in each of the case firms, an in-depth and contextualised account of the interplay of internal and external structures and agents is developed. The case analyses produce a richly contextualised explanation of how the internationalisation process occurs within firms. In relation to agency, the managers' dispositional frame of meaning is shown to exert a critical influence on the firms' internationalisation activities. The agents' dispositional frame of meaning, or general dispositions, includes such things as skills, attitudes, ambitions, moral and practical

principles (Greenhalgh et al., 2014a; Stones, 2005). The agents' general business dispositions calibrate and condition their responses to, and interactions with, the external structures they encounter within the international terrain.

These dispositional frames of meaning create confidence within agents in their transposable (generalisable) skill sets, which can in some cases, overcome a perceived lack of task specific or particular international knowledge. Within Stones' (2005) framework, conjuncturally specific knowledge is knowledge of how to act in particular situations, based on ones' hermeneutic understanding of external social structures (Coad & Herbert, 2009; Greenhalgh et al., 2014a). Within the case analyses the impact of managers' knowledgeability, captured within conjuncturally specific knowledge, whether well informed or ill informed, exerts significant influence on the firms' international activities. The analyses highlight the role and influence of the managers' position-practice relations in the firms' internationalisation activities. Position-practices represent the web of social relations and interdependencies which the manager operates within. These position-practices enable managers to access the internationalisation knowledge of networked others. Managers also leverage their social and professional relationships, or network ties, to access and mobilise resources for internationalisation.

External structures exerting influence within the internationalisation context of the case firms included distributors/intermediaries, customers, partner organisations, competitors, procurement processes, and internal company structures. Including environmental and contextual aspects of the international landscape, or external structures, within the case analyses delivers a realistic insight into the pressures that managers operate under in the dynamic international landscape. Understanding how the agents' hermeneutic frame influences their interpretation of, and approach to, these specific external structures within defined case contexts are key outputs from this research.

The case analyses illustrate that managers demonstrate active agency, in that they act and make choices in dealing with external structures. In some cases, they break free from these structures, in other cases they preserve and sometimes modify external structures. The impact of the agents' capacity for reflexivity, self-monitoring and ordering of concerns on firms' internationalisation activities is also evidenced within

active agency. Firm outcomes indicate both the preservation and change of external structures as well as changes in the dispositional frames of agents, such as changes in managers' attitudes, international outlook, and views on the external international terrain. The case analyses provide valuable insights into why and how a particular outcome has been (re)produced at a specific point in time, generating a comprehensive explanation of firms' internationalisation outcomes.

This structuration analysis offers a number of contributions to existing theoretical knowledge of firm internationalisation. Firstly, it extends the theoretical explanation of internationalisation to include multiple inputs to, and multiple outcomes, of the process. A strong structuration analysis incorporates many different aspects of the firms' multifaceted internationalisation process (Ruzzier et al., 2006; Welch & Paavilainen-Mäntymäki, 2014), dealing with both multiple inputs to the process (as external structures within the agents' context analysis), and accounting for multiple outcomes of the process (as change or reproduction of internal and/or external structures and events). In this way, a strong structuration analysis captures critical events, and their inter-relationships, in the firms' international development as well as the key factors that affect the firms' international behaviour.

Secondly, a structuration analysis accounts for the recursive processes and patterns of internationalisation by incorporating a combination of both structural and agential considerations into the explanation of the firms' internationalisation process. The case analyses illustrate the analytical value of the quadripartite framework in exploring how ongoing structuration processes within the firms coalesce into internationalisation practices (Moore & McPhail, 2016). A further contribution to existing theories of internationalisation is the introduction of the role of soft power within the internationalisation process. The case analyses highlight the role and influence of the soft power capacities of the agent-in-focus. Soft power, or persuasive communication, is the ability of an agent to persuade others to do what they want without the use of force or coercion

In conclusion, Stones' (2005) strong structuration theory provides a rich conceptual foundation for investigating the process of small firm internationalisation. The international context of the firm influences its activities (Andersson, 2004). The

attributes and knowledge of managers driving the internationalisation process are also influential (Lamb et al., 2011). Gathering knowledge of the interaction and interplay between these elements of structure and agency is crucial to understanding the firms' internationalisation process (Sydow et al., 2010). The duality of structure, as the core tenet of structuration theory (Giddens, 1984) gives sufficient weight to both structure and agency within the analyses rather than ascribing primacy to either. It also articulates the relationships and pressures between external and internal agents and structures by examining their interaction throughout the process (Jack & Kholief, 2008). In the context of the SME case studies strong structuration theory (Stones, 2005) provides a valuable conceptual apparatus for researching the internationalisation process of firms and produces valuable managerial and research insights.

This perspective offers a novel approach to internationalisation process research, but is based on the robust theoretical platform of structuration theory (Giddens, 1984). This research builds on and advances previous internationalisation process research adopting Giddens' (1984) structuration theory such as work by Dutta et al. (2016) and Sydow et al. (2010). It concludes that Stones' (2005) strong structuration theory provides a framework that delivers a deeper and more insightful exploration and understanding of the role, and interdependence, of both structure (contextual and environmental factors) and agency (individual manager) in the firms' internationalisation process, than those put forward by extant process models.

1.2 ORGANISATION OF THE THESIS

The thesis is organised in eight chapters as shown in Figure 1.1.This first chapter provides an overview of the study. The key premise of this research is that the internationalisation process of the firm can be explored as a reciprocal relationship between structure (contextual factors) and agency (the individual manager), operating as a duality, as two interdependent, intertwined and mutually enabling elements (Giddens, 1979, 1984; Farjoun, 2010; Sewell, 1992; Stones, 2005).

To position this approach within extant internationalisation models and theories the main streams of SME internationalisation research are critically evaluated in Chapter 2. Within process research, studies can be executed in two ways, from a variance perspective or from a process perspective. The two main approaches to firm

internationalisation research reflecting a process orientation emerge as the Uppsala model and Network theory. As a result of implicitly emphasising either a structural orientation (Uppsala model) or an agential orientation (business network approach) within their research designs, neither of these process models can incorporate the impact of the firms' environment (structural aspects), the activities of the firms' managers (agency) as well as the interaction of structure and agency within their explanations of firm internationalisation. Structuration theory as a process approach, incorporating the duality of structure, can overcome the research limitations of this structure-agency divide. Theoretical developments from leading scholars within the strategy process domain have drawn on both structuration theory (Giddens, 1984) and structuration variants in their research approaches, and how these 'structuration like' theories have advanced process theory is reviewed.

It is also possible to research the internationalisation process of the firm from a micro perspective. A micro perspective on the internationalisation process investigates the practical activities needed within companies to actually make the process happen. A micro level understanding of internationalisation can be achieved by exploring organisational routines as micro processes within the firm (Prashantham & Floyd, 2012) and this is the focus of Chapter 3. Structuration theory provides the conceptual foundation for routine scholars and exploring the interaction of the ostensive (structure) and performative (action) aspects of routines delivers a micro perspective on the firms' internationalisation process.

Emerging from the discussions in Chapters 2 and 3, this research asserts that a structuration perspective provides a strong conceptual foundation for internationalisation process research. As the duality of structure and Giddens' (1984) structuration theory will be used to gain a unique perspective on the firms' internationalisation process, as well as a micro perspective on the same process, structuration theory is reviewed in Chapter 4. However, examining structuration theory (Giddens, 1984) reveals a number of criticisms of, and drawbacks to, the theory. The critical issue for this research is that Giddens' (1984) structuration theory is based on a local ontology which means there are no such things as external social structures which exist beyond the human mind (Coad et al., 2015). Giddens' (1984) structures have no physical existence. As a result this research draws on strong structuration theory

(Stones, 2005), which is a strengthened and refined version of Giddens' (1984) original structuration theory, as a theoretical framework. Strong structuration theory includes a number of ontological and methodological developments. The key ontological development is the introduction of external structures, which exist autonomously from the agent and are capable of exerting a causal influence (Stones, 2005). As strong structuration theory recognises the existence of external structures, external environmental, situational, and contextual factors exerting influence on the firms' internationalisation activities can be incorporated into the analysis. Operationalising Stones' (2005) strong structuration theory allows this research to examine the recursive interplay of structure (environmental and situational factors) and agency (individual manager) within the firms' internationalisation process.

How this research was conducted is discussed in Chapter 5. By choosing to use strong structuration theory, an ontological position of duality of structure and action is selected. Adopting this ontological position implies that structure and agency are viewed as two sides of the same coin, neither can dominate within the relationship and neither can exist independently of the other. This research is designed as a process study and views process as a developmental event sequence that describes how things change over time (Langley, 1999; Langley et al., 2013). It is based on six case studies of SMEs with data gathered from multiple respondents, including MDs and CEOs as agents-in-focus.

The case findings and analyses of the internationalisation process of the six SMEs are presented in Chapter 6. The first two cases, The Whiskey Co. and Gold Mountain, examine export intermediaries as the external structures which emerged most prominently from the firms' internationalisation story. Within the following cases, the external structures identified are conceptualised and analysed as sets of external position-practices (Stones, 2005). Within the third case firm, FishFarm, the joint venture company created to enter the Asian marketplace is investigated. Within the fourth case, Caretech, the tendering process within the industry is examined. Within the fifth case, Dromoland Engineering, the Product Management function, as an external structure is explored. The sixth and final case analysis presented, on Keavy Engineering, demonstrates how the quadripartite nature of structuration operates as a cycle. The case investigates three episodes of structuration, examining how the internationalisation

process evolved and the impact on, and the impact of, the agent-in-focus within each episode.

The key observations from the six case analyses are synthesised within the context of Stones' (2005) quadripartite framework in Chapter 7. Based on the case analyses and the firm insights offered, the ability of strong structuration theory to capture and understand the dynamics of the firms' internationalisation process is assessed. What a strong structuration perspective offers in comparison to alternative process models is assessed by revisiting the assumptions and limitations of the Uppsala model and the network approach. A strong structuration perspective is positioned as an alternative to existing process models for exploring and understanding the small firms' internationalisation process. The value of exploring the internationalisation of the six case SMEs involved as a reciprocal process between structure (contextual and environmental factors) and agency (individual manager), operating as a duality, is reinforced to conclude this discussion chapter.

The final chapter, Chapter 8, revisits the motivation for this study. An overview of the core arguments advanced in support of the strong structuration perspective adopted is provided. A summary of the key findings on internationalisation and specifically how agency (the individual manager), structure (environmental factors), and active agency influence the case firms' internationalisation outcomes is provided. The core insight of this research is that a structuration perspective is an innovative process approach to explore and understand the small firms' internationalisation process. This study contributes to internationalisation process research by providing an alternative way of conceptualising the process of small firm internationalisation. Some future research directions, which emerged from this research agenda, are highlighted.

Figure 1.1 Structure of the thesis

The Firm Internationalisation Process

Introduction

(Chapter 1)

Internationalisation Process Research

Process Theories and Structuration Theory (Chapter 2)

Micro Perspective on the Internationalisation Process: Routines

(Chapter 3)

Structuration Theory and Strong Structuration Theory

Theoretical Framework for the Study

(Chapter 4)

Research Methodology

(Chapter 5)

Case Findings and Analyses

(Chapter 6)

Discussion of the Case Analyses

(Chapter 7)

Conclusions and Contributions of the Research

(Chapter 8)

CHAPTER TWO: INTERNATIONALISATION PROCESS RESEARCH

2.1 INTRODUCTION

This research adopts a process approach, based on a structure and agency perspective, to explore the internationalisation process of the firm. To position this approach within extant internationalisation models and theories the main streams of SME internationalisation research are critically evaluated. Within process research studies can be executed in two ways; either by adopting a variance perspective or by adopting a process perspective. This choice of design is based on the researchers understanding of what process actually means to them within the study.

It emerges from the literature review that the two main approaches to firm internationalisation research reflecting a process orientation to process research are the Uppsala model and Network theory. The evaluation of these approaches reveals that the Uppsala model tends to focus on the firms' environment (or structure) as the factor explaining firm internationalisation. Alternatively, the business network approach emphasises relationships and the role of the individual (or agent) within these relationships. However, neither of these models can incorporate the impact of the firms' environment (structural aspects), the activities of the firms' managers (agents) and the interaction of structure and agency within their explanations of firm internationalisation.

Structuration theories can bridge this structure-agency divide as they are based on the concept of duality; the idea that structure and agency are two sides of the same coin. In the study of firm internationalisation processes, the concept of duality allows for the analysis of both structure (environmental and contextual factors) and agency (role and influence of managers) and the analysis of the interaction and interplay between these dimensions. This research asserts that a structuration perspective is the stronger approach for exploring and understanding the dynamics of the internationalisation process within the smaller firm.

2.2 INTERNATIONALISATION RESEARCH IN SMALL FIRMS

Internationalisation is generally understood as an evolutionary process during which a company adapts its operations, strategies, structures, and resources to the international environment (Calof & Beamish, 1995). A considerable body of literature on SME internationalisation exists and various theories have been advanced to date to explain

small firm internationalisation (Coviello & McAuley, 1999; Fletcher, 2011; Knight & Liesch, 2016; Lamb et al., 2011; McAuley, 2010; Rialp & Rialp, 2001).

Internationalisation has been defined as the "*process of increasing involvement in international operations*" (Welch & Luostarinen, 1988, p.36) as well as "*the process by which firms both increase their awareness of the direct and indirect influence of the international transactions on their future, and establish and conduct transactions with other countries*" (Beamish, 1990, p.7). This later definition recognises that internationalisation has both behavioural and economic components and implies that it is dynamic and evolutionary in nature (Coviello & McAuley, 1999). There is widespread consensus that internationalisation is a multifaceted process that occurs over time, rather than a single set of decisions or discrete events (Ruzzier et al., 2006; Welch & Paavilainen-Mäntymäki, 2014).

2.2.1 Internationalisation streams of research

Existing research into small firm internationalisation has been examined from several conceptual perspectives and can be grouped into differing research streams. Andersson (2000) identifies two main research currents representing the economic approach and the process approach. Other scholars have summarised internationalisation research into four main streams or perspectives, which also reflect the divide between the economic and process approaches (Coviello & McAuley, 1999; McAuley, 2010; Ruzzier et al., 2006).

Within the first stream of research internationalisation theories are based within mainstream economics and include internalisation theory, the transaction cost approach, the eclectic paradigm and monopolistic advantage theory. Combined these theories represent the economic school of internationalisation research (Andersson, 2000; Coviello & McAuley, 1999). The focus is on examining why firms invest in foreign markets but as Andersson and Florén (2011) note small firms often do not have the resources to engage in foreign direct investment but instead tend to export and use export intermediaries. The economic view of internationalisation focuses on the company and its environment and has been useful in explaining certain aspects of internationalisation. It does however ignore the process aspects of internationalisation (Andersson, 2000). This economic view does not take individuals and their strategic

choices into account, and does not acknowledge that decision makers in the same situation can make different strategic decisions (Andersson, 2000).

The second identifiable stream of internationalisation research includes the Uppsala internationalisation model and the Innovation model. These represent the behavioural school of the Establishment Chain (stage) models (Coviello & McAuley, 1999). The Uppsala model has been at the forefront of process research in internationalisation (Andersson, 2000). Starting in the 1970s in the Nordic countries, these stage models draw on organisational growth, behaviour, and learning theories to capture internationalisation. The Uppsala model discusses how small firms grow internationally in a step-by-step way with direct exports, followed by middlemen, sales subsidiaries and production facilities (Andersson & Florén, 2011). Though this approach incorporates process aspects of internationalisation, in a similar vein to the economic approach, it overlooks the possibility of individuals making strategic choices (Andersson, 2000) and has been criticised for being deterministic (Andersen, 1993, 1997; Fletcher, 2011).

The third stream of research includes the network theory approach, which examines the internationalisation process by applying a network perspective with a focus on relationships, viewing firms as embedded actors in business networks (Jack, 2005, 2010; Johanson & Vahlne, 1990). This is the relationship school of the network perspective (Coviello & McAuley, 1999; Rialp & Rialp, 2001), which incorporates process aspects of internationalisation. Within the extensive network literature, a number of perspectives exist including social network research, entrepreneurial network research and business network research (Jack, 2010; Slotte-Kock & Coviello, 2010). Within these perspectives, the business network approach focuses on the individual and their relationships within the network while the former are concerned with structural aspects of the network.

The Resource-Based View (RBV) of the firm is also used for investigating small firm internationalisation and represents the fourth identifiable stream of research (Coviello & McAuley, 1999). The objective of the resource-based approach to internationalisation has been to develop a dynamic capabilities/resource based theory of the firm. The RBV characterises firms as a collection of heterogeneous firm-specific resources (McAuley,

2010; Ruzzier et al., 2006). Research within this stream has yet to incorporate process aspects of internationalisation (Sminia & de Rond, 2012).

In summary, these four streams of internationalisation theories and research are rooted in very different conceptual frameworks. They serve as both alternative and complementary explanations of small firm internationalisation. Combined they have generated a substantial body of knowledge on the dimensions of internationalisation including, foreign market selection (Brouthers & Nakos, 2005; Marchi et al., 2014; Musso & Francioni, 2014; Ozturk et al., 2015), entry mode choice (Laufs & Schwens, 2014) and exporting (Francioni & Pagano, 2016; Kuhlmeier & Knight, 2010; Paul et al., 2017; Rundh, 2015). In addition the internationalisation patterns (Kuivalainen et al., 2012), pathways (Olejnik & Swoboda, 2012), stages (Dominguez & Mayrhofer, 2017), and levels of international involvement of SMEs (Martineau & Pastoriza, 2016), have also received substantial research attention.

2.2.2 Internationalisation research: agency and structure

Within existing small firm internationalisation research, two parallel streams of research have emerged. One stream of research studies has focused on the role and influence of the agent (the individual manager) on the firms' internationalisation behaviour, while the second stream examines the role of environmental (contextual, situational, and structural) factors in the firms' internationalisation activities and behaviour.

Within extant internationalisation research, managers are seen as central to explanations of firms' international behaviour and the importance of managers and the role of agency have been dealt with in a substantial number of studies (Acedo & Florin, 2006; Andersson, 2000; Andersson et al., 2003; Manolova et al., 2002; Ruzzier et al., 2007). This stream of research attests to the significant role managers' play as decision makers in SMEs where personal and individual characteristics and interpretations are highly likely to affect the firms' internationalisation (Child & Hsieh, 2014; Dutta et al., 2016; Li & Gammelgaard, 2014; Sarason et al., 2006, 2010). These studies reinforce the importance and influence of managers and managerial behaviour to small firm internationalisation, indicating positive relationships between managers' international attitude, orientation, knowledge and experience and the firms' international

development. (Andersson, 2000; Andersson & Florén, 2011, Andersson et al., 2003; Child & Hsieh, 2014; Lamb et al., 2011; Manolova et al., 2002; Nummela et al., 2004).

The relationship between top management characteristics, such as professional experience, language knowledge, international business skills and the internationalisation strategies of SMEs has been the subject of focused and ongoing research and these characteristics have been acknowledged as key determinants of small firm internationalisation (Andersson, 2000; Andersson & Florén, 2011; Manolova et al., 2002; Fernández-Ortiz & Lombardo, 2009). The concept of human capital, which refers to the range of valuable skills and knowledge a person has accumulated over time by managing the company, exerts a significant influence on firm internationalisation (Manolova et al., 2002; Ruzzier et al., 2007). Psychological aspects of managers', such as their personal motives which affect their decision making and impact their world view and general business dispositions, also influence firms' internationalisation activities and behaviours (Li & Gammelgaard, 2014).

The managers' interest in international growth and their view of the firm's international strategy, reflected in their 'global mindset' or vision, is critical for the firms' international development (Andersson, 2000; Felício et al., 2015; Kyvik et al., 2013; Manolova et al., 2002; Nummela, 2004; Oviatt & Mc Dougall, 1994). Within the managerial cognition literature, the 'global mindset' concept is regarded as a determinant of the managers' strategic perception of the global market (Kyvik et al. 2013; Nummela, 2004). The global mindset of managers includes components such as international experience, professional training abroad and foreign language skills (Felício et al., 2016).

The international orientation of managers has also been investigated and findings support the central role of both cognition and risk perceptions of CEOs, in explaining the implementation of international expansion strategies for their firms (Acedo & Florin, 2006; Kraus et al., 2015). The international orientation of the manager will affect the orientation of the firm, as the decision making power in small firms is often concentrated in the hands of one person or manager (Andersson & Florén, 2011; Manolova et al., 2002; Ruzzier et al., 2007).

Within small firm internationalisation studies, another stream of research focuses on understanding the role and influence of the firms' context (environmental, situational and structural factors) on its' internationalisation behaviour (Andersson, 2004; Andersson et al., 2013; Felício et al., 2015; Fernhaber et al., 2007; Grøgaard et al., 2013; Laurell et al., 2013). Researchers posit that the specific industry environment (or context) in which firms operate affects their international activities and is an important determinant of firm behaviour (Andersson et al., 2004).

Specific industry context factors influence firms differently and extant research suggests that the particularities of an industry can shape the internationalisation process of the firm (Andersson et al., 2013; Evers, 2010; Laurell et al., 2013). Prior research has emphasised the need to include the differing specificities of internationalisation in different industries into internationalisation studies (Andersson, 2004; Fernhaber et al., 2007; Laurell et al., 2013). Characteristics of the specific industry context, such as the intensity of competition, the level of industry growth and level of technological development of an industry context are purported to be important factors for understanding firms' international behaviour (Andersson et al., 2013; Evers, 2010; Fernhaber et al., 2007; Laurell et al., 2013). Industry factors and characteristics, as well as differences across industries, are seen to significantly contribute to explaining firm internationalisation activities as well as the firms' propensity to internationalise (Grøgaard et al., 2013).

These findings indicate that firm internationalisation needs to be understood within the context and requirements of the respective industry (Fernhaber et al., 2007) rather than generalising internationalisation research findings across industries that display differing dynamics and structural characteristics (Andersson et al., 2013; Laurell et al., 2013). The complexity and variety of environmental variable combinations has also been highlighted as influencing firm internationalisation (Fernhaber et al., 2007) and researchers have sought to understand internationalisation activities and processes of firms within dynamic international environments (Figueira-de-Lemos & Hadjikhami, 2014).

To summarise, within extant internationalisation research, studies have focused on the role of agency (the individual manager) and structure (the firms' context and

environment) to examine how these various factors affect the firms' internationalisation process. The importance of managers and the role of agency have been dealt with in a substantial number of studies (Acedo & Florin, 2006; Andersson, 2000; Andersson et al., 2003; Manolova et al., 2002; Ruzzier et al., 2007). Similarly, research focusing on understanding the role and influence of the firms' context (environmental, situational and structural factors) on its' internationalisation behaviour has received significant attention from scholars (Andersson, 2004; Andersson et al., 2013; Felício et al., 2015; Fernhaber et al., 2007; Grøgaard et al., 2013; Laurell et al., 2013).

Within this body of research, scholars have implicitly emphasised either contextual dimensions (structural, situational, and environmental factors) or agential dimensions (knowledge, experience, and personal characteristics of managers) within their studies. There is a paucity of studies combining aspects of both agency and context within research designs, though there are some exceptions (Dutta et al., 2016; Felício et al., 2016). In implicitly emphasising agency to the exclusion of context and vice versa, scholars exclude the potential to investigate the interaction of structure (firm context) and agency (the individual manager) and so exclude such considerations from their explanations of firm internationalisation.

2.3 CONDUCTING INTERNATIONALISATION PROCESS RESEARCH

Process research is made distinct by two types of inquiry within the field; the variance method and the process method (Caffrey & McDonagh, 2015). These two methods represent very different approaches to studying temporal phenomena and processes such as internationalisation. Within extant SME internationalisation process research, the differing approaches reviewed can be categorised according to the underlying paradigms of process and variance they have engaged with when researching the internationalisation process (Welch & Paavilainen-Mäntymäki, 2014).

2.3.1 The meaning of process

In order to categorise existing SME internationalisation research the meaning of process within each research approach (variance and process) must be clear. It is possible to distinguish between three meanings of process, and each definition is associated with a particular type of process research; either a variant perspective or a process perspective (Sminia, 2009).

The first type of research is described as a variance approach to process. From a variant perspective, the process is not actually part of the research, but is simply taken to be there to account for the assumed cause and effect relationships between variables (Sminia, 2009; Van de Ven, 1992). Process is considered to be the logic by which independent variables are taken to be contributing factors to a certain outcome (Sminia, 2009; Van de Ven, 1992).

The second type of research, which is also a variance approach, uses process as a category of concepts represented by some process variables that are inserted into a cause and effect model. In this case, the process effects are part of the research but this still resembles a variance approach, as process is merely another category of variables to be put into a larger explanatory model, and is a static representation of a process (Sminia, 2009; Sminia & de Rond, 2012; Van de Ven, 1992).

The third definition of process views process as a developmental event sequence that describes how things change over time (Langley, 1999; Langley et al., 2013; Sminia, 2009; Van de Ven, 1992). This approach explicitly and directly observes the process in action and is actually able to describe and account for how some entity or issue develops and changes over time (Pettigrew, 1997). It demonstrates a true process orientation to process research. The focus of this type of process research is on the sequence of human action and interaction and related activities (events) that lead to the temporal order of things, shaped largely through time, history, and context (Caffrey & McDonagh, 2015; Van de Ven, 1992).

2.3.2 Variance approach to process research

Variance approaches to researching process are based on questions addressing the antecedents and consequences of an issue, in this case internationalisation, as an outcome for the firm. The process by which antecedent X results in consequence Y, is deduced and not directly observed (Pentland, 1999). The process itself is not part of the research and in this approach, it is not deemed to be necessary to the explanation (Sminia, 2009; Van de Ven, 1992). This modelling of process as determinants and outcomes means that variance approaches conform to a positivistic notion of science and are well suited to, though not limited to, statistical methods that are predictive in nature (Welch & Paavilainen-Mäntymäki, 2014).

Within this variance approach, time is conceived as a uniform, measurable unit independent of the objects and people who experience it. These simplifying assumptions allow for explanations that are parsimonious and predictive in nature but the process by which variable X leads to outcome Y is not captured (Langley, 2009; Sminia, 2009; Welch & Paavilainen-Mäntymäki, 2014). This leads to variance approaches being described as static perspectives on the process of internationalisation (Knight & Liesch, 2016).

Lamb et al. (2011) in their review of internationalisation research conclude that most international business researchers operate within a rationalistic research tradition. This research tradition is underpinned by dualist ontology and an objectivist epistemology, or approach to gathering knowledge. The dualist ontology, or view of the nature of reality, stipulates that the person and the world are separate entities, externally related to each other (Farjoun, 2010; Lamb et al., 2011). With objectivist epistemology researchers view knowledge as produced only through observation and measurement (Hudson & Ozanne, 1988).

These underlying assumptions guide researchers working within rationalistic approaches to identify, conceptualise, and describe firm internationalisation as two independent entities or a dualism (Lamb et al., 2011). Such a dualism shows a clear cut and decisive contrast, a well-defined boundary and no overlap between entities (Farjoun, 2010). In the context of the internationalisation process this implies that, for example, researchers examine the impact of environmental factors on the firm's international development on the one hand, and examine the individuals or managers involved in carrying out international activities on the other hand, but do not examine the interaction between them (Lamb et al., 2011).

Within SME process research, internationalisation theories drawing from economic theories as a base tend to adopt a rationalist variant perspective to researching process. These approaches tend to emphasise rational and strategic decision-making criteria and assume that foreign market entry decisions consist of discrete alternatives that occur at specific points in time as opposed to viewing internationalisation as a multifaceted process unfolding over time (Jones & Coviello, 2005; Rialp & Rialp, 2001; Ruzzier et al., 2006).

The trend towards variance approaches is a persistent one within the economic view. For example, an argument has been made in favour of adding a process strand to existing RBV research through its extension, the dynamic capabilities perspective. However, as with much prior research, dynamic capabilities scholarship has opted predominantly for a variance approach, or the identification of a range of variables that can be measured and compared (Sminia & de Rond, 2012).

Within the economic school of internationalisation research the process aspects of internationalisation are ignored and the environment is taken as a given (Andersson, 2000; Ruzzier et al., 2006). Firm internationalisation is then seen as a set of relationships between a few variables. Lamb et al. (2011) suggest that these assumptions de-contextualise firm internationalisation and the process of internationalisation is reduced to ever smaller partial elements and dimensions to accommodate causal relationships that can be empirically tested. Pettigrew (1997) has argued against these types of methodologies based on hypothesising about variables and outcomes because they ignore the process by which these relationships exist (Sminia, 2016). Pettigrew (1997) posits that research on any topic is acontextual, aprocessual and ahistorical when it utilises a variance approach.

Internationalisation theories relying on economic theory as a foundation also typically undervalue the important role played by managers in making internationalising decisions (Axinn & Matthyssens, 2001a). Even where managers are included in research designs, what motivates them in their international decision-making may not be something that can be fully understood in terms of rational economic thinking. For example, personal motivations may affect managers' decision-making (Li & Gammelgaard, 2014). As the economic school of internationalisation research undervalues managers and agency it cannot take account of the role and influence of social relationships in business transactions (Ruzzier et al., 2006).

Given the limitations of the dualist ontology underlying rationalistic approaches the ability of such approaches to advance understanding of firms' internationalisation is constrained. Lamb et al. (2011) argue for the need to move away from research approaches underpinned by dualism, which separates firm internationalisation into two

discrete entities, towards using alternative approaches to conceptualise small firm internationalisation.

2.3.3 Process approach to process research

In comparison to the variant perspective of process, process approaches do not seek to measure the variance in a dependent variable (how much of a change occurred). Instead, process approaches use temporal sequences of events as the basis for tracing how and why the change occurred and how it has emerged. In essence, process theories address a very different question to variance approaches, namely, '*how and why things emerge, develop, grow, or terminate over time*' (Langley et al., 2013, p.1). Within process research events not variables are the unit of analysis and understanding patterns in events is the key to developing process theory (Langley, 1999; Van de Ven, 2007). The interdependent chain of events leading from X to Y and the order in which they occur, which are not captured by variance approaches, are the building blocks of a process explanation (Welch & Paavilainen-Mäntymäki, 2014). Process research focuses empirically on evolving phenomena and is a method by which scholars can study the nature and effects of change in organisational settings (Caffrey & McDonagh, 2015; Langley, 2009; Langley et al., 2013). Pettigrew (1997, p.338) describes studying process as paying attention to "*the what, why and how of some sequence of individual and collective events, actions and activities unfolding over time in context*".

Langley et al. (2013) suggest that process research enables scholars to address important questions that lie at the heart of management and organisational life. This is due to the underlying assumption behind process thinking, which is that reality is not a fixed state but a dynamic process that occurs rather than exists. This process perspective views organisations in a world of ongoing change and flux (Caffrey & McDonagh, 2015; Van de Ven, 2007). The ontological distinction of how the world is organised separates the variance method and the process method. The variant perspective on process views the world as made up of stable components or things (empirical entities) whereas the process perspective views reality as a dynamic state of interactional occurrence (Caffrey & McDonagh, 2015). A specific feature of process research, which makes it different from variance studies, is that the unit of analysis is taken to change in content and/or shape over time (Sminia, 2009). This is brought about by the interchange between individual and collective action (human agency), the situation within which these

interactions occur (context), and its position within the sequence of events for any given process (Caffrey & McDonagh, 2015).

The process research tradition is based on a view of social reality as socially constructed through ongoing actions, negotiations, and agreements between individuals. Whereas within variance approaches human action is taken as being determined by measurable external forces (Sminia, 2009), within process approaches human action and activities are based on an individual understanding of reality. How people act, within the process, is determined by how they understand different aspects of their reality (Lamb et al., 2011). This leads to a process perspective viewing the world as composed of events and experiences rather than substantial entities. Each event arises out of, and is constituted through, its relations to other events. Each event can be further analysed in terms of smaller events (Langley et al., 2013).

The purpose of process methods is linked to capturing and analysing data that provide answers to questions about the word 'how'. How is an outcome realised? How does the sequence of individual and collective action interact and give rise to an outcome? (Sminia, 2009). Process theories are therefore reliant on methodologies that capture multiple time points (Langley, 2009). As Van de Ven and Poole (2005, p.1394) posit, "*time is the ether of change*" and "*we judge that change has occurred against a background of time*". By recognising the centrality of time, process conceptualisations offer an essential contribution to organisation and management knowledge that is not available from most variance based generalisations (Langley, 2009; Langley et al., 2013). However, incorporating process is not just about collecting data from multiple time points; it is also about explaining how these time points are connected (Langley et al., 2013).

The challenge for any process explanation is to go beyond describing patterns of events to identifying the mechanisms driving these patterns (Langley, 2009). Langley et al. (2013, p.11) posit that the challenge with process research is to "*unravel processes as they happen so as to develop an understanding of the underlying logic*". Process data consists "*largely of stories about what happened and who did what when, that is events, activities, and choices ordered over time*" (Langley, 1999, p.692). As one moves from concrete surface observations to more abstract process theory, one moves from

description to explanation (Langley et al., 2013). Explanation requires a story and such stories can be understood as process theories (Pentland, 1999). There is also recognition that process theorising can be viewed as a continuum, with distinctions drawn between weak, stronger and strongest process theorising. Weak process theories consist of phase models that describe stages of development; while stronger theories propose the generative mechanisms producing these temporal sequences (Langley, 2009).

To summarise, scholars contrast two differing approaches to researching process; a variance perspective and a process perspective. Variance approaches conceive of process explanations in terms of relationships among dependent and independent variables. Variance based models generate knowledge of 'what' works, usually based on comparisons of performance in large samples. Alternatively, process approaches build explanations of the process from observed "*patterns in events, activities, and choices over time*" (Langley, 2009, p.409). By observing process in action, process researchers seek to describe and account for how an entity or issue develops and changes over time (Pettigrew, 1997, 2012). Pettigrew (2012) posits that process scholars seek to develop a distinctive form of knowledge; 'how-to' knowledge. Essentially, *"if variance theorising generates 'know that' type of knowledge, process theorising produces 'know how' knowledge*" (Langley et al., 2013, p.4). Within extant internationalisation process research, variance approaches have dominated the research landscape. However, there are calls for more process based approaches to process research to offset the static variant perspective and to put 'process' back into process research (Coviello & McAuley, 1999; McAuley, 2010; Piekkari & Welch, 2004; Welch & Paavilainen-Mäntymäki, 2014).

2.4 INTERNATIONALISATION PROCESS MODELS
2.4.1 The Uppsala Model
The key process based model within internationalisation research is the Uppsala model. This model, and its variations, represents one of the most enduring paradigms in the area of internationalisation research (Fletcher, 2011; Knight & Liesch, 2016; McAuley, 2010; Rialp & Rialp, 2001). The Uppsala model explains the characteristics of the internationalisation process of the firm (Johanson & Vahlne, 2009) and captures an iterative process of internationalisation based on the behavioural theory of firms (Cyert & March, 1963; Figueria-de-Lemos et al., 2011). Uppsala conceptualises international

expansion as an experiential knowledge development process where internationalisation evolves as a series of incremental managerial decisions and actions to overcome the uncertainties of foreign-ness. The model proposes that the general and experiential market knowledge and resource commitment of firms (state aspects) affect commitment decisions and current business activities (change aspects) (Johanson & Vahlne, 1990, 1977, 2009).

These change aspects increase market knowledge and stimulate further resource commitment to foreign markets in the subsequent cycle. The model implies that firms increase their international involvement in small incremental steps within those foreign markets in which they operate. Firms will subsequently enter markets at a greater psychic distance. This accumulated market knowledge in conducting international operations drives internationalisation by influencing entry mode and country market selection (Johanson & Vahlne, 1977, 1990, 2009; Ruzzier et al., 2006).

Emerging as it does from the behavioural school of internationalisation research (Coviello & McAuley, 1999), the Uppsala model views the environment as an important determinant of firm behaviour (Axinn & Matthyssens, 2001a). The key criticism levelled at the model is that of being overly deterministic in nature, which leads to the neglect of managerial action in internationalisation strategies. The model prioritises situational variables at the expense of agential considerations (Andersen, 1993, 1997; Andersson & Florén, 2011; Chetty, 1999; Fletcher, 2011; Ruzzier et al., 2006; Lamb et al., 2011). Johanson and Vahlne (1977, p.23) are explicit about the scope of the original model stating that they "*do not deal explicitly with the individual decision maker*" or variations in decision-making styles.

The Uppsala model is dynamic in that the outcome of one decision, or more generally one cycle of events, constitutes the input of the next (Johanson & Vahlne, 1977; Welch et al., 2016). In the Uppsala model the concept of foreign commitment is composed of two factors, the amount of resources committed (investments needed in marketing, organisation and human resources) and the degree of commitment (the difficulty of identifying an alternative use for the resources i.e. sunk costs) (Johanson & Vahlne, 2006, 2009).

The model has been updated to capture changes in business practices, reflected in networks and business relationships, and other theoretical advances which have occurred since 1977 (Figueria-de-Lemos et al., 2011; Vahlne & Johanson, 2013; Welch et al., 2016). Johanson and Vahlne (2009) reformulated their original model to capture important changes that occurred in the global business environment and in response to criticisms from other scholars (Dominguez & Mayrhofer, 2017). The revised model is informed by both business network theory and entrepreneurship literature. The main argument is that markets are a network of relationships linking firms together. Insidership refers to the degree to which a firm is connected or positioned within the network(s) as an "insider". Liability of outsidership refers to firms lacking a relevant position within the network(s); being an "outsider". These network positions determine the connectivity of the firm to its relevant networks, which in turn impact the available opportunities for learning and building trust and commitment, which are perceived as preconditions for successful internationalisation (Johanson & Vahlne, 2009). Johanson and Vahlne (2009) acknowledge the decreased importance of psychic distance in the updated model and acknowledge the importance of networks in influencing foreign market selection and entry mode (Andersson et al., 2013). Forsgren (2016) is critical of this 2009 revision of the Uppsala model arguing that the possibility of combining business network theory and entrepreneurship within the model needs further consideration if it is to increase understanding of firms' internationalisation.

There have been further revisions of the model post 2009. Vahlne et al. (2011) adapt the original model (Johanson & Vahlne, 1977, 1990) to explain the globalisation process and 'test' a globalisation process variant of the Uppsala model on the globalisation of Volvo's heavy truck business. Vahlne and Johanson (2013) provided a further update of the model as an alternative to Dunning's' Eclectic paradigm when trying to understand the evolution of multinationals over time. This revised version of the Uppsala model has been influenced by studies within the dynamic capabilities domain, entrepreneurship research and studies on management under conditions of uncertainty (Vahlne & Johanson, 2013).

Whereas Uppsala attempts to explain the paths, patterns and pace of the internationalisation process (Johanson & Vahlne, 1977, 2006), it leaves other factors unexplored (Andersen, 1993, 1997; Chetty, 1999; Dominguez & Mayrhofer, 2017). A

key criticism of the model put forward by Andersen (1993, 1997) is that it falls short of explaining what happens when companies decide to internationalise their operations, specifically what happens inside the business during internationalisation and thereafter as internationalisation continues. Andersen (1993) also highlights that no explanation is given of how the internationalisation process will start or the nature of the mechanism whereby knowledge affects commitment. The dynamics of progressing from one stage to the next are not explained (Chetty, 1999). Andersen (1993) also suggests that critical events in the firms' development and factors that affect the firm's export behaviour also need to be identified and captured. Fletcher (2001, 2011) concurs, suggesting that whereas Uppsala describes firm internationalisation it does not explain it.

Li and Gammelgaard (2014) support this critical view of the Uppsala model. They suggest that the degree to which managerial levels of trust or distrust affect internationalisation strategies is not necessarily only an outcome of the external setting or environment. It may in fact be a reflection of the individual's, or manager's, orientation based on psychological factors, such as emotions. Excluding such factors exposes the Uppsala framework to the criticism of neglecting managerial psychology, and so agency, in its explanation of firm internationalisation.

Lamb et al. (2011) suggest that although the revised Johanson and Vahlne (2009) network internationalisation process model makes significant advances by including firms' networks of relationships, it still remains incomplete. This is because it does not accommodate the differences in meaning that managers bring to their internationalisation activities which Lamb et al. (2011) deem to be an essential aspect of agency impacting the internationalisation outcome for the firm.

In summary, whereas the Uppsala process approach does incorporate process aspects of internationalisation, it overlooks the possibility of individuals making strategic choices and excludes the important role of managers and entrepreneurs, and therefore agency, in the firms' internationalisation process (Andersson & Florén, 2011; Li & Gammelgaard, 2014; Ruzzier et al., 2006).

2.4.2 Network theory

Another way to analyse a firm's internationalisation, within a process approach, is to use network theory. This perspective allows firms to be viewed as embedded actors in business networks. Networks not only influence individuals but also impact significantly on how organisations are managed, developed, maintained and sustained (Jack, 2005) and researchers have approached the study of network processes in very different ways. Within the literature, three perspectives of network process research exist; social network research, entrepreneurial network research, and business network research (Jack, 2010; Slotte-Kock & Coviello, 2010).

Social network literature provides a rich discussion of the concept of embeddedness (Granovetter, 1985) arguing that economic behaviour is embedded in a social context or in a network of relationships. As a school of thought, social network research generally examines the impact of the network on the social group or organisation. It focuses on assessing network structure for efficiency, while also generating insight on how the network impacts firm growth and other outcomes. Within this perspective, the structural aspects of networks are generally emphasised and researchers consider political, cultural, economic, and technological developments as exogenous influences on both individual and inter-organisational levels of cooperation. These exogenous influences within the environment are seen as key drivers of change. The social network approach has been criticised for taking social structures as a given, raising concerns about the perception and interpretation of structure and agency in terms of influencing behaviour (Jack, 2010; Slotte-Kock & Coviello, 2010).

A common feature of social network research is the use of longitudinal studies and large data sets to examine networks at different points in time. The tendency is to focus on structural analysis with a positivist lens (Slotte-Kock & Coviello, 2010). Applying Van de Vens' (1992) interpretation of the meaning of process, this type of research is one that examines how variables change over time. The process is viewed as a logic to explain causation or requiring variable change to be measured, and represents a variance approach to process research.

Entrepreneurial network research, on the other hand, provides an understanding of the impact of the network on firm performance and also some understanding of which types

of network ties matter in which circumstances. Within entrepreneurial network research in general, structural aspects of networks have received more attention than processual issues. This is despite a general acceptance that entrepreneurial network analysis should consider both the structure of the network and the nature of the interaction between the network actors (Jack, 2010). Though these entrepreneurial networks involve both quantitative (structural) aspects and qualitative (process) aspects and are amenable to both softer and harder methodologies (Coviello, 2005) a trend persists towards quantification methods, which favour analysis of the structural aspects of networks. Entrepreneurial network research tends to take a fairly clinical positivistic approach to understanding network process, with an emphasis on large-scale studies and a structuralist approach (Jack 2010; Slotte-Kock & Coviello, 2010).

The last of the three perspectives, the business network approach, emphasises an understanding of the interactions that create dyadic relationships and the wider network and adopts a process perspective. This business network approach has been championed by the IMP[1] group, which accounts for much of the literature within this tradition. The work of the IMP group reflects a strong shift towards agency in network research (Borgatti & Foster, 2003).

Within the business network approach, several identifiable streams of research exist (Bizzi & Langley, 2012; Borgatti & Foster, 2003; Fletcher, 2008; Slotte-Kock & Coviello, 2010). At the macro level, the business network approach provides a theory of network context for examining actor relationships, and the management of an individual firm within a network context. Researchers explore how networks emerge and what their key drivers are (Jack, 2010; Möller, 2013; Möller & Halinen, 1999). This stream also includes research focused on how new business networks evolve (Håkansson & Ford, 2006). Understanding these networks and their dynamics is fundamental in managing dyadic network relationships, which is the micro level of business network research.

Research at the network actor, or micro, level focuses on how relationships change and why they change. The focus is on resource ties, activity links, and social and organisational bonds connecting network actors, as well as the processual nature and

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[1] Industrial Marketing & Purchasing Group. Impgroup.org

evolution of these relationships (Jack, 2010; Håkansson & Ford, 2002, 2016; Håkansson & Snehota, 2006; Möller, 2013; Möller & Halinen, 1999). Researchers investigate the concept of interaction between parties, where relationship development is conceptualised as (inter)action, rather than action, between independent firms or actors and how such interactions can be managed (Ford & Håkansson, 2006; Håkansson & Ford, 2002, 2016). Within this perspective, environment is understood as the networks of actors' relationships (Möller, 2013).

At the meso-level of business network activity, research is distinguished by its focus on focal networks (those perceived as relevant to the actor) and strategic nets (specific sets of organisations with agreed roles and tasks) (Möller & Halinen, 1999). Objectives of the focal network approach are to understand how these networks evolve and how companies are trying to take advantage of them. Research on strategic nets focuses on the structure and management of specific nets and their value creation potential for the firm (Möller, 2013; Möller & Halinen, 1999).

Although work within this business network approach was initially stimulated by large-scale surveys, more recently researchers have been concerned with a finer-grained qualitative understanding of the content and shape of relationships among firms in terms of activities, resources, and actors (Håkansson & Waluszewski, 2016; Jack, 2010). A central tenet of this perspective, and its process ontology, lies in the systematic interdependence and mutual constitution of business networks through the continuing interactions of their members (Bizzi & Langley, 2012).

Whereas the business network approach can offer a deep understanding of specific relationships, particularly in terms of assessing interactions and change within a tie, a detailed understanding of structural (environmental and contextual) change and its' influence within the network is excluded from the analysis. The focus of analysis is the interaction processes between actors. In terms of Van de Vens' (1992) meaning of process, business network researchers tend to assess how variables change over time but do so viewing process as a developmental sequence of events (Langley, 2009; Langley et al., 2013). This perspective is aligned with the process orientation to process research.

To summarise, although early arguments in network research suggested that theory should include both the structure of the network and the interactions between actors (Granovetter, 1985) most research perspectives consider either one or the other; either aggregate network patterns (structure) or the ties (interactions/agency) forming the network (Jack, 2010). Of the three perspectives reviewed, only the business network approach is based on a process approach to process (Van de Ven, 1992). Within this approach, the emphasis is on understanding development and change within relationships as well as between and across relationships. The focus rests squarely on agential dimensions of the network process and structural influences on the network are not part of the analysis. In some ways current network perspectives offer opposing views for scholars with some emphasising structural aspects of the network (the social and entrepreneurial network perspectives), and the alternative emphasising agency (the business network perspective) (Slotte-Kock & Coviello, 2010).

2.5 STRUCTURATION THEORY AS A PROCESS APPROACH

There are several ways of understanding processes and explaining outcomes, and sequences of events can be conceptualised and studied in very different ways (Sminia, 2009; Van de Ven, 1992). As internationalisation process models have evolved this has coincided with useful theoretical developments and advancements within the strategy process domain. The key practices of process research within the strategy domain draw on the contributions of Mintzberg, Van de Ven and Pettigrew as reviewed in detail by Pettigrew (2012) and Sminia (2009, 2016). While Mintzberg adopted a configuration approach to studying how strategy was realised within firms, Van de Ven sought to develop a metatheory of innovation and change, to explain how innovations develop over time, by bringing together four general process theories (Caffrey & McDonagh, 2015; Sminia, 2009). Pettigrews' work examines change within organisations, and how context, process, and content combine to explain outcomes. Pettigrew relied on the dialectical model of process theory, drawing support from Giddens' structuration theory (Sminia, 2009, 2016).

These three seminal process researchers, Pettigrew, Mintzberg and Van de Ven, draw from both structuration theory (Giddens, 1979, 1984) and structuration variants (Bourdieu, 1977; Sewell, 1992) in their research approaches. Pettigrews' work draws from Giddens' (1979, 1984) structuration theory, of which Pettigrew was one of the first

users (Pozzebon, 2004: Sminia & de Rond, 2012). However, Giddens is not the only scholar looking at underlying process theory (Sminia, 2016) nor is he the only theorist to argue for a reconciliation of structure and agency (Jackson, 1999). Other process researchers such as Mintzberg and Van de Ven have drawn from alternative structuration variants such as Bourdieus' (1977) theory of practice, and Sewells' (1992) theory of structure. While differences exist among these process researchers in terms of their structuration thematic choices there is however "*commonality with regard to the role of agency and structure*" (Sminia, 2009, p.111). This leads to the use of the term 'structuration like' theories to describe the foundations of their approaches (Sminia, 2009, 2016), which share the common goal of overcoming the structure-agency dualism within process research (Jackson, 1999). Strategy related inquiry is then based on these 'structuration like' theories to advance the process method. These theories enable researchers to consider both agency and structure to seek out patterns among purposeful management action (agency) and socially embedded constraints (structure) (Caffrey & McDonagh, 2015).

In terms of how process research is carried out, there are differences within the process approach due to differences in underlying research orientations (Sminia, 2009). How the process story takes shape in the eyes of the researcher is informed by the particular reading of process or process theory that is being used. This can be traced back to the overall generalist versus contextualist orientation in process research, and the degree to which researchers adopt a position on this continuum. A generalist orientation views process patterns as fairly common and this allows for process research aimed at statistical generalisation (Smina, 2009). Van de Ven and Mintzberg have positioned themselves closer to the generalist end of the scale (Sminia, 2009) reflecting a variance approach to process research (Sminia & de Rond, 2012; Van de Ven, 1992). A contextualist orientation views any process as unique and Pettigrew is situated more towards this end of the continuum (Sminia, 2009), reflecting a process orientation (Langley et al., 2013).

With contextualism, Pettigrew takes empirical observations and the knowledge derived from them, as unavoidably bound up in when and where they occur. These observations capture events whose meanings can only be grasped by referring to the sequence of which they are a part, in combination with the setting in which they take place. The

overall approach is that of an historian who attempts to understand an outcome based on what has led up to it (Sminia, 2016). Contextualism sees the world as a collection of events in their unique setting (Sminia, 2009). As Pettigrew (1992, p.11) suggests such an approach allows researchers to catch *"reality in flight"*. Context is not just a backdrop to these events rather it is seen as offering participants both opportunities and constraints within the process. Context is also maintained and changed as a consequence of people's activities and is continuously involved in how the course of the process takes shape (Sminia, 2016).

Pettigrew developed this contextualist take on process research based on an underlying 'structuration like' theory of process, which explicitly referred to Giddens' (1979, 1984) structuration theory (Sminia, 2009, 2016; Sminia & de Rond, 2012). Drawing from structuration theory Pettigrew views social reality as a process that occurs rather than exists. It is socially constructed, emerging by way of actions, with the tension between action and structure as its driving force. There is a duality of structure and a dual quality of actors (Giddens, 1979, 1984; Sminia, 2016).

Unlike the dualism of the rationalistic approaches, which views internationalisation as separate elements (Lamb et al., 2011), the concept of duality presents two constructs that cannot exist, or be understood, separate from each other (Sarason et al., 2006). Structure and agency are seen as mutually enabling, interdependent and intertwined (Farjoun, 2010; Sewell, 1992; Slattery, 2003). In the context of internationalisation, the concept of duality rejects the notion that the firms' processes and activities can be understood separately from the activities and practices of managers.

Sminia (2009, 2016) argues that the appeal of 'structuration like' theories is understandable because of the inclusion of both agency and structure, which allows a researcher to accommodate both purposeful managerial activity, as well as enabling and constraining effects of structural features such as power and cognition in their analysis. The duality of structure also allows the process to be understood as simultaneously encompassing continuity and change. Continuity is the case whenever the process conforms to the social structure while change involves an alteration of part of the social structure.

To summarise, strategy researchers have advanced the process method through the use and application of 'structuration like' theories (Sminia, 2009, 2016; Sminia & de Rond, 2012). Of the key process researchers reviewed, only Pettigrew follows a contextualist approach, which is closer to the process research tradition, with Mintzberg and Van de Ven pursuing a generalist approach to process research, which is closer to the variance perspective. Pettigrews' approach to process research is based on Giddens' (1979, 1984) structuration theory. In the context of internationalisation process research, Giddens' (1979, 1984) concept of duality infers that the firms' environment and context and the activities and practices of managers are viewed as mutually enabling, interdependent and intertwined. They cannot be understood, or examined, separately from each other.

2.5.1 Structuration Theory and Internationalisation Process Research

A development within internationalisation process research has been the use of 'structuration like' theory, in this case Giddens' (1979, 1984) structuration theory, to offer a unique processual perspective on internationalisation. Sydow et al. (2010) in their study of the internationalisation of television content production examine the foreign market entry process as a structuration process. The recursive interplay of action and structure describes foreign market entry where the ability of firms to successfully penetrate foreign markets hinges on the kind of actions they can take within existing structures. Sydow et al. (2010) suggest that structuration theory helps to better understand business internationalisation strategies by highlighting process without neglecting structure, and also by highlighting the recursive nature of social life in general.

Dutta et al. (2016) proffer that the internationalisation process of the firm, reflected in the firm's cross-border acquisition decisions, follows an evolutionary path characterised by both structural and agency considerations following the logic of the duality of structure. The recursive interplay of structure and agency is proffered as an apt descriptor of the process where a firms' ability to undertake internationalisation activities can be enabled or constrained within existing structures at particular points in time (Dutta et al., 2016). They conclude that Giddens' (1984) structuration theory offers a powerful theoretical rationale for the reciprocal interaction of human actors and social structures in any social system, including organisations. den Hond et al. (2012) concur suggesting that, as a process theory, structuration theory offers a distinct building block

and sensitising device for explaining processes of change, in and around organisations.

This conceptualisation of small firm internationalisation accommodates agency and acknowledges that managers' play an increasingly important role in the development of a firm's internationalisation strategies (Li & Gammelgaard, 2014). The significant role played by individual decision makers in SMEs means that their personal characteristics and interpretations are highly likely to affect their internationalisation decisions and this must be acknowledged within theoretical approaches applied to examining small firm internationalisation (Child & Hsieh, 2014). In summary, 'structuration like' theories provide an alternative perspective to researching small firm internationalisation. The ontological perspective of duality, rather than dualism, opens up new ways of thinking about the internationalisation process that have been absent from, but called for, in the literature.

2.6 CONCLUSION

This research proposes adopting a structuration perspective when researching firm internationalisation. This is based on the assertion that structuration theory provides a useful conceptual foundation for internationalisation process research. Incorporating the duality of structure as a core tenet, structuration theory provides a framework for better understanding the role of both structure and agency in the firms' internationalisation process while also recognising the interdependence of context (structure) and manager (agent) (Dutta et al., 2016; Sminia, 2009, 2016; Sydow & Windeler, 1998; Sydow et al., 2010).

Structuration theory can bridge the structure-agency divide evident within extant process models of internationalisation such as the Uppsala model and Network theory. Both approaches have made significant contributions to understanding firm internationalisation however they remain only partial explanations of the process, as they tend to emphasise either a structural or an agentic orientation. The Uppsala internationalisation process model is critiqued for its deterministic nature and structurally focused orientation, which leads to the neglect of managerial action in internationalisation strategies. The perspectives on network process research reveal a structural orientation within both the social and entrepreneurial network perspectives, which also represent variance rather than process approaches. Alternatively, the

business network perspective, which is a process approach, emphasises agency and relationships within the network process to the exclusion of structural and environmental influences.

To fully understand firm internationalisation requires a move away from research approaches underpinned by dualism, which separates firm internationalisation into two discrete elements, towards theoretical perspectives such as structuration theory, which view structure and agency interacting within a recursive process based on the duality of structure.

CHAPTER THREE: A MICRO PERSPECTIVE ON PROCESS: ROUTINES

3.1 INTRODUCTION

The internationalisation process of the firm can be investigated from a micro perspective. A micro perspective breaks the phenomenon of internationalisation down into more finely grained processes, which are focused on the internal changes and developments within the firm as it internationalises (Welch & Paavilainen-Mäntymäki, 2014). A micro perspective on process goes inside the organisation and is interested in the practical activity necessary to make the internationalisation process happen. It investigates what is actually done and by whom (Johnson et al., 2003).

A micro level understanding of internationalisation can be achieved by exploring organisational routines as micro processes within the firm (Feldman & Pentland, 2003, 2008; Prashantham & Floyd, 2012). Identifying and analysing routines as processes reveals the detailed practices which constitute the day-to-day activities within the firm. Routines are the key mechanisms underlying processes (Feldman, 2016; Felin et al., 2012) and Becker (2008, p.3) suggests, *"to understand routines is to understand organisations"*. Exploring routines allows a deeper insight into the tasks and sequences of activities that underpin the internationalisation process and how they are enacted.

Within the practice perspective, structuration theory provides the conceptual foundation for scholars and allows them to focus on the internal workings and dynamics of routines (Feldman, 2000, 2003; Feldman & Worline, 2016). Founded on the duality of structure, the ontology of performative (agency) and ostensive (structural) aspects of routines has been advanced. Exploring the interaction of the ostensive (structure) and performative (action) aspects contributes to an enhanced understanding of how structure and agency co-evolve in the context of routines (Hansen & Vogel, 2011) and delivers a micro perspective on the firms' internationalisation process.

3.2 FOUNDATIONAL SCHOOLS OF THOUGHT

Within the management literature, organisational routines have been interpreted in at least two separate yet complementary ways (Becker, 2008; Salvato & Rerup, 2011) as behavioural regularities (Nelson & Winter, 1982) and as cognitive regularities (Cyert & March, 1963). Within the Carnegie School (Cyert & March, 1963) scholars viewed routines as cognitive regularities which denote abstract patterns or understandings that organisational agents adopt to guide and refer to specific performances of a routine

(Salvato & Rerup, 2011). Looking at routines as cognitive regularities or patterns would be to understand routines as rules, for example 'if then' rules (Becker, 2004, 2005a) or as standard operating procedures that shape and guide organisational behaviour.

The concept of organisational routines is also central to the evolutionary theory of the firm as per Nelson and Winter (1982) which is arguably the single most influential work on routines (Parmigiani & Howard-Grenville, 2011). Nelson and Winter (1982, p.14) define routines as "*regular and predictable behaviour patterns of firms*" and note, *"it is clear that nothing that does not repeat itself can be a routine"*. This perspective views routines as behavioural regularities, which denote recurring analytical processes, embedded in firms and performed by groups of individuals (Salvato & Rerup, 2011). This body of work, grounded in evolutionary economics, and labelled the organisation theory school has greatly expanded the idea of routines (Hansen & Vogel, 2011).

Within this perspective, routines are portrayed as unitary, and 'routine as entity' theorists such as Nelson and Winter (1982) cast a routine as a non-observable yet coherent entity with clear boundaries (Rerup & Feldman, 2011). This is referred to as a 'black box' approach to routines research (Pentland & Feldman, 2005). As a stream of research, it views the central feature of organisational routines to be the capacity to generate stability and therefore efficiency, predictability and legitimacy in organisational interactions (Becker, 2004; Feldman & Pentland, 2003). Scholars within this research stream view routines as important for fostering stable action over time (Cyert & March, 1963; Nelson & Winter, 1982) and these approaches do not emphasise the agency of the individuals enacting the routine (Feldman, 2000; Sonenshein, 2016).

From this foundational work two distinctly different avenues of scholarly activity have emerged within the organisational routines domain; the capabilities or 'dynamic capabilities' perspective and the practice perspective also known as 'routine dynamics' (Feldman & Pentland; 2008, Parmigiani & Howard-Grenville, 2011). Each provides a major theoretical pillar of the routines concept. However, as Parmigiani and Howard-Grenville (2011, p.443) describe they are "*distinct but complementary; the capabilities and practice perspectives take fundamentally different approaches to the study of organisational routines*". Capabilities scholars are interested in firm performance and how routines affect this, whereas practice scholars are more interested in how routines

are put to work by individuals, and the internal dynamics of such routines (Parmigiani & Howard-Grenville, 2011).

3.2.1 The capabilities perspective

Within the capability perspective (Parmigiani & Howard-Grenville, 2011) or competence theory school (Hansen & Vogel, 2011) the central concept is organisational capabilities. Grounded in organisational economics this view is founded on the broader concept of organisational routines as "*organisational capabilities and high level routines or collections of routines that can confer on an organisation's management a set of decision options for producing significant outputs of a particular type*" (Winter, 2003, p.991). Within this view, routines are defined as 'the building blocks of capabilities' (Becker, 2004; Nelson & Winter, 1982; Teece et al., 1997) that can lead to stability and change and potentially to competitive advantage for firms (Parmigiani & Howard-Grenville, 2011). It is assumed that routines generally operate as expected with little agent or individual influence (Parmigiani & Howard-Grenville, 2011).

The capabilities perspective leaves the 'black box' of the routine intact and focuses on the routine as a whole (Eisenhardt & Martin, 2000; Zollo & Winter, 2002). Its main interest is in what routines accomplish towards organisational goals and it links routines to firm performance. Whether focusing on stability or change the capabilities perspective emphasises the motivation for, and the outcomes of, routines (Parmigiani & Howard-Grenville, 2011). The capabilities perspective historically taken a collectivist view and has not considered how individuals or agency affect routine enactments and assumes that routines operate as intended (Parmigiani & Howard-Grenville, 2011). There has been a call for work to better understand the micro-foundations of routines, with scholars suggesting that the collectivist view is incomplete within the capabilities perspective and that the level of individual action and interaction must be included in research (Abell et al., 2008; Felin & Foss, 2011; Foss et al., 2012; Salvato & Rerup, 2011). Theorists have responded to this micro foundations project by focusing research on the role of individual actors (Abell et al. 2008; Witt, 2011), their motivations (Pentland et al., 2012), experiences (Turner & Fern, 2012), and properties such as declarative and procedural memory (Lazaric & Dennis, 2005; Miller et al., 2012).

3.2.2 The Practice Perspective

From a practice perspective the routines concept provides a framework that is firmly anchored in the social sciences (Becker & Zirpoli, 2008). It considers organisations as complex social systems (Feldman, 2003, 2000; Feldman & Pentland, 2003) and routines as social practices (Feldman & Orlikowski, 2011; Hansen & Vogel, 2011). The practice perspective emphasises the processes inside the 'black box' of the routine, focusing on how routines are enacted as practices in day-to-day operations (Parmigiani & Howard-Grenville, 2011). The emphasis is firmly on the internal workings of specific routines, in specific organisational contexts, and the central theme is organisational change (Parmigiani & Howard-Grenville, 2011). From the routine dynamics perspective Feldman and Pentland (2008, p.302) suggest that this focus on internal workings "*opens the black box of organisational routines and reconceptualises them as being made of interacting parts*" in contrast to a capabilities perspective which "*leaves the black box intact and focuses on the routine as a whole*".

Definitional consensus within the practice based perspective ensures that organisational routines are a well-defined phenomenon of "*repetitive, recognisable patterns of interdependent actions, carried out by key multiple actors*" (Feldman & Pentland, 2003, p.95) not all of which are human (Pentland, 2011). The notion of patterns is central to the concept of routines (Becker, 2004; Feldman, 2016). The emphasis is on how patterns are produced and reproduced and to what extent these patterns remain stable or change over time (Parmigiani & Howard-Grenville, 2011). Pentland et al. (2012) suggest that a routine is recognisable if the steps within each performance follow from one to the next, like the notes of a song. For a routine to be repetitive, these recognisable patterns must in turn be retained from one performance to the next. Whereas behaviours constructing a routine cannot be expected to be identical every time, they can be expected to conform to a typified pattern (Feldman & Rafaeli, 2002).

The process orientation of routine dynamics has allowed routine scholars to refocus on the enactment of the routine, rather than just on its representation (Feldman, 2016). This theoretical shift has moved the unit of analysis from the firm and the routines that constitute it, to the routine itself and the actions that constitute it (Feldman, 2000, 2016; Howard-Grenville, 2005; Pentland & Reuter, 1994; Rerup & Feldman, 2011). As the accepted definition implies, routines are conceptualised as collective phenomena

involving multiple actors (Feldman & Rafaeli, 2002; Feldman & Pentland, 2003; Nelson & Winter, 1982). Both the organisational and routines literature hold that routines occur at the group or functional level whereas skills or habits are individual properties (Dosi et al., 2000; Pentland & Feldman, 2005; Vromen, 2011). Recognising the collective nature of routines helps in understanding the concept of routines as to involve multiple actors' means that carrying out one routine might involve actors in different locations. Organisational routines can therefore be distributed across space or across an organisation. In this way, multiple actors carrying out routines can belong to differing organisational units and can be located in different places, but linked by interaction (Becker, 2004).

3.2.2.1 Structuration theory

There is growing theoretical consensus within the practice school with recent theories of organisational routines being grounded in theories of structuration (Giddens, 1979, 1984) and practice (Bourdieu, 1990) and engaging with the practice turn in sociology (Feldman & Worline, 2016; Hansen & Vogel, 2011; Pentland, 2011; Sonenshein, 2016). These theories have provided a fruitful foundation for the theory of organisational routines facilitating a focus on, and examination of, the internal workings and dynamics of the routine (Feldman, 2000, 2003; Feldman & Rafaeli, 2002; Feldman & Pentland, 2003; Feldman & Orlikowski, 2011; Pentland & Feldman, 2005; Pentland & Reuter, 1994).

3.2.2.2 Dualities in theorising routines

Drawing from structuration theory (Giddens, 1979, 1984), there are two primary dualities engaged in theorising routines as practices: firstly action and structure and secondly, stability and change (Feldman & Orlikowski, 2011). In the first instance, routines are viewed as dualities in that they have elements of structure as well as elements of action (agency) within them (den Hond et al., 2012) and in this view structure is created and recreated through agency (Feldman & Pentland, 2008). A subsequent assumption of the practice perspective is that phenomena always exist in relation to each other, produced through a process of mutual constitution (Feldman & Orlikowski, 2011; Parmigiani & Howard-Grenville, 2011). Mutual constitution implies that structures, such as routines, are the product of human action and agency, yet human action is constrained and enabled by these very structures (Feldman & Pentland, 2008;

Giddens, 1979, 1984; Parmigiani & Howard-Grenville, 2011). Organisational routines, from this perspective, are neither structural nor agentic but both (Feldman & Pentland, 2008). Organisations are created and recreated through the performance of routines just as routines are created and recreated through the performance of particular actions that come to be seen as making up the routine (Feldman & Pentland, 2008; Rerup & Feldman, 2011).

(a) Structure and agency

These practice based theories provided the basis of a new ontology of routines based on new understandings of structure and agency, proposing the terms 'ostensive' and 'performative' to designate the two levels of routines (Feldman & Pentland, 2003). The performative might be thought of as the routine in practice, the enactment, while the ostensive is the routine in principle, or the idea (Feldman & Pentland, 2003, 2008). Drawing on these concepts the practice based view of organisational routines can be described as generative systems (Figure 3.1) consisting of performative and ostensive parts (Feldman & Pentland, 2003; Pentland & Feldman, 2005) constituted through the interaction of the internal parts which exist as a duality (Feldman & Pentland, 2003, 2005).

The ostensive and performative framework (Feldman & Pentland, 2003) emphasises the active engagement of individuals in on-going practices, and the interpretation of agency with various forms of structure (Feldman & Pentland, 2003). The performative aspect reflects individual agency, which involves the ability to remember the past, imagine the future, and respond to present circumstances (Feldman & Pentland, 2003). Feldman and Pentland (2003) argue that to display qualities of repetitive actions and recognisable patterns organisational routines must have these two aspects: ostensive (abstract patterns of actions) and performative (specific instances of actions). Both aspects are necessary to constitute what we understand to be a routine (Feldman & Pentland, 2003, 2008).

The ostensive level of a routine is the abstract level that both shapes and is shaped by specific performances (Becker 2004, 2005a; Feldman & Pentland, 2003, 2008; Pentland & Feldman, 2005; Pentland et al., 2012). It represents the ideal or schematic form of a routine (Feldman & Pentland, 2003) or cognitive regularities and descriptions that

enable participants to guide, account for and refer to, specific performances as a routine (Becker & Zirpoli, 2008).

Figure 3.1: Routines as generative systems
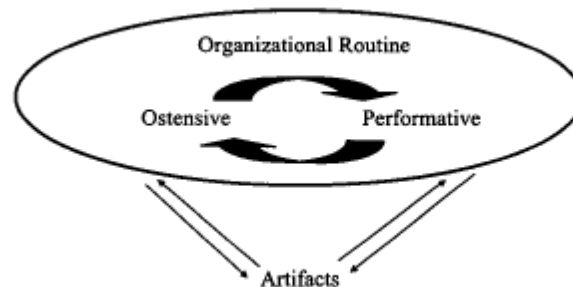
Source: Pentland & Feldman (2005, p.795)

The ostensive aspect of an organisational routine represents the structural dimension which refers to the existence of social structures (Giddens, 1984) that enable organisational members to orientate their work activities and account for their behaviour, while at the same time constraining their organisational activities (Hansen & Vogel, 2011). Becker and Zirpoli (2008) highlight, as is also suggested by Feldman and Pentland (2003), that the role of human agency in rule following must be taken into consideration. People can use the ostensive as a guide to what actions ought to be taken, or retrospectively as a guide to accounting for actions already taken (Pentland & Feldman, 2003). The ostensive aspect of a routine can serve as a template for behaviour or a normative goal. This is what Nelson and Winter (1982) called the 'routine as target' and why routines are sometimes likened to scripts (Feldman & Pentland, 2008; Pentland & Feldman, 2003). However, the ostensive level can only act as a guide; it cannot specify the details of the performance, which people must always choose. This is the irreducible element of agency, which requires reflexive self-monitoring (Feldman & Pentland, 2003).

The performative aspect of the routine consists of actual performances by specific people at specific times in specific places (Becker, 2005b; Becker & Zirpoli, 2008; Feldman, 2000; Pentland & Feldman, 2003, 2005) that may exhibit many variations (Pentland et al., 2012). The performative aspect of routines is essential for the creation,

maintenance, and modification of the ostensive aspect in much the same way that speaking creates, maintains, and alters a language. Performances enact the ostensive aspect of routines (Feldman & Pentland, 2003). The performing individuals refer to the structural dimension of organisational routines that guide their behaviour, and through this reproduce and change the ostensive aspects (Feldman & Pentland, 2003). The performative aspect refers to the central role of agency and the actual enactment of organisational routines by human agents at a certain time and space. Only the specific actions of organisational members *"bring the routine to life"* (Feldman & Pentland, 2003, p.94). Without action, routines are empty formalisations or what might be referred to as espoused routines (Feldman, 2016; Rerup & Feldman, 2011).

Pentland and Feldman (2005, p.797) describe artefacts as *"the physical manifestations of the organisational routine"*. Artefacts can take many different forms from written formal rules, standard operating procedures and forms to the general physical setting, a factory, or an office. Software and computers are common types of artefacts (Pentland & Feldman, 2005; D'Adderio, 2008, 2011). Artefacts may reflect either the ostensive aspect of the routine (as in the case of a written procedure or a policy statement that describes the overall pattern of the routine) or the performative aspects (as in the case of a transaction history or tracking database). In practice, researchers use artefacts as indicators of the ostensive and performative aspects of organisational routines (Pentland & Feldman, 2005). In an organisational routine artefacts are often used to try to ensure the reproduction of a particular pattern of action. Artefacts such as work logs and databases can also provide a convenient archival trace of the performative aspect of the routine (Pentland & Feldman, 2008).

Though empirical work on routine dynamics acknowledged the role of various artefacts in routines, early theorising separated artefacts from the ostensive and performative aspects to make the point that they were not to be confused with either aspects even though they may have interactions with them both (as per Figure 3.1) (Feldman, 2000, 2003; Howard-Grenville, 2005; Pentland & Reuter, 1994). More recent theorising on artefacts suggests that as research has evolved artefacts have been more fully incorporated into the relationship between ostensive and performative (Cacciatori, 2012; D'Adderio, 2008, 2011; Feldman, 2016). For example, recent attention to the role

of artefacts in shaping routine enactments brings contextual factors such as technology within the routine itself (D'Adderio, 2008; Parmigiani & Howard-Grenville, 2011).

(b) Stability and change

The second duality engaged in theorising routines as practices is that of stability and change (Feldman & Orlikowski, 2011). The practice perspective has described routines as inherently generative (Becker, 2005b; Feldman, 2003; Howard-Grenville, 2005; Parmigiani & Howard-Grenville, 2011; Pentland & Reuter, 1994) and a source of continuous change (Feldman, 2000). This suggests that although routines are often thought of as a way to solidify or stabilise an existing arrangement, they can also be used as a mechanism to promote change which leads to an emphasis on their role in flexibility and change (Pentland & Feldman, 2005, 2008a). Routines are seen to have a dual nature (Feldman & Pentland, 2003) in that they can be both a source of stability and of change (Becker, 2004; Feldman, 2002; Hansen & Vogel, 2011) and endogenous change can occur (Feldman & Pentland, 2008). Change may be engaged in order to promote stability, and stability may be essential to bringing about change (Feldman & Orlikowski, 2011).

In summary, adopting a practice perspective implies that organisational routines are no longer viewed as simple monolithic objects but are seen to consist of both abstract understandings (ostensive) and specific performances (action) (Pentland & Feldman, 2005) as well as artefacts (D'Adderio, 2008; Pentland & Feldman, 2005). In this way, the practice school espouses a move away from a reductive view of routines as 'things' and brings agency back into the picture (D'Adderio, 2011). Whereas historically routines as behavioural (Nelson & Winter, 1982) and cognitive regularities (Cyert & March, 1963) were seen as being inherently separate, within the practice approach both the ostensive (structural) and the performative (agentic) are created and recreated through action (Feldman & Pentland 2003, 2008; Howard-Grenville, 2005; Salvato & Rerup, 2011).

The practice approach highlights the importance of human actors and agency and seeks to access peoples 'situated' behaviour, examining specific actions in specific places and times (Parmigiani & Howard-Grenville, 2011). Routine dynamics conceptualises routines as engaging agency and subjectivity on the one hand, and structure and

objectivity on the other hand (Feldman & Orlikowski, 2011). It highlights the importance of individual agency in the creation of both the ostensive aspects as well as the performative aspects of organisational routines (Feldman & Pentland, 2008).

3.3 CONCLUSION

This brings the review of pertinent literature on internationalisation process research (Chapter 2) and the micro level perspective of internationalisation, through the study of routines as micro processes (Chapter 3), to a close. Examining internationalisation process research has underscored the potential of a structuration perspective as an innovative conceptual foundation for exploring firm internationalisation in comparison to the traditional alternatives within the domain.

Structuration theory specifies a reciprocal relationship between agency and structure and offers a unique processual perspective that specifically articulates this relationship as a duality (Sarason et al., 2006). In the context of internationalisation process research the recursive interplay of structure and agency is proffered by scholars as an apt descriptor of the process where a firms' ability to undertake internationalisation activities can be enabled or constrained within existing structures at particular points in time (Dutta et al., 2016; Sydow et al., 2010).

The appeal of structuration theory for internationalisation process researchers is its ability to overcome the inherent limitations of traditional process models. These models largely based on dualisms, view internationalisation as two discrete entities. Based on either a structural orientation (as with the Uppsala process model) or an agential orientation (as in the business network approach) they cannot accommodate the interaction between structure and agency within their analysis or explanation of internationalisation.

The internationalisation process of the firm can also be investigated from a micro perspective (Chapter 3). This approach breaks the temporal phenomenon of internationalisation down into more finely grained, small scale processes, focused on internal changes and developments within the firm as it internationalises (Welch & Paavilainen-Mäntymäki, 2014). This micro level understanding of internationalisation

can be achieved by exploring routines as micro processes within the firm (Prashantham & Floyd, 2012).

Scholars researching routines within the practice perspective also draw on structuration theory and the duality of structure to investigate the internal dynamics of routines (Feldman, 2000, 2003; Feldman & Worline, 2016). Exploring the interaction of the ostensive (structure) and performative (action) aspects of routines allows researchers to contribute to an enhanced understanding of the structure-agency relationship within this particular context. Insights from routines research contribute to the micro level understanding of the structure-agency agency relationship within the internationalisation process.

As the duality of structure from Giddens' (1979, 1984) structuration theory underpins the key aspects of internationalisation process theory (Chapter 2) which this research seeks to build on, as well as how the practice perspective explores routines as micro processes (Chapter 3), the theoretical framework of structuration theory (Giddens, 1979, 1984) is examined in detail next in Chapter 4.

CHAPTER FOUR: STRUCTURATION THEORIES

4.1 INTRODUCTION

This research asserts that structuration theory (Giddens, 1984) provides a rich conceptual foundation for internationalisation process research. The duality of structure, the core tenet of Giddens' (1984) structuration theory, can deliver a unique perspective on the firms' internationalisation process. Examining the duality of structure (ostensive) and action (performative) within routines as micro processes can also deliver a micro level understanding of the internationalisation process.

However, examining structuration theory (Giddens, 1984) reveals a number of criticisms, among them that the theory is too abstract and underdeveloped for use in empirical research. From the perspective of researching internationalisation the crucial issue with Giddens' (1984) structuration theory is the conceptualisation of structure as having no physical existence, rather existing as a 'virtual reality', given substance only through what people do (Busco, 2009).

As this research seeks to examine the recursive interplay of structure (environment) and agency (individual manager) within the firms' internationalisation process, structure in this context represents the external environmental, situational and contextual factors exerting influence on the firms' international activities. However, Giddens' (1984) structuration theory is based on a local ontology, which means there are no such things as autonomous external social structures (Coad et al., 2015). This ontological view makes it difficult to use structuration theory within internationalisation research.

This research draws on strong structuration theory (Stones, 2005), a strengthened and refined version of Giddens' (1984) original structuration theory, as a theoretical framework to analyse the interaction, and interdependence, of structure and agency within the internationalisation process. Strong structuration theory includes a number of ontological and methodological developments, which have been recognised as being of considerable use to researchers adopting a structuration perspective (Coad et al., 2015, 2016; Jack & Kholief, 2007, 2008; Parker, 2006).

The key ontological development is the introduction of external structures, which exist autonomously from the agent and are capable of exerting a causal influence (Stones, 2005). Only strong structuration theory recognises the existence of external structures

and in doing is applicable to, and easy to operationalise within, internationalisation process research. Giddens' (1984) original structuration theory and Stones' (2005) strong structuration are presented next.

4.2 STRUCTURATION THEORY

4.2.1 Dualism to duality

Within the social sciences, views of individual agents and structures as two independent sets of phenomena represent a dualism. A dualism shows a clear-cut and decisive contrast between two elements, for example between structure and agency, with a well-defined boundary and no overlap (Akram, 2012; Farjoun, 2010; Jackson, 1999; Llewellyn, 2007). Studies based on dualist approaches have been criticised for being overly simplistic and for being too restrictive to capture the complexities involved in social life (Jackson, 1999). Giddens (1984) attempted to transcend the notion of dualism by suggesting it needed to be re-conceptualised as a duality; as the duality of structure (Giddens, 1976, 1979, 1984). Duality resembles dualism in that it retains the idea of two essential elements, but it views them as interdependent, rather than as separate and opposed. With duality, structure and agency are seen as mutually enabling and a constituent of one another (Akram, 2012; Farjoun, 2010; Sewell, 1992). In this vein Giddens claims that structure and agency are two sides of the same coin. Neither structure nor action can exist independently, instead both are intimately related, interdependent and intertwined (Farjoun, 2010; Slattery, 2003).

Human agents draw on social structures in their actions, and at the same time these actions serve to produce and reproduce social structure (Giddens, 1984; Jackson, 1999; Jones & Karsten, 2008). Swingewood (2000, p.9) has referred to Giddens' concept of duality as his "*master concept through which it becomes possible to grasp human practices as both action and structure*", that is, while agents produce meaningful action they do so within definite social contexts. The properties of social systems are therefore produced and reproduced by regular social practices. Assuming the duality of structure and action Giddens (1984) then proposed the theory of structuration. The term structuration refers to the conditions governing the continuity or transformation of structures and social systems, and indicates that structure and agency exist in a recursive relationship (Busco, 2009).

4.2.2 The Agent

The idea of the agent as developed by Giddens seeks to "*connect being with action*" (Giddens, 1979, p.39). It goes beyond what agents think or intend to do, to focus on what they do and how they accomplish it. Agency is about practice it is about 'doing' and intervening in the world (Llewellyn, 2007). Giddens (1979, p.55) posits, "*action or agency ... does not refer to a series of discrete acts combined together, but to a continuous flow of conduct. We may define action ... as involving a 'stream of actual or contemplated causal interventions of corporeal beings in the ongoing process of events-in-the-world*". According to Giddens (1979) agents are always intervening in the world and in so doing they have the capacity to transform it. This is because agents have power, which plays a central role in structuration theory (Baert, 1998). Giddens (1979, p.93) defines power as "*the capability of actors to secure outcomes*" or the individual's capability to intervene in a series of events (Baert, 1998). In this sense, power is seen as a transformative capacity (Bryant & Jary, 2011; Giddens, 1977).

Giddens' perspective is that agents are free to act as they wish but only within the rules and structures they have created. Only in exceptional circumstances are individuals either totally free or totally constrained. There is always choice or the possibility 'to do otherwise', even if this choice is constrained. Constraints, according to Giddens, do not determine actions though they may place limits on the range of options open to the agent. This is the dialectic of control "*the ability of the agent to act otherwise, to say no, to refuse to comply and so to make a difference*" (Stones, 2005, p.29).

Giddens (1984, p.5) advocates a stratification model of action (Figure 4.1) and proposes three levels of action framed as: (i) reflexive monitoring of action; observing and reflecting on self and on others as well as the contexts through which activities take place, (ii) knowledgeability and rationalisation of action; agents understanding of the basis of their actions, and (iii) motivation for action or agents 'wanting' (Giddens, 1979).

Giddens' knowledgeable agent also exhibits three levels of consciousness: the practical, discursive and the unconscious (Giddens, 1984). Practical consciousness refers to the tacit knowledge that agents have which underpins their ability to 'go on' in social life. This practical consciousness is also a feel for the unexpressed 'rules of the game' that

allows people to do appropriate things without having to reflect on their actions (Llewellyn, 2007). Discursive consciousness is mobilised when agents articulate their reasons and intentions for their activities. It is the interplay between discursive and practical consciousness that makes reflexivity possible for the agent (Llewellyn, 2007). Reflexivity should be understood not merely as self-consciousness but as "*the monitored character of the on-going flow of social life*" (Giddens, 1984, p.3). The agent's reflexivity facilitates the tracking of their social interactions as they are played out in time, and enables agents to form flexible responses to dynamic situations they encounter (Llewellyn, 2007).

Figure 4.1: Giddens' stratification model of consciousness and action
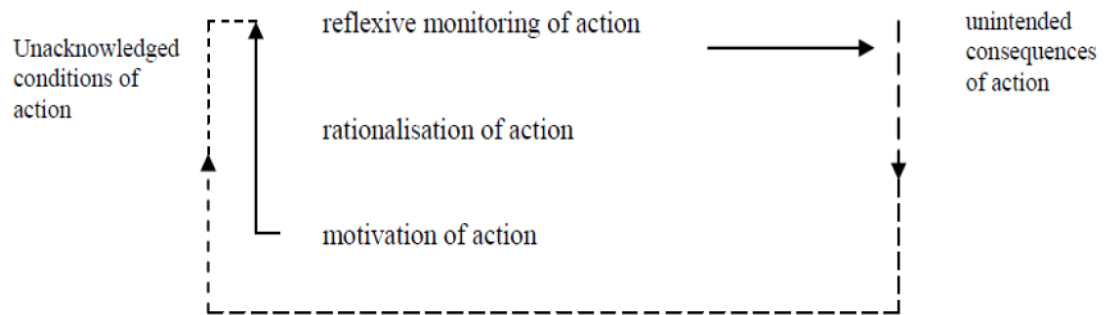
Source: Giddens (1984, p.5)

The rationalisation of action dimension refers to the process by which agents draw on their knowledgeability of social structures (Stones, 2005). Subjective powers of agency depend primarily on actors knowing how to do things, having a 'practical consciousness' of the appropriate rules for making sense of situations and a command of relevant resources. This 'practical consciousness' of 'knowing how to go on' depends on a wealth of taken for granted knowledge (Bryant & Jary, 2011; Parker, 2000). In this context, managers involved in business internationalisation can be seen as individuals who monitor their environment continuously and rationalise their own actions, the actions of others and the contexts in which actions are embedded (Sydow et al., 2010).

Motivation of action denotes the wants which prompt the agent to take action (Giddens, 1984). This motivation may be "*direct, intense and purposeful or indirect and much*

more routine" (Stones, 2005, p.24). Agents have the capacity to say no or to 'do otherwise', however in practice agents are inclined to repeat routine patterns of behaviour (Busco, 2009; Parker, 2000). By sticking to such routine patterns of behaviour, individuals avoid having to monitor and reflect on all the possible choices for action available to them at a particular point in time (Busco, 2009).

This reflects Giddens' view that humans have a basic desire for some degree of predictability in social life. By performing routines, agents sustain a sense of 'ontological security' which Giddens (1984) argues is a basic anxiety controlling mechanism. Cohen (2007, p.328) refers to such ontological security as "*a comfortable mental state in which actors engage in taken for granted activities in familiar surroundings and in the company of unthreatening others*". These routines can be disrupted in critical situations and unpredictable events can unlock possibilities for change in agents' behaviour (Busco, 2009). Reflexive knowledge means that agents are flexible and they can decide, when engaging in an activity, to take a different 'tack' if they feel their project is not going well (Llewellyn, 2007). This change needs to be interpreted as a re-examination, at different levels of consciousness, of the stored knowledge which provides an agent with their sense of ontological security (Busco, 2009).

4.2.2 Structures of signification, legitimation and domination

Giddens departed from the traditional conceptualisation of structure as having some given or visible form (Pozzebon, 2004). Giddens suggests instead that structure has no physical existence, it is a 'virtual reality', and is only given substance through what people do (Busco, 2009; Jones & Karsten, 2008; Parker, 2000), existing only "*in and through the activities of human agents*" (Pozzebon & Pinsonneault, 2005, p.1357). For Giddens (1984, 1989) structure is what gives form and shape to social life, but it is not itself that form and shape. He defines the dual role of structures as both "*the medium and outcome of agency*" (Giddens, 1984, p.23).

For Giddens (1984, p.xxvii) structure means the "*rules and resources which agents draw upon in the production and reproduction of social systems*". These structures are the abstract templates which guide human behaviour in social settings (Busco, 2009). Rules may be formal or informal (Swingewood, 2000) and are defined as implicit

techniques or generalisable procedures that are used in the enactment or reproduction of social practices (Baert, 1998). These rules equate to generalised formulae that are embedded in agents' practical consciousness allowing them to 'go on' in their day-to-day activities (Giddens, 1984). Resources, on the other hand, refer to the materials and the means used in producing goods and services and to the skills and powers that men and women bring to the production process (Slattery, 2003). Resources are of two kinds; authoritative resources derived from the co-ordination of the activity of human agents, and allocative resources stemming from control of material products or other aspects of the material world (Giddens, 1984).

In terms of the relationship between agents and structure Giddens points out that structure "*is not external to individuals: rather as memory traces, and as instantiated in social practices*"; it is in a certain sense more 'internal' than exterior to their activities. Structure is not to be equated with constraint as it is always "*both constraining and enabling*" (Giddens, 1984, p.25). Although structures guide human behaviour they are not deterministic in nature and so can be altered by agents in social interactions. In Giddens' perspective on agency, actors are not social dupes governed by independent structures but are knowledgeable agents who reflexively monitor their actions and make choices (Busco, 2009). Within the structures of society, the individual has the power and freedom to express him or herself and over time to change those structures for the better. While structures are produced and reproduced by human action, new structures require time to become institutionalised, and obsolete structures can linger in memory (Sydow & Windeler, 1998).

Structure is analysed along three dimensions; structures of signification (meaning), structures of legitimation (norms), and structures of domination (power) (Giddens, 1984) as shown in Figure 4.2. Giddens (1979) notes that this is only an analytical distinction and that all three dimensions would inevitably be involved in any social action. However, the analytical distinction allows a focus on any one of the structures; signification (rules), legitimation (rules) and domination (resources) independently, and also allows an examination of the particular ways in which they are combined (Stones, 2005).

Structures of signification provide general interpretative schemes necessary for

communication. Such interpretive rules provide ways for people to see and interpret events, and so give meaning to (inter)actions (Englund & Gerdin, 2014). In this way, structures of signification are drawn upon to make sense of organisational activities (Busco, 2009) and enable meaningful communication (Parker, 2000). Agents can make sense of the context they act in and can communicate this meaning and their views of ongoing practices to others (Sydow & Windeler, 1998).

Structures of legitimation are norms, which endorse or sanction certain forms of conduct (Englund & Gerdin, 2014) and denote a set of values and ideals for action (Busco, 2009). Rules governing legitimation allow moral sanctioning (Parker, 2000), and norms and moral codes are drawn on by agents to institutionalise their reciprocal rights and obligations. Sanctioning behaviour is the category of interaction or agency through which behaviour gets encouraged or discouraged, potentially through the application of reward, penalty, caution and inducement (Nicholson et al., 2009).

Structures of domination provide facilities for the exercise of power (Englund & Gerdin, 2014). Rather than seeing power as a type of act (making people do things against their will, for example) or a stock of capital (like land and money that can be owned), Giddens views power as a capability manifested in action (Jones & Karsten, 2008). Power is the means of getting things done and as such, it is directly implied in human action. Power is exercised through access to either authoritative or allocative resources (Giddens, 1984).

Giddens employs the concept of modalities to link the potential of knowledgeable actors to the structural properties of institutions (Baert, 1998; Busco, 2009). Modalities are the knowledge and resources accessible to actors (Cohen, 2007) as depicted in Figure 4.2. Although analytically separate, in reality these modalities intersect (Baert, 1998). When people act in organisations through modalities, they create and recreate three fundamental elements of social interactions and structures.

In the context of internationalisation and market entry strategies, Sydow et al. (2010) posit that agents make sense of behaviour and events through communication and in doing so reproduce or transform rules of signification. They

suggest that talking repeatedly about a particular foreign market as involving huge investment risks is likely to increase the possibility that this country will be perceived in this way. As a result of such sense making communication, which leads to specific rules of signification, managers may come to prefer exporting or alliances over direct investment options, irrespective of the true degree of uncertainty in the targeted country.

Figure 4.2 Dimensions of the Duality of Structure
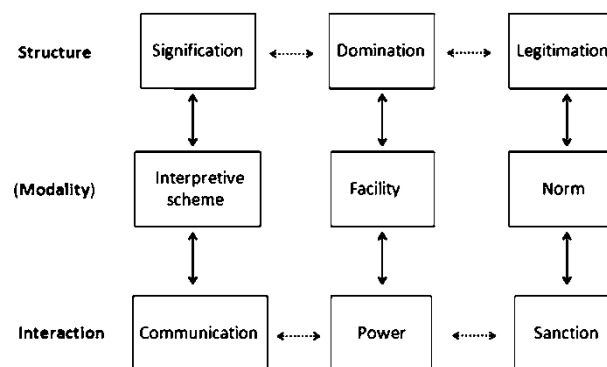
Source Giddens (1984, p.29).

By sanctioning certain behaviours, managers change or reproduce rules of legitimation. By using organisational resources they reproduce or change the system's structure of domination. In this way managers reflexively shape social practices, such as the market entry strategy they use or the routines they use when coordinating activities of foreign subsidiaries (Sydow et al., 2010).

4.3 CRITICISMS OF STRUCTURATION THEORY

Critiques of structuration theory address three main issues: (i) the duality of structure, (ii) the level of specification and comprehensiveness of the theory, and (iii) the level of abstraction of the theoretical concepts involved.

4.3.1 Duality of Structure

With Giddens' structuration theory there is a conceptual critique on the fundamental logic behind the theory, focusing on the notion of the duality of structure (Baert, 1998; den Hond et al., 2012; Jack & Kholeif, 2007). This critique is most forcefully

formulated by Archer (1982, 1995) who criticises Giddens' approach for combining agency and structure into a single recursive relationship and locking structure and agency too tightly together, thereby conflating the concepts. Archer (1995) argues that the stress on duality in structuration theory means that one cannot tell where structures begin and agents end and vice-versa. The two are mixed together and confused to such an extent that any analytical value possessed by the concepts in the first place disappears. Instead Archer (1995) argues for an analytical dualism between structure and agency which allows internal structure to be separated from action, giving better insights into the interaction between the concepts (Herepath, 2014; Llewellyn, 2007).

The distinctive aspect of this Archerian approach is captured in the concept of morphogenesis. This suggests that whenever structure and agency interact to produce change or morphogenesis, structure will precede agency in time. In this way Archer (1995) ascribes primacy to structure rather than to structuration. Though Archer is keen to relate structure and agency she is actively against moves to conflate them, and views Giddens' duality of structure as an example of such conflationary thinking (Herepath, 2014; Llewellyn, 2007). Archer (1995) believes that the analytical dualism she supports is both superior to, and incompatible with, structuration's notion of duality (Stones, 2005).

Giddens' work on the duality of structure also faces difficulties over his definition of structure, which differs from the normal sociological one (Jackson, 1999; Parker, 2000, 2006). Giddens' definition of structure, his critics argue, can be misleading and too narrow to be useful in social theorising (Jackson, 1999). Other commentators argue that Giddens fails to provide an accurate definition of what rules are (Baert, 1998). Sewell (1992, p.5) posits that structure, though a central term of Giddens' theory, "*remains frustratingly underspecified*". Although structure can both enable and constrain human behaviour, the constraints take the limited form of rules and resources affecting individual conduct and are therefore internalised to human action (Jackson, 1999). It is this definition of structure adopted by Giddens which exposes him to the critique of conflationary thinking.

Critics have also taken issue with the forms of methodological bracketing used by Giddens; 'institutional analysis' and 'analysis of strategic conduct'. 'Institutional

analysis' requires the researcher to suspend the skills and awareness of actors; focusing instead on how structures are reproduced across time and space (Giddens, 1984). 'Analysis of strategic conduct' places institutions in suspension; concentrating instead on the skilful and knowledgeable agent and on how actors reflexively monitor what they do and how they draw upon rules and resources in the constitution of interaction (Giddens, 1984). Critics have argued that this type of methodological bracketing increases the chance of reintroducing the dualism between objectivism and subjectivism that the theory of structuration is actually trying to avoid (Englund et al., 2011; Stones, 2005).

4.3.2 Level of specification and comprehensiveness of the theory

There is also a conceptual critique of structuration theory at the level of specification and comprehensiveness of the theory (den Hond et al., 2012). It is argued by some critics that structuration theory fails to specify the properties of agents and structure and the mechanisms whereby they are linked together other than in highly abstract terms (Busco, 2009; Kilminster, 2014). The ways in which action transforms structures is unclear and the concept of the agent is highly elliptical and difficult to understand (Swingewood, 2000). Stones' (2005) refers to this as a lack of analytical clarity around structure while den Hond et al. (2012) allude to the weak definitional value of the theory.

Some scholars also object to the alleged eclecticism of the theory of structuration, relying as it does upon a mosaic of intellectual influences, some of which are not perceived as compatible (Baert, 1998). Other scholars suggest that there are fundamental areas of under development in Giddens' work, such as the relationship between agents, structures and external pressures (Coad et al., 2015; Jack & Kholeif, 2007, 2008; Stones, 2005).

4.3.3 Level of abstraction of concepts

Structuration theory has often been seen as a meta-theory and a way of thinking rather than as an empirically testable explanation of social behaviour (Pozzebon & Pinsonneault, 2005). This is due to the fact that Giddens does not provide clear guidelines on the relationship between structuration theory and empirical research (den Hond et al., 2012). The lack of clear operational definitions of structure and agency, the

highly abstract level of theorising, and the nature of the duality of structure and agency have made the application of structuration theory to empirical research difficult (den Hond et al., 2012; Nicholson et al., 2009; Pozzebon & Pinsonneault, 2005). Part of the difficulty is that structuration theory is not easily coupled to any specific research method or methodological approach (Pozzebon & Pinsonneault, 2005). Giddens' own view is that structuration theory is not intended as a method of research or even as a methodological approach (Giddens, 1989) and the majority of studies employ the theory as an analytical device or as Giddens himself put it, "*as a sensitising device*" (Giddens, 1984, p.231).

4.4 STRONG STRUCTURATION THEORY

The argument that Giddens' theory is too abstract and underdeveloped for use in empirical studies (den Hond et al., 2012; Nicholson et al., 2009; Pozzebon & Pinsonneault, 2005) has led a number of social theorists to develop and strengthen the theory. The most significant recent contribution to this ongoing development is Stones' (2005) work on strong structuration theory. Recent reviews of Stones' (2005) theory have recognised this work as being a substantive and considerable development in the theory of structuration (Bryant & Jary, 2011) and a "*serious attempt to give structuration theory a new lease of life*" (Parker, 2006, p.122). In strong structuration theory, Stones (2005) argues for a reinforced ontology that can enable empirical social studies to be designed and carried out while informed throughout by the theory (Jack & Kholief, 2007). This theory development has been recognised as being of considerable use to researchers (Coad et al., 2015, 2016; Jack & Kholief, 2007, 2008; Parker, 2006).

Strong structuration theory is not positioned as an alternative to Giddens' theory but as an attempt to provide a strengthened version of the original theory (Jack & Kholief, 2007). Preserving the tenet of the duality of structure, a central element of strong structuration theory is its focus on the issue of agency embedded in structures rather than on structures cut off from agency (Coad et al., 2016; Englund & Gerdin, 2014). Stones' (2005) theory is interested in people, individually and collectively, and their analysis of their conduct and context or external structures (Coad et al., 2016).

4.4.1 Strong structuration ontology

In advancing strong structuration theory Stones (2005) moved from the notion of a flat and local ontology, which underpins Giddens' (1984) original structuration theory, to a reinforced ontology of strong structuration. In the context of Giddens' work, a local ontology means that there are no such things as 'external' social structures that exist beyond the human mind. A flat ontology suggests that there are no levels of social structures, for example, no micro or macro structures (Coad et al., 2015).

Stones' (2005) has moved from this flat ontology to a strong structuration ontology and introduces a number of new ideas such as: (i) moving from ontology-in-general to ontology-in-situ, (ii) the idea of a sliding ontological scale and a meso-level ontological concept, and (iii) external structures existing autonomously from the agent and exerting causal influence.

4.4.1.1 Ontology-in-general and ontology-in-situ

The key strength of Stones' (2005) work is that it presents a well-articulated, ontologically sound argument for the development of structuration theory as well as a sound epistemological practice (Coad et al., 2016; Jack & Kholief, 2007). Giddens' (1984) concept of structuration was pitched very much at the philosophical and abstract level and was directed towards establishing a general set of concepts or ontology-in-general (Coad & Herbert, 2009). The absence of clear links to substantive circumstances meant that structuration theory was "*too free-floating*" (Stones, 2005, p.7).

Strong structuration theory moves away from the relatively abstract ontology in which Giddens was interested (Coad et al., 2015). Stones (2005) argues instead for the development of structuration theory to encompass 'ontology-in-situ' and the 'ontic': where structure and action are not contemplated in abstract but are observed in concrete situations, *"through the why, where and what of everyday occurrence, and through understanding the dispositions and practices of agents"* (Jack & Kholief, 2007, p.211) in particular times and places. The ontic is the level at which empirical evidence can be sourced and the purpose behind pointing Giddens' abstract ontology toward the ontic is to encourage it to do more work at this substantive and empirical level (Stones, 2005).

In this way strong structuration theory as a conceptual methodology can provide a bridge between theory and empirical research (Coad et al., 2016; Stones & Jack, 2016).

4.4.1.2 Sliding ontological – ontic scale

Ontology-in-general operates at an abstract level whereas the ontic operates at the level of concrete details and specificities. The value of a 'meso-level' ontological concept is that it makes it possible to talk about some abstract ontological concepts in terms of scales or relative degrees (Stones, 2005). Action and structure can then be analysed in relative terms for example, *"more or less knowledgeability, more or less critical reflection"* of the agent (Stones, 2005, p.78). This meso-level concept provides a sliding scale on which to locate a particular study and the ability to focus on one or more individual agents (Coad et al., 2015; Stones, 2005).

In earlier work Stones presented the idea that structuration studies may be characterised by the depth of contextualisation, from an in-depth concrete study of an individual through to an abstract sweep of historical and global phenomena (more characteristic of Giddens' own work), and the sliding scale is a development of this idea (Jack & Kholief, 2007). Meso-level studies may not cover every 'nook' of a study (Jack & Kholief, 2007) but offer a valuable tool within which to situate individual concrete level studies of structuration. This sliding scale conceptualises a more developed, refined and adequate ontology of structuration (Stones, 2005). It also offers the potential for multi-layered studies of sociological phenomena (Coad et al., 2016).

By way of an example, the application of these ontological developments can be seen within the empirical work of Chan et al. (2010). The authors have used strong structuration theory to explore how multiple, conflicting social structures in the multicultural city of Hong Kong interact recursively with the agency of children, parents, and teachers to produce obesity in some, but not all, children. Structure and agency are examined in the concrete setting of eating practices. This enables a detailed understanding of the dispositions and practices of agents in particular places at particular times. The meso-level concept facilitates examining a number of key agents who have differing relative degrees of influence on the outcomes of structuration.

4.4.1.3 External structures

The key area where there is a major ontological divide between Giddens' (1984) original framework and the quadripartite framework advanced by Stones (2005) is their view of external structures (Englund & Gerdin, 2016). Table 4.1 represents the differing ontological views of external structures within both Stones' and Giddens' work as synthesised by Englund & Gerdin (2016).

Table 4.1 Two ontological views on (external) structures

Structural aspect	Strong structuration ontology (Stones, 2005)	Flat and local structuration ontology (Giddens, 1984)
Essence of structure	Social structures may be divided into internal and external structures. Internal structures are virtual. External structures have a real and factual existence.	Social structures are virtual.
Relation to individual actor	Internal structures exist as memory traces within the agent. External structures have an existence that is autonomous from and independent of the agent that reproduces them.	Structures exist as memory traces within the agent. Structures exist only as they are instantiated in social practices, they have no existence autonomous from, and independent of, the agent that reproduces them.
Role(s) for social practices	External structures can be seen as having independent and/or irresistible causal influences on social practices.	Structures may be seen as influencing social practices but not as a causal force that is independent of, and/or irresistible to individual actors.

Source: Englund & Gerdin (2016, p.258).

While both versions of structuration theory acknowledge the existence of virtual structures, only strong structuration theory recognises the existence of external structures. The other major difference is that while both versions of the theory acknowledge that some parts of social structures exist as memory traces within the agent, strong structuration theory assumes that external structures are autonomous from, and independent of, the agents that reproduce them (Englund & Gerdin, 2016). The

ontological status of structures within Giddens' (1984) work means that structures can never be autonomous from, or independent of, those agents who reproduce them. Within strong structuration (Stones, 2005), or within the essentialist view of structures, external structures can exert causal influences on social practices (Englund & Gerdin, 2016). Strong structuration scholars follow Stones (2005) lead in adopting an essentialist approach to the ontological status of external structures and in rejecting the idea of a flat and local ontology as presented in Giddens' work. This conceptual debate is ongoing within the literature (Coad et al., 2015, 2016, Englund & Gerdin, 2008, 2011, 2014, 2016).

To summarise, Stones' (2005) conception of strong structuration theory emphasises a number of key contributions for organisational research, namely the claim that structuration theory can be used meaningfully for empirical work by providing an 'ontology-in-situ' to support Giddens' 'ontology-in-general', by providing the concept of a 'sliding ontological scale' and by introducing external structures. These ontological developments are captured within the 'quadripartite nature of structuration' framework.

4.5 QUADRIPARTITE NATURE OF (STRONG) STRUCTURATION

Stones (2005) distinguishes four separate but interlinked aspects of the duality of structure, which he labels the 'quadripartite nature of structuration' as shown in Figure 4.3. Stones (2005) invites researchers to study 'conjunctures' which are defined as critical combinations of events, circumstances or interactions, and to consider the four distinct components in relation to these conjunctures. The researcher selects the agent(s)-in-focus for a particular study. This agent must be located somewhere on a sliding scale from the ontic/micro level, to the meso or macro level by the researcher (Coad et al., 2015). Strong structuration theory can then focus on the in-situ processes of structuration, as it emphasises how agents situated in specific settings at a specific time experience the process (Makrygiannakis & Jack, 2016).

The four components of the quadripartite framework are: (i) external structures, which are conditions of action, (ii) internal structures within the agent, (iii) active agency, including the ways in which agents either routinely or strategically draw upon their internal structures, and (iv) outcomes, which can involve either change or reproduction and preservation of external and internal structures. Events can represent other

outcomes of the process. Outcomes represent the intended and unintended consequences of the agents' purposive actions. To analyse external structures is to examine the 'agents' context analysis' whereas to analyse internal structures is to examine the 'agents' conduct analysis' (Stones, 2005). The four components of the framework are not analytically separate rather they are intertwined and overlapping (Stones & Jack, 2016).

Figure 4.3: Quadripartite Nature of Structuration
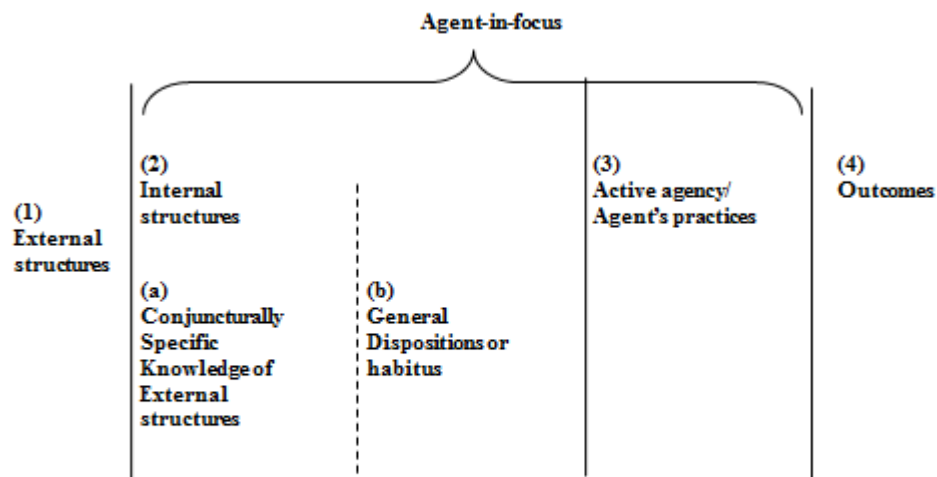
Source: Stones (2005, p.85)

4.5.1 External structures

External structures have an existence that is autonomous from the agent-in-focus and form the structural context of action. These external structures exert influence over internal structures and agents themselves and may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008). They may take the form of 'independent causal influences' where the external structures are constituted, reproduced, or changed entirely independently of the wishes of the agent-in-focus, even though they may directly affect the life of the agent (Stones, 2005).

These influences are distinguished from 'irresistible causal forces' where the agent-in-focus has the capacity to resist an external influence but may feel unable to do so

resulting in a feeling of powerlessness (Coad & Herbert, 2009; Stones, 2005). For an agent-in-focus to resist the pressure of external forces they must possess sufficient power and the capability to do so, and have adequate knowledge of relevant external structures including alternative avenues of possibility (Coad & Herbert, 2009). Based on the identified external structures one can attempt, as a researcher, to specify the objective possibilities open to, and the constraints on, the agent-in-focus and examine how external structures may enable or constrain their actions (Stones, 2005). In this way the strong structuration framework, while retaining Giddens original emphasis on the active character of agents, is much more realistic about the extent to which external social pressures constrain the agent (Stones, 2005).

Agents-in-context are other agents within the organisation and within the community of practice. Though not the focus of the analysis per se they are nonetheless part of any analysis as they inform the behaviour of the agent-in-focus in the same way as other external structures (Stones, 2005). An example of the influence of external structures on the agent is reflected in the work of Jack and Kholief (2008). The authors used strong structuration theory to analyse how the role of the management accountant played out within a new organisation during an attempt to implement an enterprise resource planning (ERP) system. External structures included government and international organisations, as well as software vendors, all of whom together provided the structural conditions of action. Stones' (2005) interpretative framework was used due to its ability to articulate the relationships and pressures between internal and external agents and structures within a particular 'organisation in focus' (Jack & Kholief, 2008). In a similar way, Feeney and Pierce (2016) have explored the role of accounting information, as an external structure, within the new product development process. Makrygiannakis and Jack (2016) have examined the role of the budgeting process, also as an external structure, in management accounting change observed within the hotel sector.

Position-practices (external)
Position-practices can exist within both the external and internal structures of the agent-in-focus. Position-practices within the external, autonomous structures can be considered in abstract or substantively (Jack & Kholief, 2007). These external position-practices can take several forms such as: (i) positional identities, (ii) institutionalised

positions, and (iii) clusters of practices (Stones, 2005). These external position-practices form the structural context of action within which the agent operates.

An example of positional identities can be seen within the work of Jack & Kholief (2008). While examining ERP implementation within their 'organisation in focus', positional identities took the form of both the European Union and the Egyptian government. Stones (2005, p.62) describes "*positional identities ... defined in terms of identifying criteria such as documented qualifications and observable attributes*". Institutionalised positions, on the other hand, are made up of practices which locate one group in a particular position relative to other groups (Coad & Glyptis, 2014). These positions have been operationalised as organisational departments within existing empirical research. Coad et al. (2015) suggest that particular expectations exist within an organisation regarding the prerogatives and obligations of, for example, an Accounting Department or a Personnel Department, which represent institutionalised positions. These 'position-practice slots' can be identified independently of their incumbents and so can be classed as external structures (Stones, 2005).

The final external position-practice is 'clusters of practices' or more specifically the "*cluster of practices through which identifying criteria, prerogatives, and obligations are made manifest and acknowledged by others*" (Stones, 2005, p.62). The ERP technology in the work of Jack and Kholief (2008) represents a cluster of practices with structuring properties. Both Coad et al. (2010) and Greenhalgh and Stones (2010) posit that technologies and material artefacts can represent external position-practices, which embody structuring properties and form part of the agents' external structures.

Stones' (2005) has argued that there are fundamental areas of underdevelopment in Giddens' work such as the relationship between agents and the importance of external pressures. Other scholars have agreed that the influence of external structures on actors' needed attention (Coad & Herbert, 2009; Parker, 2000). Stones' (2005) conceptualisation addresses this issue and is more realistic than Giddens about the extent to which external social pressures constrain the actor, conceiving external structures as independent forces, and pressurising conditions that limit an agents' freedom.

4.5.2 Internal Structures

Internal structures (within the agent) are divided analytically into two components: (i) the 'general disposition or habitus' and (ii) 'conjuncturally specific' internal structures (Stones, 2005). Within 'general disposition structures' external structures are interpreted in the context of the agents' dispositions, including such things as "*generalised world views and cultural schemas, typified recipes of action and habits of speech and gestures*" (Stones, 2005, p.88). General dispositions, or the agents' dispositional frame of meaning, includes such things as technical and other embodied skills, attitudes, ambitions, moral and practical principles or habitus (Greenhalgh et al., 2014a).

This is something that the agent "*draws on without thinking and is best conceptualised as existing in a taken for granted and unnoticed state*" (Stones, 2005, p.88). It represents enduring knowledge built up over time as an actor is exposed to, and interacts with, social contexts. It provides the perspective by which events in the world are framed and perceived by the agent (Greenhalgh et al., 2013). This type of knowledge is trans-situational (Coad & Herbert, 2009). A focus on general dispositional internal structures allows a researcher to understand more about the particular character of a certain agent's worldview (Stones, 2005).

Conjuncturally specific (particular) knowledge is knowledge of how to act in particular situations, it is knowledge of the strategic terrain and how one is expected to act within it based on ones' hermeneutic understanding of external social structures (Coad & Herbert, 2009; Greenhalgh et al., 2014a). Conjuncturally specific internal structures provide a pivot between external structures and dispositions of the agent (Moore & Mc Phail, 2016; Stones, 2005). For the agent-in-focus internal and external structures are both interactive and overlapping (Feeney & Pierce, 2016). Internal structures offer agents interpretive schemes, resources and norms for fashioning a course of action through particular social worlds while also providing a basis for recursive interpretation of intended and unintended consequences (Coad et al., 2015). Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences (Stones, 2005).

Jack & Kholief (2007) illustrate that when agents-in-focus were attempting to create new organisational structures, and rules and routines to govern action, they were acting

in accordance with their general dispositions as accountants and former corporate employees. While performing conjuncturally specific actions, in this case setting up an ERP system, they reproduced familiar structures from their past. Poorly informed internal structures and conjunctural knowledge constrained the project implementation and the unintended consequence or outcome for the organisation was project failure (Jack & Kholief, 2007, 2008). It is this conceptual elaboration of internal structures within general dispositions and conjuncturally specific knowledge that distinguishes Stones' (2005) version of structuration from that of Giddens' original structuration theory (Coad & Herbert, 2009; Parker, 2006).

Conjuncturally specific internal structures reflect the agents' knowledge of interpretive schemes, normative expectations and power capacities (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation, and domination and this language has been retained by Stones (2005) within the quadripartite structure to examine the conjunctural internal structures of the agent.

Position-practices (internal)

A final aspect of the agents' internal structures, and conduct analysis, is the influence of position-practices. A position-practice can be thought of as the social position and associated identity of the agent. This role or position has various rules and normative expectations embedded within it (Stones, 2005). Such a social identity also carries with it a range of prerogatives and obligations (Coad et al., 2015). For example, to speak of a Chief Executive Officer or an Accountant or a Supply Chain Manager is not only to refer to a positional identity but also to a set of structured practices which incumbents can and do perform (Coad & Glyptis, 2014; Jack & Kholief, 2007).

Unlike in the context of external positional identities, these internal position-practices are not 'structural slots' within which agents are largely interchangeable. With internal position-practices, identities are perpetuated or changed through their enactment by active agents within the network of relationships (Stones, 2005). The identity of the CEO is intertwined with the agent-in-situ. Power embodied within the position comes from the agents' ability to command allocative resources (over objects and materials) and authoritative resources (command over people) (Stones, 2005).

By focusing on one cluster of agents (which may be an individual, team, or an organisation) the networks of relationships, norms, sanctions, knowledgeability, and power resources within which this agent-in-focus resides can be mapped and analysed (Cohen, 1989; Jack & Kholief, 2007, 2008). Jack and Kholief (2008) achieved this in their study of an ERP implementation considering three separate clusters of agents and investigating the tensions between them. This highlights how the concept of position-practice relations can be used to tease out how different groups of actors battle against each other in order to gain and maintain legitimacy within any given context (Coad et al., 2015).

Position-practices consider people in webs of social relations and interdependencies affecting, and being affected by, others whom they may or may not know, or be aware of, but with whom they are interdependent (Stones, 2005). Therefore, the agent-in-focus should always be conceptualised as being in the midst of, and already caught up in, the flow of position-practices and their relations (Stones, 2005). A key implication of the position-practices concept is that the agent-in-focus can draw not only on their own internal structures, what they know about the social world, but also on the knowledge of the internal structures of other agents as their agents-in-context (Chan et al., 2010; Stones, 2005). According to Coad and Herbert (2009, p.180) an "*agents-in-focus's understanding of conditions of action, formed by external structures, is informed by the conjuncturally specific knowledge of networked others*". This knowledge is related outward towards the external structure (Jack & Kholief, 2007).

Within strong structuration theory, external structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989) that is social positions, their associated practices and networks of social relationships (Greenhalgh & Stones, 2010; Moore & McPhail, 2016). The strong structuration concept of position-practices enables the researcher to analyse the realities of agent(s)-in-focus from the perspective of multiple positions within a field of position-practice relations (Moore & McPhail, 2016). Coad and Glyptis (2014) have developed their concept of position-practice relations, as depicted in Figure 4.4, from the work of both Stones (1991, 2005) and Cohen (1989). The circles represent social positions and the arrows represent interactions between them.

4.5.3 Active agency

During moments of structuration agents draw upon their (virtual) internal structures, which represent their understanding of (concrete) external structures as a basis for active agency (Coad et al., 2015). This allows them to apply their knowledge and understanding to their situation, or a particular conjuncture (Stones, 2005). Stones (2005, p.100) posits that active agency "*encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures*". This analysis of active agency is concerned with how agents draw on their knowledge of internal and external structures when making decisions, choosing which arguments to make, communicating with others and resisting or bringing about change (Coad et al., 2016). Active agency is the ability to act reflexively or routinely in relation to the external and internal structures that provide conditions of action (Stones, 2001) and is the centre of strong structuration theory (Moore & McPhail, 2016).

Figure 4.4 Position-Practice Relations
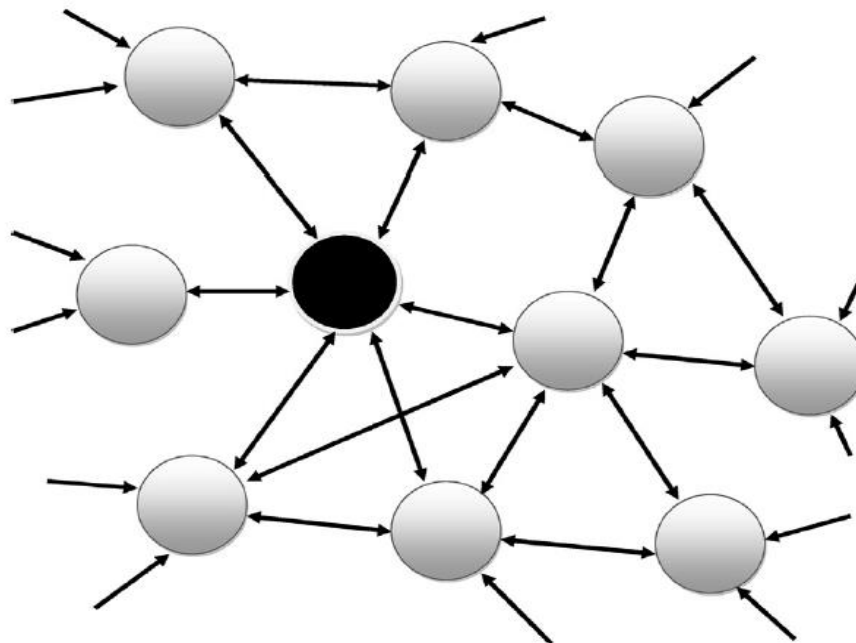
Source: Coad & Glyptis (2014, p.144).

Stones' (2005) puts forward five aspects of active agency that are important when investigating the agents conduct. He suggests that each of these is consistent with Giddens' (1984) stratification model of the agent as shown in Figure 4.1. These aspects of active agency are: (i) shifting 'horizon of action' designating 'contexts of relevance' for the agent, (ii) the possibility of creativity, improvisation and innovation within an agent's conduct, (iii) varying levels of critical distance that agents bring to internal structures, (iv) conscious and unconscious motivations and emotions which will impact how agents draw knowledge from internal structures, and (v) the ordering of concerns or the sorting out of priorities into a hierarchy of purposes, which may involve more or less critical reflection.

While each agent brings generic capabilities, dispositions and strategic knowledge to any particular event or circumstance, what an agent will actually do in any given situation depends on a host of specificities, which cannot be predicted in advance. The agents' behaviour will depend on their 'horizon of action', as well as the contextual particularities of other external structures and happenings, as well as the constraints of time and space (Greenhalgh & Stones, 2010).

4.5.4 Outcomes

Outcomes are the result of active agency. The effects of the agents' practices on extant structures, both external and internal, can involve change and elaboration or reproduction and preservation. As outcomes, consequences of structuration may be intended or unintended, and the agent may be facilitated or frustrated. Outcomes may also be conceptualised as events (Stones, 2005).

4.5.5 Methodological Bracketing

Stones (1991, 2005) put forward two adapted forms of methodological bracketing to replace those of 'institutional analysis' and the 'analysis of strategic conduct', which appear in Giddens' (1984) original theory. Stones' (2005) argues that the methodological brackets of 'agent's conduct analysis' and 'agent's context analysis' are more appropriate forms of bracketing for strong structuration theory. This bracketing concentrates attention on the internal and external aspects of agents respectively (Parker, 2006). 'Agents' conduct analysis' is directed inwards, towards the dispositions and practices of the agent-in-focus. It draws on the ontological category of

knowledgeability, as part of an agent's internal structure, in a way that leads us back to the agent herself, "*her reflexive monitoring, her ordering of concerns into a hierarchy of purposes, her motives, her desires and the way she carries out the work of action and interaction within an unfolding sequence*" (Stones, 2005, p.121). Agents' conduct analysis includes the internal structures of the agent divided analytically into the components of general dispositional frame of meaning and the agents' conjuncturally specific internal structures (Stones, 2005). The focus is on the ways that the agent perceives the immediate external structural terrain from the perspective of their own projects and whether this is in terms of helplessness or empowerment, or a complex combination of the two (Stones, 2005).

In contrast, the 'agents' context analysis' is directed outward to the structural terrain the agent faces. It gives an account of the agents' interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). The agent's context analysis allows the researcher to identify and assess the range of causal influences impacting the agent, the potential courses of action open to them, and the probable consequences of both (Stones, 2005). Within an agents' context analysis a researcher can identify relevant external structural clusters and the position-practice relations that constitute them. These structural clusters can be of great significance to the problem to be explained or the question at hand. Allocative and authoritative resources at the disposal of agents can also be identified (Stones, 2005). As Stones (2005, p.122) states the agent's context analysis "*takes us on a journey from the agent and their hermeneutic frame of meaning out toward the external processes of structuration*". Stones and Jack (2016) draw attention to the fact that the agents' context analysis has to include conduct analyses of other agents or agents-in-context. This reflects the idea of position-practices and web like interdependencies, where the behaviour of the agent is informed and influenced by other agents-in-context.

4.6 STRONG STRUCTURATION THEORY IN ACTION

Strong structuration theory has yet to be applied within internationalisation research[2]. The use of original structuration theory (Giddens, 1984) has also been a rarity within the international field. Sydow et al. (2010) and Dutta et al. (2016) who examined the

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[2] A search of published sources did not return any works based on strong structuration theory applied in the context of internationalisation research.

internationalisation process of their respective firms from a structuration perspective are the notable exceptions. This lack of use of Giddens' (1984) original structuration theory within internationalisation research may be attributable to the flat ontology on which it is based and the resulting internal virtual structures which it is concerned with (Englund & Gerdin, 2016).

Within the internationalisation process of the firm, external environmental, situational, and contextual factors, exert a significant influence on the firms' international activities (Andersson et al., 2013; Laurell et al., 2013) and need to be included in a credible analysis of the firms' internationalisation. The development of the strong structuration ontology and particularly the introduction of external structures, which are autonomous from the agent and capable of exerting a causal influence, make it feasible for internationalisation researchers to operationalise strong structuration theory and recognise its applicability. External structures can capture the changing conditions of action affecting the firm as well as the inter-relationships and interactions between these structures delivering a realistic depiction of the environmental pressures and challenges confronting the agent.

There is a growing use of strong structuration theory within the accounting discipline (Adhikari & Jayasinghe, 2017; Feeney & Pierce, 2016; Harris et al., 2016; Jack & Kholief, 2007, 2008; Makrygiannakis & Jack, 2016; Moore & McPhail, 2016). A stream of research has also emerged within the healthcare sector incorporating Stones' (2005) framework. This research has examined the implementation of information technology programmes within healthcare (Greenhalgh & Stones, 2010; Greenhalgh et al., 2013) and resistance to them by healthcare staff (Greenhalgh et al., 2014a,b). Healthcare research has also examined the possibility of remote video consultations between clinicians and patients (Greenhalgh et al., 2016). Other individuals using strong structuration theory include Barley (2014) who used the framework to examine identity and social interaction in a multi-ethnic classroom and O'Reilly (2012) who used the framework as a guiding approach in the study of international migration. Arnall (2015) explored resilience as a transformative capacity in a Mozambican resettlement programme using the quadripartite nature of structuration. Stones and Tangsupvattana (2012) have used strong structuration theory, coupled with other social theories, to assess media accounts of political conflict in Thailand. To conclude, scholars agree that

strong structuration theory has the potential to overcome many of the limitations of Giddens' (1984) traditional structuration theory (Coad et al. 2015, 2016; Stones & Jack, 2016) and this is reflected in the burgeoning stream of researching implementing the strong structuration framework.

4.7 CONCLUSION

Strong structuration theory (Stones, 2005) is adopted as the interpretative framework for this research as it seeks to understand the interaction of structure (environmental aspects) and agency (individual manager) within the recursive process of firm internationalisation. The ontological and methodological developments that strong structuration theory contributes to organisational research make it appealing for use within internationalisation research.

Moving from the abstract ontology of Giddens (1984) to concepts of 'ontology-in-situ' and the 'ontic' (Stones, 2005) means that structure and agency can be observed within concrete situations rather than in abstract ones. The introduction of the sliding ontological scale and the 'meso-level' ontological concept means that action and structure can be analysed in relative terms, reducing the level of abstraction common in original structuration theory (Giddens, 1984). The key ontological development for internationalisation research is Stones' (2005) recognition of the existence of external structures, in contrast to Giddens' (1984) structures, which can only exist virtually. These external structures can be autonomous from the agent (manager) and can exert causal influences on social practices.

Within the context of internationalisation research, this change in the ontological status of structures within Stones' (2005) strong structuration theory means that environmental and situational factors operating externally to the firm, and their impact on firm activities, can be captured within a structuration analysis. This reinforced ontology also makes it easier to conduct empirical research, which is informed throughout by the theory and the quadripartite nature of structuration framework.

CHAPTER FIVE: RESEARCH METHODOLOGY

5.1 INTRODUCTION

This section describes how this research was conducted. By choosing to use strong structuration theory as an interpretative framework, an ontological position of duality of structure and action is also selected. Adopting this ontological position implies that structure and agency are viewed as two sides of the same coin, neither can dominate within the relationship and neither can exist independently of the other. In terms of an epistemological position, this research is designed as a process approach to process research, as reviewed in Chapter 2. Viewing process as a developmental event sequence describes how things change over time (Langley, 1999; Langley et al., 2013), and internationalisation events within firms are the unit of analysis.

Qualitative studies are best placed to understand the process by which these events and actions take place (Maxwell, 2013) and this research is based on six case studies of SMEs. Data gathered from multiple respondents, including MDs and CEOs as agents-in-focus, delivers rich contextual descriptions of the firms' internationalisation story. This allows a detailed understanding of, and insight into, the interaction and interplay of structure (environmental factors) and agency (individual manager) within the internationalisation process. To ensure validity and transparency within the research design, the steps in the data collection and analysis phases are outlined in detail.

5.2 RESEARCH PHILOSOPHY

Underlying any form of research is a philosophy of science that informs us of the nature of the phenomenon to be examined (Bechara & Van de Ven, 2007; Burrell & Morgan, 1979). Ontology, or the nature of reality, is the starting point of all research and examines the origin, nature, and constitution of social reality (Bechara & Van de Ven, 2007; Burrell & Morgan, 1979; Creswell, 2013; Grix, 2002). This ontological position in turn characterises sociological theories according to the relative emphasis they place on agency or social structure. Agency is the capacity of individuals to act independently, to make their own choices, and to exercise free will. Social structure refers to any recurring patterns of social behaviour that influence or determine an agent's choices and opportunities (Jenks, 1998).

Determinists adhere to the view that human behaviour is entirely determined by outside, or environmental, forces which exist independently of individual actors (Burrell &

Morgan, 1979; Grix, 2002). This is based on an ontological position, which asserts that social phenomena and their meanings have an existence that is independent of social actors (Grix, 2001). This real world is made up of hard, tangible, and relatively immutable structures that exist as empirical entities. This represents a realist view and for the realist the social world exists independently of an individual's appreciation of it. It is not something which the individual creates, rather it has an existence which is "*as hard and concrete*" as the natural world (Burrell & Morgan, 1979, p.4). Determinists posit that these structures dominate individual behaviour. Rather than creating the social world in which they live, people are seen as creations of the system. Human behaviour is viewed as entirely determined by outside forces, no human agency is exercised, and within this perspective, structure is seen as dominating agency (Jenks, 1998).

Voluntarists adhere to a different point of view, which asserts that people are autonomous and have free will to act as they wish. This perspective prioritises agency within the structure and agency relationship. It can draw this conclusion as it is based on the ontological position of nominalism, which asserts that social phenomena and their meanings are continually being accomplished by social actors (Bryman, 2001; Grix, 2002). The nominalist position revolves around the assumption that the social world, external to individual cognition, is made up of nothing more than names, concepts, and labels, which are used to structure reality. The nominalist does not admit to there being any 'real' structure to the world, which these concepts are used to describe (Burrell & Morgan, 1979). Nominalism implies that social phenomena and categories are not only produced through social interaction but that they are in a constant state of revision (Bryman, 2001; Grix, 2002). They hold the position that no social reality exists except the one that individuals construct in their perceptions. Agency is exercised by the individual over environmental or structural forces and in this view agency is seen as dominating structure (Burrell & Morgan, 1979; Jackson, 1999; Parker, 2000, 2006; Swingewood, 2000).

These ontological positions reflect the image of social reality on which a theory is based (Grix, 2001). In adopting the theoretical framework of Stones' (2005) strong structuration theory a point midway between these two ontological positions of determinism and voluntarism is selected. This intermediate standpoint allows for the influence of both structural and agential factors in accounting for the activities of people

within the process of structuration. The duality of structure, presented in tandem with Giddens' (1984) structuration theory in Chapter 4, posits that neither structure nor action can dominate within the relationship and neither can exist independently, rather they are viewed as two sides of the same coin, inseparable, intertwined and interdependent (Akram, 2012; Farjoun, 2010; Slattery, 2003). Duality of structure is a key concept, which advances understanding of the interrelationship and interplay between social structures and individual agency. The additional ontological developments advanced within Stones' (2005) strong structuration theory, such as the existence of external structures, have previously been presented in Chapter 4, where they are contrasted with Giddens' (1984) ontological stance and views of structure.

The second component underpinning a research philosophy is the epistemology of the study, which is the method used for understanding it (Bechara & Van de Ven, 2007; Burrell & Morgan, 1979). Epistemology focuses on the knowledge gathering process (Grix, 2002) and examines what counts as knowledge and how knowledge claims are justified (Creswell, 2013). The two dominant approaches to gaining knowledge in the social sciences are positivism and interpretivism (Grix, 2001). Both of these approaches include theories and methods based on different goals and underlying assumptions (Hudson & Ozanne, 1988). These underlying philosophical assumptions include beliefs about the nature of reality, of social beings, and of what constitutes knowledge. The difference in focus is fundamental as it changes what each approach views as important problems, facts, and evaluation criteria (Hudson & Ozanne, 1988).

5.2.1 Positivism

Ontologically positivists tend to take a realist position and assume therefore that reality can be precisely and accurately measured and observed (Burrell & Morgan, 1979). Positivists seek out general abstract laws that ideally can be applied to a large number of phenomena (Hudson & Ozanne, 1988). Positivism endeavours to identify time and context free generalisations, or nomothetic statements (Burrell & Morgan, 1979). It is epitomised in the approach and methods employed in the natural sciences, which focus on the process of testing hypotheses in accordance with the canons of scientific rigour. It is preoccupied with the construction of scientific tests and the use of quantitative techniques for the analysis of data. Surveys, questionnaires, personality tests, and

standardised research instruments of all kinds are prominent among the tools which comprise nomothetic methodology (Burrell & Morgan, 1979).

Positivists, with the goal of explanation and prediction, place a high priority on identifying causal linkages. The deterministic assumption regarding the nature of social beings, that man's activities are completely determined by the situation or environment in which he is located, further supports their efforts to identify the causes of individuals' behaviour (Hudson & Ozanne, 1988). An epistemological assumption of positivism is that the researcher does not influence, and is independent from, the subject of the research. A detached stance is necessary to maintain objectivity (Bryman, 2016; Creswell, 2013; Grix, 2002; Hudson & Ozanne, 1988).

Within internationalisation research, this research philosophy is reflected in the variance approach, to process research, as discussed in Chapter 2. A variance approach asks 'what are the antecedents or consequences of internationalisation and how does it develop and change over time?' These 'what' type questions entail a variance model or outcome driven explanation (Van de Ven, 2007). Accordingly, within these explanations, process is conceptualised as a law-like relationship between precursor and outcome variables and process is deduced based on a measurement of two points of analysis or time (Van de Ven, 2007; Welch & Paavilainen-Mäntymäki, 2014). These variance approaches seek to explain and predict what happens within internationalisation by searching for regularities and causal relationships between its constituent elements (Burrell & Morgan 1979; Grochal-Brejdak, 2016).

5.2.2 Interpretivism

Interpretivists, or as Burrell and Morgan (1979) refer to them, anti-positivists, perceive that reality is essentially mental and perceived. Reality is also socially constructed and multiple realities exist because of different individual and group perspectives (Burrell & Morgan, 1979; Creswell, 2013; Hudson & Ozanne, 1988). Within interpretivism, it is crucial for the researcher to know the context of behaviour, or an event, because social beings construct reality and give it meaning based on context (Bryman, 2016; Creswell, 2013; Hudson & Ozanne, 1988).

Interpretivists take a particularistic approach to research; they study a specific phenomenon in a particular place and time. Rather than seeking to determine law-like regularities interpretivists seek to determine motives, meanings, reasons, and other subjective experiences that are time and context bound (Hudson & Ozanne, 1988). For the interpretivist, the social world can only be understood from the point of view of the individuals who are directly involved in the activities which are to be studied (Burrell & Morgan, 1979).

Interpretivists tend to create ideographic knowledge (Burrell & Morgan, 1979). This ideographic approach to social science is based on the view that one can only understand the social world by obtaining first-hand knowledge of the subject under investigation. It places considerable emphasis on getting close to the subject and exploring their detailed background and life history (Burrell & Morgan, 1979).

Interpretivists view the world as being so complex and changing that is as impossible to distinguish a cause from an effect. Viewing the world holistically, the interpretivist's stance is that mutual, simultaneous shaping occurs between entities (Creswell, 2013; Hudson & Ozanne, 1988; Maxwell, 2013). The voluntarist assumption, that people actively create and interact in order to shape their environment, supports the interpretivist's position against causality (Bryman, 2016; Hudson & Ozanne, 1988; Mason, 2013).

Epistemologically interpretivists hold that the researcher and the people under investigation interact with each other. Therefore, the individual who is studied becomes a participant in the research (Hudson & Ozanne, 1988). The researcher tries to minimise the 'distance' or objective separateness from those being researched (Creswell, 2013). As a result, the researcher's identity and values are inevitably implicated in the research process (Greenhalgh & Stones, 2010).

Within internationalisation research, this research philosophy is reflected in the process approach, to process research, as discussed in Chapter 2. A process approach asks 'how' type questions, such as how does the issue emerge, develop, grow, or terminate over time. This requires a process model or an event driven explanation of the order and sequence in which a discrete set of events occur, in this case internationalisation events,

based on a story or historical narrative (Van de Ven, 2007). Process theory tends to see the world in terms of people, situations, events, and the processes that connect these (Maxwell, 2013).

5.3 RESEARCH QUESTION

To explore the reciprocal relationship between structure (environmental and contextual factors) and agency (the individual manager) during the internationalisation process of SMEs.

This research considers the firms' internationalisation process as a reciprocal relationship between structure (environmental factors) and agent (individual manager), and articulates this relationship as a duality of interdependent and mutually enabling elements (Farjoun, 2010; Giddens, 1979, 1984; Stones, 2005). This research uses Stones' (2005) strong structuration theory as a theoretical framework to explore the internationalisation process of SMEs in terms of the interaction of structure and agency, arguing that internationalisation is a recursive process based on the duality of structure.

This research addresses a number of gaps within extant SME internationalisation literature. The first gap addressed is the ongoing need to understand the internationalisation process of SMEs. As SMEs become increasingly active in international markets the activities and processes surrounding their internationalisation are important phenomena to understand from both a research and managerial perspective (Kuivalainen et al., 2012; Vanninen & Kuivalainen, 2015). This research, by developing contextualised insights into the internationalisation process of firms, contributes to knowledge of SME internationalisation by providing in-depth insights into the role, and interdependence, of structure and agency in the firms' internationalisation process (Dutta et al., 2016; Sminia, 2009, 2016). The need to understand SME internationalisation also manifests itself in a growing interest in theoretical frameworks through which the internationalisation process can be described and analysed (Kuivalainen et al., 2012; Li & Gammelgaard, 2014). This research proposes strong structuration theory as one such alternative framework and argues in favour of the analytical value of describing and analysing the internationalisation

process through the reciprocal relationship of structure (environmental and contextual factors) and agency (individual manager).

The second research gap this study addresses is the structure-agency divide evident within existing process approaches to internationalisation research. The dominant approach within extant research studies is to explain the firm internationalisation process in terms of dichotomous thinking, where researchers implicitly emphasise either structure (contextual and environmental factors) or agent (the individual manager) in their research, rather than identifying and exploring the interactions occurring between structure and agent within the process. Excluding the opportunity to explore the interplay of structural and agential dimensions has resulted in concerns about the inadequacy and partiality of existing theories of small firm internationalisation (Lamb et al., 2011). A structuration approach addresses this gap created by partial explanations of internationalisation as it can accommodate managerial action (agency), the impact of contextual variables (structural features) and the interactions between them in an analysis of firm activities. This generates a comprehensive explanation of the firms' internationalisation process. Knowledge about the relationship between structure and agency is seen as crucial to understanding the process of firm internationalisation (Sydow et al., 2010) and a strong structuration analysis can deliver this knowledge.

The third research gap addressed by this study is the acknowledged paucity of process studies in the international field. This research adds to the existing stream of process studies and in doing so provides an alternative perspective to the traditional static variant approaches currently dominating the international research landscape (Coviello & McAuley, 1999; McAuley, 2010; Welch & Paavilainen-Mäntymäki, 2014). A structuration approach offers an insightful processual perspective on internationalisation and this research addresses what Welch and Paavilainen-Mäntymäki (2014) have termed the 'retreat from process' within internationalisation process research. Delivering a micro level explanation of internationalisation through investigating routines as micro processes within the firm (Prashantham & Floyd, 2012) also addresses an under researched area within the international domain (Nummela et al., 2006; Welch & Paavilainen-Mäntymäki, 2014).

5.3.1 Research objective one

In SMEs, how does the individual manager (agency) influence firms'
internationalisation outcomes when interacting with, and responding to, external
structures?

Within small firms, managers (agents) have been found to heavily influence the firms'
international activities and it is important to include them in explanations of the firms'
internationalisation (Andersson, 2000; Andersson & Florén, 2011; Lamb et al., 2011).
The significant role played by managers as decision makers in SMEs means that their
personal characteristics and interpretations are highly likely to affect internationalisation
and therefore must be included in any explanation of the firms' internationalisation
(Child & Hsieh, 2014; Li & Gammelgaard, 2014; Sarason et al., 2006, 2010).

The role of agency (the individual manager) is acknowledged through internal structures
in Stones' (2005) strong structuration theory. Internal structures (within the agent) are
divided analytically into the components of general dispositions and conjuncturally
specific internal structures. Within general disposition structures external structures are
interpreted in the context of the agents' dispositions, world views, attitudes, skills, and
ambitions (Greenhalgh et al., 2014a; Stones, 2005). Conjuncturally specific knowledge
is particular knowledge of how to act in particular situations, based on the agent's
hermeneutic understanding of external social structures (Coad & Herbert, 2009;
Greenhalgh et al., 2014a; Stones, 2005).

5.3.2 Research objective two

In SMEs, how do environmental and contextual factors (structure), mediated by
managerial agency, influence firms' internationalisation outcomes?

Research has shown that the firms' environment influences their internationalisation
strategies and development (Andersson, 2004). These environmental and situational
factors include peculiarities of industry context and of the industry structure, which is
constantly changing, driven by technological, competitive, and economic changes
(Andersson et al., 2013; Laurell et al., 2013). The impact of environmental and

contextual factors is captured through external structures within strong structuration theory (Stones, 2005). These external structures form the structural context of action for the manager (agent-in-focus) and the firm. External structures also exert influence over the internal structures of the agent and may constrain or enable their actions and the firms' subsequent internationalisation outcomes (Jack & Kholief, 2008; Stones, 2005). Within strong structuration theory, external structures are mediated by the agency of managers (Coad et al., 2015) and are interpreted in the context of the agents' knowledgeability and their internal structures (Stones, 2005).

5.4 RESEARCH DESIGN

5.4.1 Qualitative research

Qualitative studies are particularly well suited to understanding the process by which events and actions take place (Maxwell, 2013) and for examining and articulating processes (Pratt, 2009). Qualitative research is uniquely suited to opening the 'black box' of organisational processes, the how, who and why of individual and collective organised action, as it unfolds over time in context (Doz, 2011).

Qualitative researchers tend to focus on three kinds of questions that are much better suited to process theory than to variance theory: (i) questions about the meaning of events and activities to the people involved in these, (ii) questions about the influence of the physical and social context on these events and activities, and (iii) questions about the processes by which these events and activities and their outcomes occurred (Maxwell, 2013). Such a processual orientation is reflected in the study of situation specific phenomena (Creswell, 2013; Maxwell, 2013).

Extant structuration studies, as process approaches in the international domain (Dutta et al., 2016; Sydow et al., 2010) and strong structuration studies (Chan et al., 2010; Feeney & Pierce, 2016; Greenhalgh & Stones, 2010; Greenhalgh et al., 2013, 2016; Jack & Kholief, 2007, 2008; Moore & McPhail, 2016), have adopted an interpretative stance within their research designs. This research tradition attests to the suitability of an interpretive and qualitative approach within this study.

Within qualitative research designs, an inductive or deductive approach to theory can be adopted and most social research involves elements of both deductive and inductive

reasoning (Grix, 2001). Within an inductive approach the researcher moves from data to theory (Mason, 2013), generating theory from the empirical data analysis (Bryman, 2016). The process of inductive analysis is one of discovering patterns, themes and categories within the data and of moving from the particular to the general (Bryman, 2016; Creswell, 2013). Researchers draw conclusions from specific empirical data, or the particular, and attempt to generalise from them to derive theories (Grix, 2001).

Alternatively, within a deductive approach the researcher moves from theory to data (Mason, 2013). Theory guides the research, which moves from the general to the particular or specific (Bryman, 2016; Mason, 2013). Deductive research is a label given to theory driven research (Grix, 2001). This study, using Stones' (2005) quadripartite framework, seeks empirical evidence with which to explore and test key concepts and the relationships between them, while answering the explanandum in hand (Greenhalgh & Stones, 2010). Within this study, the deductive analysis represents a situation where the analytic categories are stipulated (prior to the analysis) according to an existing framework (Marshall & Rossman, 2016). This study represents a qualitative research design with a deductive orientation (Grix, 2001).

5.4.2 Case study research

This research follows the definition of a case study as proposed by Piekkari et al. (2009, p.569) as "*a research strategy that examines, through the use of a variety of data sources, a phenomenon in its naturalistic context*". This research operates within the interpretive tradition (Stake, 1995, 2005; Welch et al., 2011) where 'particularisation' is the goal of the case studies; that is an understanding of the uniqueness of the case in its entirety. Scholars within the interpretive tradition embrace context, narratives and personal engagement on the part of the researcher (Welch et al., 2011). Within this tradition, the aim of case research is "*the study of the particular*" which provides understanding (Stake, 1995, p.238).

The strength of case studies is their ability to offer a contextualised holistic perspective (Piekkari et al., 2009). They enable the rich contextual description essential to understanding (Welch et al., 2011) and are well suited to obtaining both retrospective and real-time insights (Welch & Paavilainen-Mäntymäki, 2014). Jack and Kholief (2007) suggest that Stones' (2005) framework is particularly suited to case study

research offering as it does a robust credible theoretical framework for interpretative research. This view is validated by the extensive use of case studies within work in the strong structuration domain (Chan et al., 2010; Greenhalgh & Stones; 2010, Greenhalgh et al., 2013; Greenhalgh et al., 2014a,b; Jack & Kholief, 2007, 2008). Among various methods of qualitative research the case study is the most prevalent one in international business (Piekkari et al., 2009; Tsang, 2013) and the dominant qualitative method used in internationalisation research is the interview based case study (Welch & Paavilainen-Mäntymäki, 2014).

5.4.3 In-depth interviews

Mason (2013, p.67) describes the loosely structured or semi-structured interview as "*a conversation with a purpose*". Specifically the purpose is to gather information (Berg, 2004). The unique strength of interviews lies in the capacity to access the internal life of participants' interpretations, feelings, and beliefs (Langley, 2009). Semi-standardised interviews also allow the interviewer some freedom to probe far beyond the answers to their prepared questions (Berg, 2004). Interviews are the dominant source of data collection in international business case studies (Piekkari et al., 2009) as well as within qualitative research (St Pierre & Jackson, 2014). den Hond et al. (2012) identify interviewing as the core data collection method in studies applying structuration theory. Semi-structured interview questions were used as the basic guidelines during the interview to make sure that all relevant topics were covered and to provide direction for questioning.

5.5 DATA COLLECTION

5.5.1 Case selection

In order to answer the research question purposive sampling was employed to select the case companies (Eisenhardt, 1989; Silverman, 2010). Within a purposive strategy, particular settings, people, or activities are deliberately selected to provide information that is particularly relevant to the research question and study goals (Bryman, 2016; Mason, 2013; Maxwell, 2013; Silverman, 2010). Miles and Huberman's (1994) four parameters, setting, actors, events and processes, were used as the case sampling frame. As case selection was based on conceptual categories rather than on representativeness, this ensured that case companies reflected the key conceptual categories sought, and this in turn enhanced the explanatory power of the case data (Eisenhardt, 1989).

SMEs[3] were chosen as the focal point of the study in response to the ongoing need to understand more about their internationalisation processes (Kuivalainen et al., 2012; Vanninen & Kuivalainen, 2015; Welch & Paavilainen-Mäntymäki, 2014).

(i) Settings

In relation to the first sampling parameter of settings (Marshall & Rossman, 2016; Miles & Huberman, 1994) the choice was made to select Irish SMEs with high levels of internationalisation, defined either as high levels of international sales volumes and/or activity in numerous international markets, from any sector of activity within the market. This increased the likelihood of observing the phenomenon of interest (Punch, 2005) and facilitated data analysis at the ontic level of the individual case (Stones, 2005).

The SMEs selected operate within differing sectors and industries and this allowed for an investigation of various types of external structures within the analysis. It has been suggested that industry context is a decisive factor in understanding firm internationalisation (Andersson, 2004; Laurell et al., 2013). These diverse cases facilitate the analysis of the impact of structural, environmental, and contextual factors (external structures) on the internationalising SME. Case firms were identified through professional contacts and networks. Company details and names have been anonymised. Details of the case firms and interviewees are presented in Table 5.1.

(ii) Actors/Participants

In terms of the second sampling parameter of actors or participants (Marshall & Rossman, 2016; Miles & Huberman, 1994), the choice was made to select Managing Directors or CEOs as the pivotal agents-in-focus within the firm. The owner or manager plays an important role in, and heavily influences, the internationalisation activities of these firms. Accessing the key agent-in-focus (CEO or MD) and his networked others, members of the management team (agents-in-context) within the firm, was crucial to understanding the internal structures of agents.

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[3] The European Commission definition of an SME as a micro, or small and medium company, employing less than 250 people and with an annual turnover not exceeding €50m was used for this study.

Cases were selected where multiple respondents involved in internationalisation were identifiable and accessible, and all relevant personnel with inputs into the internationalisation process or tasks were interviewed. Given the size of the firms involved, this varied from three to four people in each case. This represented the senior management team and those directly involved in making decisions about international activities. Accessing multiple informants within each case was essential given the retrospective nature of the study, and the complexity of events under investigation. As Pentland (1999, p.714-715) suggests "*there is a great deal of insight to be gained from careful analysis of the same story from multiple points of view*" and this proved to be the case for each firms' story of internationalisation. The positions of the interviewees are detailed in Table 5.1. In total 23 interviews were conducted in the six cases generating 20 hours of audio.

(iii)   Events

In relation to the third sampling parameter of events (Marshall & Rossman, 2016; Miles & Huberman, 1994) the choice was made to focus on the internationalisation event/s emerging within the horizon-of-action of the agent-in-focus at the time of the research. This represents the 'conjuncture' or critical combination of events and circumstances to be studied within the quadripartite structure (Stones, 2005). The internationalisation event chosen as the core of the structuration analysis was the one which emerged most prominently from the case data as recounted by the interviewees. The agents-in-focus as well as the agents-in-context discuss structures (both internal and external) in relation to this conjunctural situation (Greenhalgh & Stones, 2010).

(iv)   Processes

In terms of the final sampling parameter of processes (Marshall & Rossman, 2016; Miles & Huberman, 1994), the focus was on the internationalisation process within the firms. Given the diversity of firm activity, these processes involved distributor management, managing sets of position-practices (such as a joint venture, a Product Management function, and a tendering process) as well as the management process of an Export Consultant. Process identification was aided by secondary research conducted. Case studies of organisations may be defined as the systematic gathering of enough information about a particular organisation to allow the investigators insight into the life of that organisation (Berg, 2004). To ensure the collection of quality data,

extensive desk research was conducted in advance of scheduling the interviews. Sources relied on included publicly available records for the company, annual reports, patent records, articles in press and industry publications, as well as online and social media sources. Documents are an important source of data on key event chronologies (Langley, 2009) and in these cases access to extensive secondary sources ensured that the interviews covered issues and themes of internationalisation at a fine grained level.

Table 5.1 Case firms and interview details

Case name	Position	Duration (minutes)	Dates
Caretech	Director of Programme Management	44 mins	27.03.2013
	Group Managing Director	71 mins	20.05.2013
	CEO (US) (by phone)	35 mins	11.07.2013
	Managing Director (UK) (by phone)	20 mins	10.07.2013
Keavy's Engineering	Commercial Director	85 mins	09.06.2014
	Chairman	76 mins	16.07.2014
	Managing Director	52 mins	16.07.2014
	Business Development Manager (China)	51 mins	12.02.2015
Gold Mountain	Sales & Marketing Manager	48 mins	27.02.2015
	Export Consultant	49 mins	06.03.2015
	CEO	41 mins	16.03.2015
Dromoland Engineering	CEO	75 mins	20.03.2015
	Product Manager (Agriculture)	51 mins	05.05.2015
	Product/Technical Manager	52 mins	21.05.2015
	Product Manager (Construction)	80 mins	23.06.2015
FishFarm	Sales & Marketing Manager (1st interview)	80 mins	28.05.2015
	Managing Director	30 mins	17.06.2015
	Finance Director	30 mins	17.06.2015
	Sales & Marketing Manager (2nd interview)	15 mins	17.06.2015
	Administrative Assistant	15 mins	17.06.2015
The Whiskey Co.	Sales & Marketing Manager	79 mins	03.09.2015
	Managing Director	81 mins	18.08.2015
	Brand Manager (US) (by phone)	35 mins	19.07.2015

5.5.2 Interview guide

Events are at the centre of any process research and so firm internationalisation events were the focus of the interviews. A challenge with this research is that internationalisation can unfold in many different ways for different firms and so the content of the interviews varied significantly from one firm to another. St Pierre and Jackson (2014, p.715) suggest that in order to avoid the "*vacuum cleaner approach*" to data collection, which sweeps up all and any data into the study, researchers should instead use theory to determine first, what counts as data and second, what counts as good and appropriate data. Firms were asked about their internationalisation story. The questions were informed by extensive desk research conducted in advance of the interviews. The generic interview guide or theme sheet is presented in Appendix A. This theme sheet was an emergent and evolving design or set of questions rather than a tightly prefigured one. This approach was adopted as best practice to gain maximum information.

All interviews were recorded and then transcribed verbatim. This generated approximately 510 pages of transcripts. Additional notes or observations made during interviews were written up immediately after the interview ended. After the first interview in each case firm was completed, prominent themes, and external structures as conditions of action, were identified and used to craft questions for subsequent interviews. These questions explored issues in more detail with the next interviewee or sought to fill gaps in information or understanding, or clarification on issues. The theme sheet was a result of an iterative process between interviewee data and theory throughout the case and evolved to capture newly identified themes and questions of interest as they emerged. Within Table 5.1, the interviews are presented in the order in which they were conducted.

5.5.3 Coding strategy

A defining feature of the case studies conducted is their inherent complexity due to the level of contextual detail achieved. Within each of the cases, internationalisation means different things to different firms: for some it represents market entry, for others market or distributor selection, and for others alliance formation. Though the case analyses are based on the story of each firm's internationalisation, and can be analysed in terms of the same theoretical framework, strong structuration, they differ considerably in

content. Contextual case study analysis, as used in this research, is a practice guided by a search for the particular in context rather than the common or consistent, and the holistic rather than the cross-sectional (Stake, 1995, 2005). This kind of approach is much less supported by software (Mason, 2013). For these reasons, the data extracted from transcripts and secondary sources was manually organised and categorised prior to its analysis and software packages were eschewed. An illustrative example of how the data was categorised and coded to elements of Stones' (2005) quadripartite framework is presented in Appendix B.

5.5.4 Reliability and validity

There are various perspectives on evaluating the quality of qualitative research (Creswell, 2013; Mason, 2013; Tracy, 2010). A common approach includes assessing the reliability of the study, the degree to which it can be replicated, as well as its validity, and the degree to which the findings can be generalised across social settings (Bryman, 2016).

Reliability is a difficult criterion to meet in qualitative research (Bryman, 2016; Creswell, 2013). Tracy (2010) suggests that the best way to achieve reliability is to document the data gathering process and the data analysis methods used with as much detail as possible to give maximum transparency (Punch, 2005; Tracy, 2010). Providing information on how the cases were selected, how the interview information was collected and analysed and thoroughly reporting the data provides a chain of evidence showing how the researcher moved from data to interpretation (Pratt, 2009; Punch, 2005). Clear specification of the methods used demonstrates coherence within the research and facilitates transparency (Bryman, 2016). This allows both the research procedure and its results to be evaluated (Eisenhardt, 1989). The steps in the data analysis are outlined in section 5.6.

External validity refers to the extent to which the research findings are generalisable or transferable (Bryman, 2016; Creswell, 2013; Golafshani, 2003). As the cases are highly contextualised and particularistic in nature (Stake, 2005), this threatens external validity. However, for case study research the objective is to generalise from each case to the extant theory, rather than to generalise to a population (Batt, 2012; Bryman, 2016). Within this research, the case studies rely on analytical generalisation. This is

generalisation to a theory or phenomenon being studied, a theory which may have much wider applicability than to the particular cases studied, rather than generalisation to a defined population (Yin, 2012). It is the quality of the theoretical inferences made from the qualitative data that is crucial to the assessment of generalisation within this research (Bryman, 2016).

5.6 STEPS IN DATA ANALYSIS

The data analysis involved six steps within each case firm as follows:

Step 1:

A thick description of the case history as a series of detailed chronological events around internationalisation was written up. This traced an atheoretical account of the internationalisation process from documentary evidence and interview data. As all of the cases were complex in nature, generating thick descriptions was vital for understanding these context sensitive cases.

Step 2:

Consistent with the approach of Coad et al. (2015) the agent-in-focus was identified in each case. Within each company, this was the agent responsible for directing, resourcing, and implementing the firm's internationalisation strategy. These were MDs or CEOs of the SMEs with one exception where the agent-in-focus responsible for internationalisation was the Finance Director. The other interviewees fulfil the role of agents-in-context and represented other agents within the company who were involved in the internationalisation process.

Step 3:

This step identified the appropriate external structure for detailed analysis within each company. The external structure chosen as the core of the structuration analysis was the one which emerged most prominently from the case data as recounted by the interviewees in their story of internationalisation. It also represented the external structure which was the firms' priority within the action horizon of the research.

Step 4:

Having identified the agent-in-focus and the key external structure to anchor the analysis, the steps in Stones' (2005) research strategy, based on the quadripartite nature of structuration, were followed to analyse the case data. These steps are as follows:

(a) The analysis begins with the 'agents' conduct analysis' which is the study of the agents' internal structures. Within the methodological bracket of the agents' conduct analysis the first step was to categorise the case data considering the two aspects of the agents' internal structures; the general dispositional frames of meaning of the agent-in-focus and the conjuncturally specific knowledge of the agent-in-focus. References to values, as well as professional and personal backgrounds, knowledgeability of the agent, their worldview, motives, attitudes and information drawn on in a taken for granted way was taken as evidence of dispositions and coded accordingly. Reference to knowledge of the specific job or task in hand, or specific knowledge of particular settings and contextualised knowledge, was taken as evidence of conjuncturally specific knowledge and analysed accordingly.

The case data was also categorised by the meaning inferred by agents in relation to internal structures that they draw on in terms of structures of signification (interpretive schemes), structures of domination (resources), and structures of legitimation (norms). Case data which related to the agents' internal position-practices, as a subset of conjuncturally specific knowledge, was also categorised and analysed. This data included content illustrative of the agents' view of the external and the strategic terrain the company faced, as well as their perception of their networked others. This coding strategy is illustrated in Appendix B. The outcome of this step of the analysis was an increased understanding of the dispositions, attitudes, perceptions, and knowledgeability of the agent-in-focus (CEO or MD) and others (agents-in-context) within the firm.

(b) The next step in Stones' (2005) strategy is to examine the agents' context analysis. Within the methodological bracket of 'agents' context analysis', relevant external structures framing the action horizon of the agent-in-focus are identified. This involved looking at a range of external structures and at their

inter-relationships and categorising the data accordingly. Environmental and situational factors such as competition, industry structure and regulations, export intermediaries, other agents-in-context and changes within the economy represented autonomous external structures impacting case firms. Based on the external structures identified, including external structures as sets of external position-practices, it was possible to explore whether these external structures enabled or constrained the agent-in-focus. Where the data was indicative of either independent or irresistible causal influences, which exist within external structures, it was coded and analysed accordingly. The outcome of this step of the analysis was an understanding of the environmental, situational, and contextual factors impacting the manager as agent-in-focus and the firm. How these external forces interacted with each other in exerting influence on internationalisation was also illustrated. Whether the manager was in a position to resist these external forces or not, and why not, also emerged from the analysis.

(c) Active agency is when managers' internal and external structures combine and are manifested in action. Data indicative of the elements of active agency as identified by Stones (2005) included references to changing horizons of action, creativity or improvisation within the agents' conduct, reflexivity of the agent-in-focus, and evidence of agents' motivations and how they prioritised and ordered business concerns. This data was coded as evidence of active agency and analysed accordingly.

(d) Outcomes are the results of active agency and are represented in changes or preservation of external and/or internal structures and events. Changes in external structures were evidenced within some of the cases whereas in others external structures were modified or preserved. Changes in internal structures were evidenced by changes in the agents' frame of meaning, change of attitude and perception and changes in their ordering of priorities. Internationalisation related events were numerous within the case firms and included new market entry, sales growth, changes in organisational design, changes of personnel, and changes in internal processes among others. Data indicative of these events or

changes was coded as internationalisation outcomes of the process within each case story, and analysed accordingly.

Step 5:

Data was validated and crosschecked by using documentary evidence and by comparing the different perspectives and recollections of the interviewees in terms of internationalisation events and the sequencing of these events. This rich data set generates a multi-actor narrative of how the internationalisation process unfolds within the firm. Data validation is necessary given the well-known limitations of retrospective data (Hewerdine & Welch, 2013). Real-time data was accessed in all of the companies and this contextualised and deepened understanding of the retrospective data collected. The case analyses were revisited and revised as part of the iterative process back and forth, between case data and theory, for sense checking and clarity.

Step 6:

Each case analysis was written up based on a theoretical interpretation of the data using a strong structuration narrative. The completed case analyses retain the 'thick description' of the internationalisation story which Tracy (2010) suggests is the most important means of achieving credibility in case analysis. Such thick description results in in-depth illustrations describing as it does the study setting, the participants, and the research themes in rich detail (Creswell & Miller, 2000).

5.7 CONCLUSION

The six case SMEs selected were chosen to facilitate access to the CEO or MD leading internationalisation as well as to other members of the management team (agents-in-context) involved in the internationalisation process of the firm. This ensures that the role and influence of agency within the internationalisation process can be examined in detail. These SMEs have achieved substantial levels of internationalisation and represent diverse industries and sectors. This ensures that structural influences on the firms' internationalisation activities can be examined at a detailed level. The duality of structure is the core tenet of strong structuration theory and this ontological position allows the interaction of structure (environmental factors) and agency (individual manager) to be examined within the recursive process of firm internationalisation.

Adopting a particularistic approach to the six case studies conducted generates a wealth of contextual detail and depth of description on the internationalisation story of each firm. These thick descriptions result in in-depth illustrations and understanding of the interaction of structure and agency within the internationalisation process of each particular firm. The findings and analyses from each of the six case firms are presented individually in Chapter 6.

CHAPTER SIX: CASE FINDINGS AND ANALYSES

6.1 INTRODUCTION

This chapter presents the case analyses of the internationalisation process of six SMEs. The six case analyses are presented in the following sequence and analyse the following external structures:

Case 1	The Whiskey Co.	External structure is Distributors.
Case 2	Gold Mountain	External structure is an Export Consultant
Case 3	FishFarm	External structure is a set of position-practices [Joint venture]
Case 4	Caretech	External structure is a set of position-practices [Tendering process]
Case 5	Dromoland Engineering	External structure is a set of position-practices [Product Management function]
Case 6	Keavy Engineering	External structures are Distributors and wholly owned subsidiaries across three episodes of structuration

Cases 1 and 2, The Whiskey Co. and Gold Mountain, examine export intermediaries as the external structures which emerged most prominently from the firms' internationalisation stories. Within the next three (cases, 3, 4, and 5) the external structures identified are conceptualised and analysed as sets of external position-practices (Stones, 2005). Within Case 3, FishFarm, the joint venture company created to enter the Asian marketplace is conceptualised as a set of position-practices or cluster of practices, which embody structuring properties. In a similar way within Case 4, Caretech, the procurement practices, or tendering process within the industry is conceptualised as a set of position-practices or cluster of practices. In Case 5, Dromoland Engineering, the Product Management function within the company is conceptualised as an institutionalised position (Stones, 2005), made up of practices

which locate one group in a particular position relative to other groups (Coad & Glyptis, 2014; Coad et al., 2015).

The final case analysis presented, Case 6, on Keavy Engineering, demonstrates how the quadripartite nature of structuration operates as a cycle, with the outcomes of one cycle forming the external structure and conditions of action for the next phase of action. Spanning a 36 year period or episode (Giddens, 1984) with the same in situ agent-in-focus, the case investigates three episodes of structuration examining how the internationalisation process evolved and the impact on, and the impact of, the agent-in-focus within each episode.

Figure 6.1 Quadripartite Nature of Structuration Theory
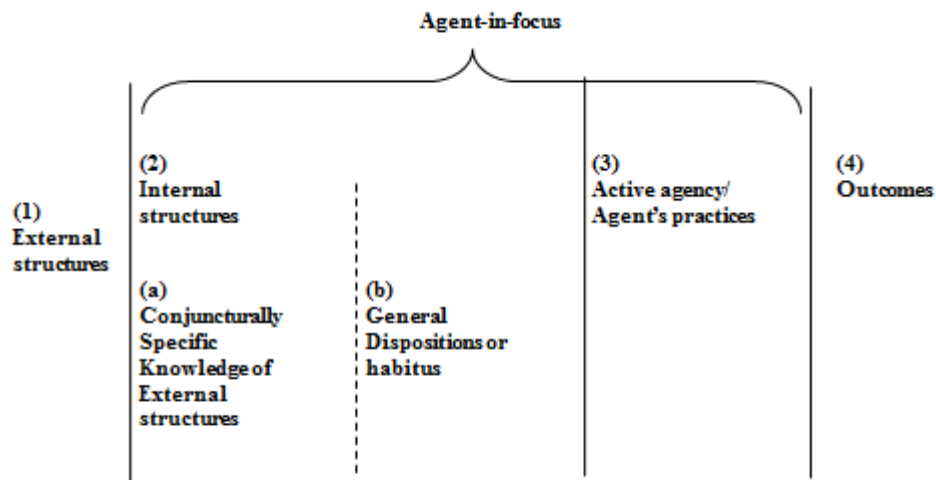
Source: Stones (2005, p.85).

This research operationalises Stones' (2005) strong structuration framework, as presented in Figure 6.1, as the interpretative framework for the analysis of the interplay of structure (contextual factors) and agency (individual manager) in the internationalisation process of the firm. Within each individual case analysis, the steps in Stones' (2005) research strategy are followed as outlined:

Step 1: Agents' conduct analysis

The first step in Stones' (2005) research strategy is to investigate the agents' general dispositional frames of meaning and conjuncturally specific internal structures within the methodological bracket of the agents' conduct analysis. The focus is on the ways the agent perceives the immediate external structural terrain from the perspective of their own projects (Stones, 2005). The outcome of this step of the analysis is an understanding of the dispositions, attitudes, perceptions, and knowledgeability of the agent-in-focus and agents-in-context within the firm.

Step 2: Agents' context analysis

The second step in Stones' (2005) research strategy is to investigate the structural terrain or external structures that the agent encounters within the methodological bracket of the agents' context analysis. Analysing the agents' context analysis gives an account of the agents' interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). The outcome of this step of the analysis is an understanding of the environmental, situational, and contextual factors impacting the manager as agent-in-focus and the firm.

Step 3: Active agency

The third step in Stones' (2005) research strategy is to investigate the agents' practices or active agency. An analysis of active agency is concerned with how agents draw on their knowledge of internal and external structures when making decisions, choosing which arguments to make, communicating with others and resisting or bringing about change (Coad et al., 2016). The analysis of active agency generates an understanding of the agents' changing horizons of action, the level of improvisation and creativity within their actions, the influence of their personal motivations and the level of reflexivity they engage in.

Step 4: Outcomes

The fourth and final step in Stones' (2005) research strategy is to examine firm outcomes, which are the result of active agency. The effects of the agents' practices on existing structures, both internal and external, can involve change and elaboration or reproduction and preservation. Outcomes may be intended or unintended and the agent may be facilitated or frustrated (Stones, 2005). From this analysis, the

internationalisation outcomes of the firm can be evaluated within the structuration process.

6.2 Case 1: The Whiskey Co.

Introduction

The Whiskey Co. is a craft distillery established in 2010. Currently there are 11 products in the brand portfolio. A number of the firms' whiskeys have won awards at global competitions including Best Irish Whiskey and Best Single Malt Irish Whiskey. The company exports 90% of its production to 18 export markets including the US, Australia, South Africa, France, Germany, Scandinavia, Japan, Hong Kong, Norway, Ukraine, Denmark, Holland, Canada, the UK, Italy and Austria. The remaining 10% of production is sold into the Irish marketplace. The company is currently in talks with distributors in Spain, Slovenia, and Poland.

The external structure, which emerged most prominently from the firm's internationalisation story, was that of distributors. These distributors both enable and constrain the agent and the company and emerged as the key priority within the agent's 'horizon of action' at the time of the research. Though other external structures as conditions of actions, as well as their inter-relationships, are included in the discussion, the external structure that the analysis animates in particular is that of foreign market drinks distributors. The case analyses the complex dynamics of the mutual interdependencies between structure (distributor) and agent (Managing Director) and allows an understanding and explanation of the interface between structure and agency and its consequences for the firm to be unveiled.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) quadripartite framework. The 'agents' conduct analysis' examines their internal structures which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures.

The agent-in-focus is the Managing Director (MD) and a co-founder of The Whiskey Co. General dispositions or the agents' dispositional frame of meaning includes things such as embodied skills, attitudes, ambitions, moral and practical principles, or habitus (Greenhalgh et al., 2014a). Such knowledge is built up over time as the agent is exposed to, and interacts with, social contexts. It also relates to the role and position occupied by

an agent, which is examined through the agents' position-practice relations (Stones, 2005). The agent-in-focus has a Finance and Operations background and 25 years professional experience within the drinks sector. As he describes;

> "*myself and [another co-founder] were both with [a large management consultancy] as Food and Beverage analysts. So we would have been looking at the global drinks sector so, we'd cover these big drinks companies that actually owned most of the brands that you're seeing behind the bar there, you know, Diageo and Pernod Ricard and Heineken and so on*" (Managing Director).

From this experience, the agent-in-focus has developed professional skills and accumulated knowledge and expertise about the drinks industry and the craft sector. He has a deep understanding of the sector and contextualised knowledge of how to operate within this industry. This has nurtured an ambition to set up his business as illustrated in the following;

> "w*e were advising people who were coming to say I want to build a distillery, can you find twenty investors to give us a certain amount of money so we can start this project. So we knew a fair bit about the numbers and the trends and thought basically that there's a good opportunity here and why don't we go and do it [set up] ourselves*" (Managing Director).

Whereas dispositional knowledge is generalisable and transposable, the agents' conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task, job, or role. The agent's conjunctural knowledge of distributors and their management is less developed. When discussing his level of familiarity with export channel management issues the MD comments;

> "*so I'd be familiar with it [distributor management] from the spreadsheet point of view… and probably more so than the average man in the street ... but no … it's complicated ... particularly so in the US*" (Managing Director).

Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush, risking unintended or unwanted consequences for the firm (Stones, 2005). Low stocks of conjunctural knowledge have resulted in some unsatisfactory outcomes in the early stages of the domestic operation as the agent describes;

> "w*e did do a bit of direct distribution [Dublin area] but we stopped doing that in Ireland ... there were a hundred-and-fifty pubs that owed us money. So we stopped all that and we went back ... like you're better off we just found paying a margin to a distributor who does all that. Does all the invoicing and make sure you get paid"* (Managing Director).

Lack of detailed conjunctural knowledge has also impinged on the export operation as illustrated by the agents' comments on sending product to a South African distributor;

> "*and obviously the export side of it as well, you know, that was kind of learning as you go. Like that example I gave to you of the South African order where it was just stuck in a port in Cape Town for a month because I probably didn't have the experience of knowing that they needed this certain document in this certain way"* (Managing Director).

He goes on to describe that;

> "*so there was a bit of knowledge I brought to it [exporting] but like when you're actually doing it ... and you know Customs and Excise that can be complicated. And with your first order there's all these things that may come up and then the second time you're aware of it"* (Managing Director).

Stones (2005) conduct analysis is concerned with the internal knowledgeability of the agent required to deal with specific contextual circumstances. As the findings illustrate initially lower levels of conjunctural knowledge have been problematic for the agent-in-focus but particular knowledge of the task in hand has grown and the agent has successfully opened up 16 markets for the company within 36 months.

Position-practice perspective of the agent-in-focus

The MDs' conjuncturally specific knowledge also includes a social and professional network within the industry, as well as networked others, all of which can be explored through the concept of his position-practice relations. Position-practices consider people in webs of social relations and interdependencies, affecting and being affected by others (Stones, 2005). The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Stones, 2005). In terms of interactions with distributors the agent's professional relationships and networks have proved valuable. The Sales & Marketing Manager describes the benefits of the network in relation to identifying distributors;

> "*so I think because again [our MD] and [one of the co-founders] from the business point of view they had a lot of very good contacts of people quite high up ... and they would know a lot of people. So like literally they have been given the spreadsheet with countries and distributors*" (Sales & Marketing Manager).

Other more recent distributor prospects have been identified through trade events hosted by Enterprise Ireland where the company sourced a German distributor. In other cases, personal family contacts have led to distributors such as in Hong Kong.

In addition to leveraging network relationships the other key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al., 2010; Stones, 2005). In this way, an agent-in-focus's understanding of conditions of action, formed by external structures, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009).

Stocks of conjuncturally specific knowledge can be increased through the agents linkages to his networked others; other founders and employees of the company as well as the companies 15 shareholders. There is also reciprocity within these relationships where the agents-in-context can exercise power by shaping and influencing the thoughts of the agent-in-focus and so the consequences for the firm. A key agent-in-context is the US Brand Manager who is a Certified Spirits Specialist. He has brought significant

knowledge of the US and managing the three tier system within the market[4] to the team. As part of his personal contacts, the Brand Manager has played a role in finding prospective distributors. He describes his experience in the following;

> *"I started working in the drinks industry with some of the bigger companies doing promotions and market activations. Actually started in college. After I left college I worked with an Irish whiskey brand that was trying to build a presence in the US and we took that national across the US"* (Brand Manager).

This agent-in-context has conjuncturally specific knowledge of distributor and market management developed over a decade. As he describes;

> *"I deal with everyone. I deal with the distributors, and also work the markets so the retailers, on premises, staff education side of things, promotional events, new product releases, social media etc."*(Brand Manager).

He also acknowledges the depth of knowledge accessible through the professional experience and dispositional frames of meaning of the other agents-in-context as illustrated;

> *"everyone has a heavy drinks industry background so we like to think that we know what we are doing. Our MD used to look at the finances of the drinks companies. Another founder did a lot of Marketing on Jameson and the big brands like Tullamore. Another founder, one of our design guys is one of the best in the world on the operations side, so we have a good base of knowledge"* (Brand Manager).

Another key agent-in-context is the Sales & Marketing Manager. His dispositional knowledge of the sector is from managing international brand communications. In terms of conjuncturally specific internal structures he has no previous exposure to dealing

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[4] Three tier alcohol US distribution. Tier 1; manufacturers/suppliers (distilleries/breweries/importers) sell to Tier 2; licensed importers, distributors, control boards; sell to Tier 3; retailers. On premises – bars and restaurants. Off premises – liquor stores. US states with control boards – part or all of tier 2 is operated by the state government.

with distributors but remains confident of his ability to manage the task as evidenced in the following;

> *"I was in agencies and I worked my way up through there so in terms of managing clients, managing people, no problem to me. And finances, I've been an MD and all that, so from a board level and all that sort of stuff ... but from a managing distributor's perspective ... to be honest its relationships. I've a bit of business acumen ... its relationships, you know".*

> *"Where we are, how we've got to where we are. We followed our strengths, the four founders. Two marketers; one creative, one marketer; and two analysts, no production experience but good heads for business and good marketers, good, very good"* (Sales & Marketing Manager).

Conjuncturally specific internal structures, or knowledge of different tasks, refers to knowledge of interpretive schemes, normative expectations and power capacities associated with them (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation, and domination, and this language has been retained by Stones (2005) and is used within the case analysis to further examine the conjunctural internal structures of the agent-in-focus.

The following examines how the agent draws on both his own knowledge of structures of signification, legitimation, and domination, as well as that of his networked others, in acting and interacting with the external structure of distributors. The agent-in-focus draws on structures of signification as a way to interpret events and to give meaning to interactions (Englund & Gerdin, 2014). These structures of signification are drawn on to make sense of organisational activities (Busco, 2009) and to enable meaningful communication with others within the organisation (Parker, 2000). Within the management team there is an acknowledgement of the importance of getting the right distributor for the product as the Sales & Marketing Manager describes, "*getting the right distributor is so important, it's hugely important*". In terms of criteria for distributor selection these are not codified rather as described by the Sales & Marketing Manager *"it's all going on in the head, we'd have this understanding".*

In interacting with external structures, the agent draws on structures of signification to communicate to others the type of appropriate distributors to choose, and the structuring properties that they should be embedded with. This is illustrated in the following;

> "when we started out we were ... it's funny you sort of go for like-minded people. We were the plucky, challenger brand who goes against convention and tries to do things differently, so we were looking for similar types of distributors" (Sales & Marketing Manager).

He would describe this type of distributor as;

> "ideally it's somebody who's strategic in their outlook. Wants a long-term relationship with us. Doesn't have an Irish whiskey brand and has a good brand portfolio of artisan, craft and interesting brands (Sales & Marketing Manager).

Structures of domination provide facilities for the exercise of power (Englund & Gerdin, 2011). The agent has limited power capacities when dealing with distributors. In support of building the brand, the company returns ten percent of the purchase order price to distributors as advertising and promotional spend. This rises to twenty percent in the US. These incentives are the market norm and afford the agent a degree of power within the relationship.

As the Sales & Marketing Manager explains;

> "when we sign somebody up ... we make it very clear that they have to build the brand. We're not giving them ten percent back to bring the price down. We're giving them ten percent to actually spend money on marketing materials to build the brand in the way we want it built. ... that's how we are controlling it at the moment".

Position-practice perspective of the Managing Director

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). In this context, a position-practice

can be thought of as the social position and associated identity of the agent (Stones, 2005). This role or position has various rules and normative expectations embedded within it (Stones, 2005). Such a social identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al., 2015). The focus is on the agent as an MD rather than as just an individual. The MD is one of the two company directors overseeing the firms' activities and retaining power over authoritative resources as he describes;

> *"ultimately we make the decisions and we are the ones who are responsible for the capital that was given to us. Then we brought in three others, they all have equity in the company, which we gave them, but ultimately we are the ones who make the decisions"* (Managing Director).

In enacting this position-practice the MD has demonstrated his ability to make things happen for the company by opening up 16 export markets in quick succession and by managing two successful rounds of company funding. Within these position-practices, the agent's view of both the external and strategic terrain is important. The agent-in-focus has a positive view of the external terrain suggesting that;

> *"I just think Irish whiskey has a global appeal. The biggest surprise of this year has been the rest of the world [outside of the US market] and the fact that the world is a big place and they all understand the proposition of Irish whiskey"* (Managing Director).

However, he is pragmatic about the degree of competition within the sector especially within the US as demonstrated;

> *"it's [US] a very difficult place to do business ... because it's just really competitive. Then there are these big brand wars going on ... with these huge companies who want to own a little bit of a really cool bar in Manhattan and they would throw a ridiculous amount of money at it"* (Managing Director).

The agent-in-focus has a positive view of the external terrain, distributors and his networked others. Distributors empower the agent-in-focus to achieve targeted sales

growth in both the US and Europe. The MDs' view is that The Whiskey Co. brand is building awareness in international markets and this will have a positive impact as *"distributors do know that we'll be a really good brand to have in their portfolio."*

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) framework. The 'agents' context analysis' gives an account of their interpretation of, and practical engagement with, external structures which form the structural context of action for the agent (Parker, 2006; Stones, 1991, 2005). Conjuncturally specific internal structures provide a pivot between external structures and dispositions (Moore & Mc Phail 2016). Internal and external structures are also both interactive and overlapping (Feeney & Pierce, 2016). There can also be interactions and inter-relationships between external structures. These external structures can enable or constrain the agent-in-focus (Stones, 2005).

The external structures framing the action horizons of the MD and enabling him include agents-in-context and state agencies supporting internationalisation. Constraining structures include competitors and the regulatory environment in the US. Suppliers currently enable the firm but potentially could constrain them in the future. The rapidly increasing number of competing Irish craft products frames the action horizon of the agent-in-focus by increasing the difficulty of securing appropriate distributors internationally. This has been mediated by the agents' practical engagement with relevant state agencies, which has helped to locate new distributors. Members of the management team have participated in executive international education programmes increasing stocks of conjunctural knowledge about international markets, competitors and the strategic terrain. Suppliers are a key external structure framing the agents' actions horizons. A key supplier is also a direct competitor in the craft whiskey sector as they export their own whiskey brand to 50 countries. This dependency and power asymmetry is likely to be a source of tension at some future point.

The US is the largest market for the company taking 60% of product, down from 80% at earlier stages of the business. When dealing with US distributors these interactions are moderated by the regulatory environment of the market as an external structure. The three tier system in operation makes the US market a very complex and expensive one

to operate in. The regulatory environment has a significant negative impact on profit margins. Each US state has to be treated as a separate entity with unique distribution characteristics. Rather than deal with one distributor for several states each of the 14 states entered to date has necessitated the appointment of a separate distributor, thus increasing costs. This complexity is reflected on by the Sales & Marketing Manager;

> "*you could consider each state within the US as another country, because they have a different distributor. And they genuinely are like another country. They all have different rules and regulations ... and with the control states the government basically is the distributor*" (Sales & Marketing Manager).

Active agency

Active agency encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures (Stones, 2005). Active agency shows how agents draw on their knowledge of internal and external structures when making decisions (Coad et al., 2016). Stones (2005) posits several aspects of active agency that are important when investigating the character and dynamics of the agents conduct. This can include the conscious and unconscious motivations and emotions that impact how the agent draws knowledge from internal structures.

Giddens (1984) posits that the agents' motivation to act can be direct and purposeful or indirect and more routine. Findings illustrate the agent-in-focus's conscious and strategic motivation to draw on internal structures to increase agential power when interacting with external structures of distributors. This is done by building and influencing distributor relationships through the 'brand library' mechanism. The provision of this 'brand library' or marketing material repository reflects the agents' ability to improvise and be creative. He draws on expert internal structures of agents-in-context to harness their communication and branding knowledge. This brand repository contains the following;

> "*brand guidelines. This is how our brand speaks. This is our brand tone of voice, icons, logos, background if you're doing an ad this is your background.*

So with my agency knowledge and X [a co-founder] who is creative director of an agency we have the best of the best" (Sales & Marketing Manager).

The brand library increases the firms' power within the distributor relationship as it guides the brand and market positioning, serving a function of signification for the agent. It also serves a function of domination. Distributors who do not re-invest their advertising and promotional incentives in the suggested way can be dropped. This quality of marketing support is not the norm within the industry and the Sales & Marketing Manager notes that;

"people have come back to us ... distributors have come back to us saying they have never seen the likes of how good it [brand library] is".

Within active agency, the MD is capable of reflexive monitoring. The agent monitors the international environment, their own actions, the actions of networked others and the contexts in which actions are embedded (Sydow et al., 2010). Agents' flexibility facilitates the tracking of interactions as they occur and enables agents to respond to changing situations. This is impacted by the degree of critical distance that agents bring to the internal structures that are the medium of their actions (Stones, 2005).

Findings illustrate that the Sales & Marketing Manager, as an agent-in-context, is pivotal in bringing a degree of critical distance to internal structures for firm actions. This impacts his interpretation of situational and contextual factors, as in the case of contracts with distributors. The agent-in-context exercises power by shaping the thoughts and active agency of the MD in this regard. He describes his view of contracts in the following;

"I think going forward at our stage now .... where we are an international company and we are doing international business ... so it's in our interest to have a contract. At the start there was a little bit ... first time we're doing this let's see how it works out, let's not tie ourselves down but ... for Germany, for example, we have now, ... we make sure we put in three year targets so and if they don't hit those targets we can get out "(Sales & Marketing Manager).

Reflexive monitoring of action also involves the ordering of concerns or the sorting out of priorities into a hierarchy of purposes (Stones, 2005). The ordering of projects will be affected by perceptions of the chances of success and the attendant costs (Stones, 2005). This is a central feature of active agency for the agent-in-focus considering the normative expectations embedded in his position as MD. Evidence of reflexive monitoring is illustrated in relation to the US where the MD notes;

> "*in the US when you take the cost of the three guys supporting the brand and all the rest of it. Now you're kind of investing ahead of growth with the view that maybe it will catch on in time ... but you're not really making any profit there. And that's a kind of a consideration we have to take on ... like as a business whether that's the right thing to do or not*" (Managing Director).

The MD's ordering of projects and priorities will be informed by both his own internal structures, as well as those of networked others. The Sales & Marketing Manager rationalises actions as;

> "*it's probably the way we just looked at it.., the view is always all about the US [as a first export market], you know, but when you look at how the structure of the importer or the distributor, ... like they make a lot of money out of it. You have to invest in it when you're over there. The US is an expensive place to do business ... people are expensive. So right now we're very much looking at our business and going ... is our model right from a business point of view?*" (Sales & Marketing Manager).

Outcomes

Outcomes are the effects of agents' practices on structures, both internal and external, and can involve change and elaboration or reproduction and preservation (Stones, 2005). Outcomes also include events. An unintended outcome of the firms' activities is the emphasis on the US for sales and high levels of investment associated with this. This has led to changes in internal structures within the agent-in-focus in relation to his attitude to this market. Though the agent is facilitated by the use of external structures, he is re-evaluating the value of the US market within a wider global portfolio of markets, which may mean a change in market priorities going forward.

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The external structure of distributors has been maintained but the interaction with this structure has been modified through leveraging communication strengths within the company through the brand library mechanism. Outcomes as events can also be seen in the increased number of export markets opened up by the company, the broadening of the product portfolio and the increased levels of international sales achieved. An increase in the number of employees has been crucial in expanding the position-practice relations of the agent-in-focus.

Conclusion

The objective of the case analysis is to explore the interaction of the distributor (structure) and the MD (agent) in the internationalisation process of a small craft distillery company, using the interpretative framework of Stones' (2005) strong structuration theory. The use of strong structuration theory allows the nature of active agency to be examined within a field of position-practice relations and allows an insight into what is happening at the micro level of the individual.

Combining agency and structure, the strong structuration framework allows for the influence of both contextual and managerial factors in accounting for the activities of the agent within the process of internationalisation. The analysis illustrates the value of position-practice relations for the agent. The concept of position-practices allows the agent to draw on internal structures of other agents-in-context and this has been instrumental in achieving successful firm outcomes. The analysis illustrates that in spite of being less knowledgeable about the specific external structure of distributors, the agent through his position-practice relations, has overcome this hurdle and achieved successful outcomes within the business landscape encountered. The analysis illustrates the willpower and determination of the agent-in-focus at the micro level and how this translates into action for the firm.

6.3 Case 2: Gold Mountain

Introduction

Gold Mountain is a family owned poultry company based in Wexford. The company exports fresh and cooked products, competing on quality rather than price. The company employs 180 people and has a turnover of between €20 and €30 million. Gold Mountain sells to both food service and retail accounts. Eighty percent of the business is to export markets. The main export market is the UK where Gold Mountain supplies to ethnic Chinese restaurants based predominantly in London. Newly developed European markets include Germany, Denmark, the Netherlands and Belgium.

Gold Mountain is trying to build exports into Europe. Their aim is to decrease dependency on the UK market which until recently accounted for 85% of product sales. The external structure, which emerged most prominently from the firm's internationalisation story, was that of the Export Consultant as an agent-in-context. This consultant works for the company on a part-time basis, 2-3 days a week. His task is to develop and build international sales. This involves identifying potential European markets for the product and locating and engaging agents, intermediaries and/or retailers within markets.

The role and activities of the Export Consultant emerged as the key priority within the agents' 'horizon of action' at the time of the research. Though other external structures as conditions of actions, as well as their inter-relationships, are included in the discussion, the external structure that the analysis examines in particular is that of the Export Consultant. The case analyses the complex dynamics of the mutual interdependencies between structure (Export Consultant) and agent (CEO) and allows an understanding and explanation of the interface between structure and agency and its consequences for the firm to be revealed.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) research framework. The agents' conduct analysis examines their internal structures which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures. General dispositions or the agents' dispositional frame of meaning includes things such as

embodied skills, attitudes, ambitions, moral and practical principles, or habitus (Greenhalgh et al., 2014a). Such knowledge is built up over time as the actor is exposed to, and interacts with, social contexts. It also relates to the role and position occupied by an agent, which is examined through the agents' position-practice relations (Stones, 2005).

The agent-in-focus is MB who is the CEO. The CEO has a finance background and 18 years of professional experience in a finance capacity. He is a qualified accountant and previously held Financial Controller roles in a number of companies. He then moved into a Management Consultant role, which included providing management accounting and business advice to SMEs gaining direct experience with clients in FMCG, manufacturing and e-commerce sectors. The agent-in-focus joined Gold Mountain as Chief Financial Officer (CFO). He was tasked with delivering an ambitious growth plan to double the size of the company and improve its' profitability and performance. Though initially taken on as CFO he had a wider remit from the start and was responsible for all strategic planning at Gold Mountain. After three and a half years in the CFO role, he became acting CEO of Gold Mountain.

The agent-in-focus perceives his dispositional knowledge and professional skill set to be transferable across business sectors as illustrated by his comments in relation to working in the food sector;

> *"it's different [to other sectors] but I mean like I've worked in a lot of different industries through my time so ... I mean it's just a different set of customers, you know"* (CEO).

Whereas dispositional knowledge is generalisable and transposable, the agents' conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task, job or role (Stones, 2005). The agents' conjunctural knowledge of managing export intermediaries and international sales is limited. As a former Financial Controller of a small exporting company (€10m) with a worldwide network of over 20 agencies, the agent-in-focus has experience of managing international sales performance. However, in his capacity of Financial Controller in his previous firm he was not actively engaged in managing these export

intermediaries directly, on a personal basis. His conjunctural knowledge of exporting is based on the following premise;

"exporting is easy. I mean you go and you sell. Selling is hard" (CEO).

Position-practice perspective of the agent-in-focus

Position-practices consider people in webs of social relations and interdependencies, affecting and being affected by others (Stones, 2005). The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Stones, 2005). Stones' (2005) conduct analysis is concerned with the internal knowledgeability of the agent required to deal with specific contextual circumstances. As the agent-in-focus lacked particular knowledge of the task at hand, or specific conjunctural knowledge, he expanded his position-practice relations by recruiting a full-time Sales Manager and a part-time Export Consultant.

A key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al., 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009). Key agents-in-context are the Sales Manager, who joined six months after the agent-in-focus, and the Export Consultant, who was recruited six months later again.

Conjuncturally specific knowledge may be informed or fine grained or it may be ill informed and broad brush (Stones, 2005). The Sales Manager has fine grained conjunctural knowledge of sales and the sales process within differing types of companies as evidenced in the following;

> *"I was with [a large multinational company] for twelve years, yeah, so that's where I cut my teeth in both the food service and retail end of things. So in terms of going from one business to another certainly they [Gold Mountain] haven't the same supports and structures that the previous company would have but then*

we're more flexible. So we can react a lot quicker. So there are advantages and disadvantages" (Sales Manager).

The Sales Manager acknowledges that his conjunctural knowledge is largely in foodservice accounts, which is reflected in the following description of the value added by the conjunctural knowledge of the Export Consultant, as he describes;

"well we appointed an Export Consultant, who has experience in all the markets, em, so I would have had certain experience in foodservice and he would have more retail experience" (Sales Manager).

The agent-in-focus acknowledges the depth of dispositional knowledge and the quality of the professional experience of his key agent-in-context describing the strength of the Sales Manager as his ability to identify between good and bad sales for Gold Mountain as he describes;

"the strength where the Sales Manager came is that he was brought up through a Graduate Programme and you know we got a lot of sales people to come in and sell, sell, sell. He looked at the margin you know there's a difference between good sales and bad sales" (CEO).

The CEO's view of the agent-in-context is impacted by his accountancy training and finance background as evidenced by his view of good and bad sales in the following;

"I mean we have turned down business because we say no it's not profitable enough. There's a difference between good sales and bad sales and there's a margin below which the company will not operate" (CEO).

A key agent-in-context within the agent's network of position-practices is the Export Consultant. This agent-in-context has both dispositional and conjuncturally specific knowledge of the food industry, exporting and international selling, developed over two decades as he describes;

"my own background is the food industry for 20 plus years. I set up our food company that was over £10 million investment and the product or brand is still out there on the market and that is sold into the UK. So I then worked in a multinational company which is the opposite end of the spectrum, a large company, and I did all of their export sales" (Export Consultant).

This consultant has a strong professional network within the food industry with well-established international contacts to draw on. He is networked with other external structures such as state agencies supporting the industry and these inter-relationships facilitate his role as advisor and mentor on programmes to support the international development of food companies. These stocks of conjuncturally specific knowledge have allowed him to set up his own export consultancy firm as he describes;

"I had decided to leave … I had been there for about six or seven years and I thought I have a lot of contacts I'll set up my own consultancy" (Export Consultant).

In his position at Gold Mountain he draws on stocks of conjunctural knowledge relevant to international markets rather than spending budget on formal market research, as he describes;

"I suppose I would rely a lot on my own expertise built up over quite a period in terms of exports sales and markets and whatever …. what I try to do is identify someone, a company or a person locally, to represent the company once you've done that that's the biggest job. If you do that job correctly then you just support that entity whether it's an individual or a company and you support them and facilitate what they're looking for then hopefully the sales will come down the line" (Export Consultant).

His dispositional and conjunctural knowledge combined give him confidence in his ability to deliver for the company as he suggests;

"even if I had a market research budget there is no need ... my way of doing it is the right way ... to actually do store audits, to go into the market look at a store

like X, what products are there, who are the competitors, brands, what's the level of activity, portions, retail selling prices, all of that … so with all of that I would get a fairly good understanding" (Export Consultant).

In terms of market selection, the Export Consultant draws on his network and his own internal knowledge structures to suggest that, "*look I know where to go and the Sales Manager doesn't*".

A key aspect of the position-practices concept is the ability of the agent-in-focus to draw on the conjunctural knowledge of agents-in-context. The agent can by association, leverage the networks and connections of the agent-in-context, who in turn is caught up in his own web of social relations and interdependencies (Stones, 2005). These social relations and interdependencies have been crucial for the Export Consultant in delivering international sales for the company at relatively low cost. The consultant draws on his international contacts to generate sales in Denmark as illustrated;

"I came across an individual in Denmark called CP and he just has a network of people that he knows in Denmark. So immediately when I went into Gold Mountain I had a chat with him and that was my first port of call, so he began to get sales last year in Denmark through his network of people primarily into retailers" (Export Consultant).

The same agent also represents Gold Mountain in the rest of the Scandinavian cluster. The Export Consultant also draws on dispositional frames of meaning as he has done business with this individual several times previously and acknowledges his professional experience. He goes on to describe that;

"we would consider it [arrangement with CP in Denmark] a consultancy and we pay him four percent sales commission so that's how he gets paid. We started off paying him a retainer and then after the first five months he moves onto commission" (Export Consultant).

Accessing retail channels for Belgium was also dependent on leveraging the personal and professional contacts of the Export Consultant. In this case, a previous work contact

of the Consultants introduced Gold Mountain to a supermarket chain in Belgium as the agent-in-context explains;

> *"that's kind of how we got the supermarket business and now another retailer in Luxembourg called ... so we are in with those for about six months at this stage"* (Export Consultant).

Entry to the South African market came about through the Export Consultants' personal contacts with the manager of a large food company with operations in South Africa. As the Export Consultant describes;

> *"I sent off an email saying look, working in Gold Mountain here's the product range anything of interest for South Africa? And that's how that developed"* (Export Consultant).

Though the Export Consultant can draw on stocks of conjunctural knowledge for most markets, the German market was a challenge as he lacked a professional network there. However, drawing on dispositional knowledge of the sector and experience of dealing with intermediaries, he was able to source a potential agent. He describes how the process unfolded for the German marketplace;

> "*I had a contact for Denmark, I knew the Dutch market very well I didn't know the German market as well and again it shows it's not a great level of science involved ... I was at an exhibition and I called around to a stand and I was talking to this very large chicken company and their Sales Director and I said do you know anyone and he said yeah somebody I used to work with in Germany ... so there was this guy and I got in touch with him and we met him and we said we'd start with him ... so he has worked out very well*" (Export Consultant).

From there on the network expanded further as the Export Consultant describes;

> "*this German guy then passed me over to a guy that he knew in Belgium and we met with them and whatever now ... it's all a network*" (Export Consultant).

This ability to add to his network is a feature of the Export Consultants' experience and dispositional knowledge of dealing with export intermediaries. He describes the process of finding potential partners to work with as a mixture of referrals and gut feeling as he describes;

"referrals, recommendations ... gut feelings. So you might meet them at trade ... we go to all the trade shows so you might get chatting to, you know ... typically they're there but yeah recommendations normally" (Export Consultant).

Conjuncturally specific internal structures, or knowledge of different tasks, refers to knowledge of interpretive schemes, normative expectations and power capacities associated with them (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation, and domination, and this language has been retained by Stones (2005) and is used within the case analysis to further examine the conjunctural internal structures of the agent-in-focus. The following examines how the agent-in-focus draws on both his own knowledge of structures of signification, legitimation, and domination, as well as that of his networked others, in acting and interacting with the external structure of the Export Consultant.

Structures of domination provide facilities for the exercise of power (Englund & Gerdin, 2011). The agent-in-focus retains power within his relationships through the budgeting process, which is closely monitored as he describes;

"I set budgets every year. And I look at them every week then. Every Monday morning it's up at a meeting like, you know, where are we at compared to last year? Where are we at compared to the budget we set? ... and we're looking at that so I'm looking at margins every month as well" (CEO).

The Export Consultant expresses doubt about how the CEO will manage the budgeting process around international sales and whether the agent-in-focus appreciates the challenges involved in generating such sales from scratch in markets as he illustrates;

"we do have a budget for the year but ... I suppose I won't work any harder because there is a number there. It's a difficult one because in export we are

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starting out with new customers for the first time, we don't have an existing business so if I have a five year track record with X [a large retail account] I know we did €2 million last year I expect to do €2.2 million this year and I think there is a low risk of that going awry. In Germany it's much more difficult or in any of the export markets so there are budgets and so I am aware of them" (Export Consultant).

The Export Consultant is aware that the dispositional frame of meaning of the agent-in-focus as an accountant may make him more difficult to deal with in terms of his performance monitoring as he explains;

"the Sales Manager is very good about that type of thing [budgets, targets] but MB is an accountant so he might have a different point of view. I think now that MB has taken over the CEO role I think there might be a monthly sales review meeting which there wouldn't have been previously" (Export Consultant).

There is a clear delineation of roles and responsibilities within the sales function with the Sales Manager dealing with the existing UK business and the Export Consultant managing all new business development within Europe. This serves a function of legitimation for the agent-in-focus as it helps everyone to know their role. The Export Consultant is very clear on his remit as he describes his role and function as follows;

"what I've brought is new sales into Denmark, the Netherlands, Belgium and Germany primarily, there are some other peripheral markets as well that we would supply, the likes of Iceland. I think the Sales Manager's role when he came in was to manage existing business ... I am a lot more about new business development. While I charge for two days a week I would be available all the time ... so I would deal with any export oriented communication within the company at any stage" (Export Consultant).

The agent-in-focus views the function of the Export Consultant as "*sort of opening doors*" into European business as he describes;

> *"the Export Consultant has done most of the more new groundwork into the European business but our Sales Manager has been responsible for growing all existing camps ... but at the same time managing the consultant as well and managing that international arm like"* (CEO).

The agent-in-focus acknowledges the role of the Export Consultant as wider that merely making contacts internationally as evidenced in the following description of his activities;

> *"in fairness what he's doing before that is he does an analysis of the country. He identifies is it foodservice or retail that's going to be, you know, he gives us a synopsis of each. He identifies who the premium players are and we go then for the fit. Well he goes. Well anyway this looks like the right fit of a company for Gold Mountain"* (CEO).

The agent-in-focus draws on the external structure, or agent-in-context, as an internal structure of signification allowing him to make sense of the international landscape which the company is entering. He also draws on the Export Consultant as an internal structure of domination and retains power over allocative and authoritative resources through performance monitoring which is becoming more of an issue now that the groundwork has been done in new European markets. The agent-in-focus illustrates his need to capture a return on his investment as follows;

> *"the consultant gives us a quarterly presentation here [on site] on where we're at with each country. We knew the first year we weren't really going to get at any sales but they had to do the spadework, the groundwork, so it's basically an investment. In countries maybe 12-18 months in, you've got to look and see is it paying for itself like, you know, are they [country intermediaries] delivering the volumes"* (CEO).

The CEO goes on to describe that there needs to be factual evidence that the sales strategy is delivering and that additional checks and balances may be needed from now on as he describes;

"we're getting to the stage now where it's levelling out and you know I think its two and a half years at this stage invested into it. Now you have to see the results. So I mean we may tighten it up" (CEO).

Position-practice perspective of the CEO

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). In this context, a position-practice can be thought of as the social position and associated identity of the agent (Stones, 2005). This role or position has various rules and normative expectations embedded within it (Stones, 2005). Such a social identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al., 2015). The focus is on the agent as a CEO rather than as just an individual. The positional identity of the agent-in-focus was originally as CFO of the company as he describes;

> *"I was taken in kind of not just as kind of a CFO, more the CFO that kind of helped on the strategy side. So I mean my role as regards figures and finance has been not really much. I mean I'm basically ... I've been more driving on the strategy and sort of overseeing that, the implementation of the five year strategy"* (CEO).

The positional identity and role of the agent-in-focus then changed to that of CEO albeit within the confines of the company as he explains;

> *"I stepped into the CEO role there in January then formally; well it's kind of semi-formally. He's [former MD] still known as the CEO publicly do you know that sort of way ... because he is involved in the family and you know ... But as regards all the team here they would know and the organisation charts ... well that would have me as the CEO here"* (CEO).

The fact that publicly the agent-in-focus is not fully acknowledged as CEO disempowers him when representing the company and within his professional network. The agent-in-focus goes on to describe that the former MD is semi-retired but is still involved at the Board of Director's level as he describes;

> *"the former MD is kind of sort of semi-retired and he's just sort of operating at Board of Directors. I mean he would have an input into strategy certainly and where the company is going, you know and sort of any big things like projects and all that like. I mean building projects at the moment, he's signing off on like but it's very much like what we're recommending as a management team, you know, it's rarely he's going to come in and sort of say, "Oh, no I want to do it this way"* (CEO).

The agent-in-focus in enacting his role as CEO retains power over authoritative and allocative resources. Though decisions taken by the management team are rarely questioned this could change at any stage if the Board of Directors take a more active role. The status of the semi-retired former MD is unclear as evidenced by the view of the Export Consultant who perceives he has taken 'a detour' as he describes;

> *"yeah the former MD saw a need to bring in some outside expertise and management hence he recruited MB who is now the CEO effectively, so while his title is CFO, he is essentially the CEO and the previous MD has taken a bit of a side detour"* (Export Consultant).

In enacting the position-practice of CEO there are also expectations in terms of company growth and the agent-in-focus has demonstrated his capacity to take risks to make things happen. As he describes in relation to the investment he has made in terms in international sales and exporting;

> *"it's going out like, you know and sort of saying right we're putting a €200,000 advertising budget into this sort of area and you're spending it on salaries and wages and expenses, flight expenses and all that and you may get nothing back. But there's no point sitting in a management team room and saying, oh we could get into Germany ... you have to go and put your money where your mouth is and try it"* (CEO).

Within these position-practices, the agent's view of both the external and strategic terrain is important. His perception of the external terrain, the Export Consultant and his

networked others is positive. The Export Consultant empowers him to achieve targeted company growth through new European business. His view of the competitive landscape is positive and he perceives that Gold Mountain is growing the market rather than displacing existing sales as he explains;

> *"we're actually creating new markets because we're the only company in Europe that adds the value from say the cooking plant and you know, so we're not ... We're actually not displacing product. We're creating our own speciality which to some degree is positive because your competition is, you don't seem to have competition ... we compete with them [other companies] in the retail space right but I mean in the foodservice space we're a completely different offering"* (CEO).

The CEO also sees further sales potential sales within the UK marketplace as he describes;

> *"there would be some more [sales] to get in the UK. There's more to grow here as well, em, but I mean we would have a growth plan that sort of is targeted growth. By that I mean we're not just interested in saying right well we need to double the turnover or we need triple the turnover and x percentage"* (CEO).

The agent's dispositional frame of reference, informed by his accountancy background, impacts his view of future sales and his resolve to avoid low margin sales as he explains;

> *"we're a relatively small company and we're a premium product so I also have it that there is a certain size we don't want to go beyond. Because then you're getting into low margin business. You're, em, using your premium brand and you're turning a lot more money but you're not making more"* (CEO).

The agent's lack of specific conjunctural knowledge may create over optimism in terms of the company's ability to achieve international sales. The Export Consultants' view of the external terrain is more tempered in terms of Gold Mountains' ability to get high margins on export sales as he explains;

"it's very difficult to play the game. I just think with food there are very depressed margins, very tight margins, very depressed prices, like for example the Germans will spend a lot on holidays they won't spend a lot on food and it's the same in the Netherlands. Most sectors do have competition but I just think that food is hard ...it's really hard. Put it this way I wouldn't recommend anyone starting off to go into it" (Export Consultant).

The agent-in-context does however acknowledge that the positioning of Gold Mountain in the market is more favourable that many other food companies as he describes;

"Gold Mountain is a little unique in that they've got ... They are the only poultry company in Ireland they are the only one in Europe that does the full circle ... and it really is comparatively a much easier sell than others" (Export Consultant).

He goes however to state the caveat that;

"the reality of it is that ... listen Gold Mountain might be known in Ireland but in Germany and Belgium no one has heard of them so it is more difficult [to get sales]" (Export Consultant).

The Export Consultant perceives a gap in thinking within the company in terms of their ability to achieve high margin international sales, which he illustrates in the following comments;

"if you are looking at exports one of the things I think is that the Sales Manager really is tuned into the export thing but I'm not quite sure that MB (CEO) is as much. So for example I think that MB has this expectation that, look we can pick up business at a much better margin in Europe, so we will develop and be profitable, and I sort of have this question; why would a customer in Germany where prices are depressed and equally competitive and Gold Mountain is not well known allow us a better margin there? And I just think that's an important point. I see a little bit of a gap in the thinking there, that I think needs to be thought about" (Export Consultant).

It is valuable with position-practices to see how the agent-in-focus is perceived by his key agents-in-context. These views of networked others will impact the agents degree of influence and power within his social relationships. The Export Consultant perceives that the CEO lacks conjuncturally specific knowledge of the export sales process and questions the agents' ability to monitor international sales in an expert way. His perception of the Sales Manager is positive and he attributes company growth to this agent-in-context who he describes as;

> *"one of the best sales people I would have worked with. He just allows you to get on with the job, he trusts your judgement and experience and he is quick to make decisions ... very supportive and it really makes a massive difference when you've got somebody like that in a company. Gold Mountain and BC [Sales Manager] are very supportive ... I'm not sure if he wasn't there that they would be so supportive to be honest"* (Export Consultant).

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) research framework. The agents' context analysis gives an account of their interpretation of, and practical engagement with, external structures which form the structural context of action for the agent (Parker, 2006; Stones, 1991, 2005). There can be interactions and inter-relationships between external structures, which can enable or constrain the agent-in-focus (Stones, 2005). Agents-in-context and state agencies supporting internationalisation emerged as the key external structures framing the action horizon of the CEO. The Export Consultant has enabled the agent, in the short and medium term, to deliver the targeted growth set out in the strategic plan. Another key agent-in-context is the Sales Manager whose specific conjunctural knowledge has been crucial in driving sales and in recruiting and managing the Export Consultant.

In Stones (2005) narrative external structures may take the form of 'independent causal influences' where the external structures are constituted, reproduced or changed entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005). These influences are distinguished from 'irresistible causal forces' where the agent-in-focus has the capacity to resist an external influence but may feel unable to do so (Coad & Herbert, 2009; Stones, 2005). For an agent-in-

focus to resist the pressure of external forces they must possess sufficient power and the capability to do so, and have adequate knowledge of relevant external structures including alternative avenues of possibility (Coad & Herbert, 2009).

Within the case analysis, the Export Consultant represents an 'irresistible causal force' for the agent-in-focus. This means that the CEO retains the ability to move away from using this type of arrangement to manage the 'international arm' of the company. The CEO has retained the power to modify or change the external structure through the contract terms and key performance indicators agreed. Alternative replacements could be identified if required and no lasting commitment has been made either to the positional identity of Export Consultant or to the incumbent of that current role.

Active agency

Active agency encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures (Stones, 2005). Active agency shows how agents draw on their knowledge of internal and external structures when making decisions (Coad et al., 2016). Shortly after joining the management team, the agent-in-focus drew on his internal dispositional knowledge to implement structural changes within the company. These changes demonstrate his ability to intervene in a series of events and make things happen, as he describes;

> *"I came in and then sort of took the lead ... sort of strategy and that ... and it was easy enough to change around the whole finance function. Then I was looking at operations. Then I was changing the sales function"* (CEO).

Giddens (1984) posits that the agents' motivation to act can be direct and purposeful or indirect and more routine. Findings illustrate the agent-in-focus's direct and purposeful motivation to act specifically in relation to restructuring the international sales activities of the company. The CEO was able to get some critical distance on the issue by engaging with an executive management programme delivered by an external structure with whom the company interacts. As the agent-in-focus describes this gave him clarity on the sales function issue;

> *"I did that [programme] and that was a twelve month course. Brilliant. It was all on strategy for leadership ... and between that and sort of putting in changes I recognised immediately that our sales team wasn't going to drive us internationally"* (CEO).

The agent-in-focus describes the sales organisation as it functioned when he joined the company as follows;

> *"so I think we had four people in sales in May and the following January none of the four were there. Two left and two were pushed out like. I mean as I say they just weren't fit for the sort of managers' roles"* (CEO).

Of the previous sales people based in the UK, the CEO reflects that;

> *"it was kind of a mismatch. We had two sales people in the UK and two here and they were flying over for meetings and sales meetings and this that and the other and it was just ... Well it was expensive to maintain but it was dysfunctional as well. There was a lot of meetings going on here where you didn't have your sales people at which was kind of like a mismatch"* (CEO).

Based on observations and drawing on internal structures the agent-in-focus appointed a Sales Manager six months after joining the company. In turn, this agent-in-context identified the need for additional support to access European markets to meet the company's growth targets. The Sales Manager describes the actions of the CEO retrospectively in terms of changes in the sales function as illustrated;

> *"he saw the need for a kind of an experienced Sales Manager. There were guys here but, em, they would have come up through the ranks so they never got any formal training. I got a call and I came and spoke to him and I liked what I seen so following on from that ... I kind of put a structure in place. We looked at everything from pricing models to the way the company was setup, structures and stuff like that and from that we came and developed a [strategic] plan which we're working to now at the minute"* (Sales Manager).

Stones (2005) posits several aspects of active agency that are important when investigating the character and dynamics of the agents' conduct. This includes the conscious and unconscious motivations that impact how the agent draws knowledge from internal structures. Within the case analysis the conscious motivation for control over activities and the purposeful actions to deliver such an outcome are motivated by the agent's professional background and dispositional frame of reference. This is evidenced in the comments of the Export Consultant who sees the outcomes of the structural changes made as increased accountability for the agents involved as he explains;

> "*the CEO and Sales Manager would have improved that [structure of the company] a lot. They would have brought an organisation there and probably clearer areas of responsibility for people and accountability, you know the usual things that are simple but were not being done*" (Export Consultant).

Within active agency, the CEO is capable of reflexive monitoring of action, which can involve the ordering of concerns or the sorting out of priorities into a hierarchy of purposes (Stones, 2005). The ordering of projects will be affected by perceptions of the chances of success and the attendant costs (Stones, 2005). This is a central feature of active agency for the agent-in-focus considering the normative expectations embedded in his position as CEO. One of the key strategic issues for the future is whether the company should continue developing more European markets or consolidate existing European business. It is the Export Consultant who seems most aware of, and concerned with, these strategic issues and he describes the scenario as follows;

> "*I suppose in new markets you are going to say that you're going to develop the markets that have been identified so new markets is one thing ... but then existing markets; how do we develop sales in Germany? How do we develop sales in Denmark etc. ... so that will be the challenge*" (Export Consultant).

He goes on to discuss the strategic sales management issues emerging for the company as follows;

> *"I would say that we have probably done enough now width wise so we are probably better off now focusing from now on on building the sales in each of the markets and so that moves on from trying to identify new distributors to actually managing the distributors to build up sales. There is a lot more work to be done in each market"* (Export Consultant).

A related set of Asian market development opportunities will also need to be sorted into a hierarchy of priorities for the company. These potential opportunities are emerging from the Sales Managers network. Conjunctural knowledge can be well informed or fine grained or ill informed and broad brush risking unintended consequences for the firm (Stones, 2005). In the case of Asian markets, the conjunctural knowledge of the Sales Manager is not well informed and is based on limited exposure to the market. The Sales Managers is enthusiastic about the potential in Asia as he describes;

> *"I was in Singapore there in January and we've established customers there and we're going to use that as our base to expand into the Far East. The customer sees massive opportunity obviously for Gold Mountain in that part of the world. He is opening a second restaurant now in April. He has put us in contact with a few more of his contacts out there. If we base ourselves there we can target Thailand, Australia, mainland China, em, you know, then Asia, you know"* (Sales Manager).

The Export Consultant lacks specific conjunctural knowledge of these markets and perceives the landscape as having less potential based on what he has seen as he describes;

> *"well that's where I would differ with BC [Sales Manager] I've been to Malaysia and Indonesia, not Singapore, and they are very poor countries very poor. I've been to China and I'm not quite convinced that there is this wider opportunity ... but having said that perhaps it would in time I don't know"* (Export Consultant).

Within active agency, the agent-in-focus monitors the international environment, their own actions, the actions of networked others, and the contexts in which actions are

embedded (Sydow et al., 2010). This facilitates the tracking of interactions as they occur and enables agents to respond to changing situations. In terms of monitoring the actions of networked others the agent-in-focus has reflected on the role of the Export Consultant and concludes that there is no immediate need for a change in status as he explains;

> *"I suppose it [volume of international business] wouldn't necessitate us having a full-time person, you know. There's probably a bit of work setting it up but once it's actually setup and running it ... like the orders come in, we fill them, you know ... I suppose yeah like we have a twelve month contract so we'll sign him [Export Consultant] up for another twelve months. I don't see anything changing in the short-term because like we have capacity to grow. When we get to capacity then we'll have to make a decision at that stage"* (Sales Manager).

When thinking strategically the agent-in-focus separates the person or individual agent from the external structure. If the current individual was no longer available, the company might continue with the role and replace the individual. The agent expands on his thinking as follows;

> *"where we would need help going forward is like if DE [Export Consultant] wasn't available, we would need somebody that would cover and basically just look after the customers. Like there is the sort of ... on the technical end there's a lot of liaising with customers and it could be things like labelling and sort of all that in different language so you have to make sure you've the right thing for the customer and obviously you need to be sort of keeping in touch with them"* (CEO).

Other networked agents-in-context also have views on the sales organisation and how it might need to evolve. The Export Consultant recognises the need for additional support, drawing on his internal structures, and suggests that as sales grow the Sales Manager will need additional resources as he describes;

> *"I think BC should probably have an Account Manager ... as it evolves a team anyhow as an additional resource, certainly if the business develops in*

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Singapore. I would see BC as being a Sales Director continuing with that and probably having an Account Manager in Ireland to cover Ireland and the UK and export sales" (Export Consultant).

The Export Consultant, drawing on extensive professional experience and internal structures of conjunctural and dispositional knowledge, highlights a potential risk in the current organisation suggesting that:

"look in one way they are doing it [managing internationalisation] very well and in another ... you have got one person who is essentially responsible for all of the sales in the company ... so there is probably a risk factor there" (Export Consultant).

Outcomes

Outcomes within Stones' (2005) structuration process can be changes in internal or external structures and events as outcomes. Within internal structures, the agent-in-focus is building stocks of conjunctural knowledge in relation to international sales and there is evidence of a change of priorities in terms of markets targeted for company growth. The CEOs' dispositional frame of reference is unchanged, implying that the agent-in-focus will seek to exert tight control over the activities of the Export Consultant, or external structure, as operations progress.

Changes in external structures reflect a restructuring of the sales function by the agent-in-focus. The addition of new agents-in-context, a Sales Manager and Export Consultant, has expanded the agent's position-practices and access to conjuncturally specific knowledge needed to manage international growth. Engagement with the Export Consultant has enabled the company to create a viable European sales base in both retail and foodservice channels in a relatively short period of time, and no change in status is planned for in the short term. Outcomes as internationalisation events are seen in the company's new market entry into Denmark, the Netherlands, Belgium, and Germany.

Conclusion

The objective of the case analysis has been to explore the interaction of the Export Consultant (structure) and the CEO (agent) in the internationalisation process of a small-to-medium sized poultry firm using the interpretative framework of Stones' (2005) strong structuration theory.

The use of strong structuration theory allows the nature of active agency to be examined within a field of position-practice relations. Case findings illustrate the value of these position-practices for the agent-in-focus who can draw on internal structures of other agents-in-context and networked others. This has been hugely valuable for the CEO as he can manage his knowledge deficits through leaning on expert agents-in-context. The analysis of the position-practice of the CEO delivers an insight into how lack of role clarity may disempower the agent among his peers and networked others.

Examining how the agent-in-focus draws on dispositional and conjuncturally specific internal structures enhances understanding of the CEOs' behaviour as it is impacted by external structures as conditions of action. Engaging with the external structure (Export Consultant) has enabled the agent to draw on the position-practices and networks of the Consultant to fast track European sales. The agent-in-focus retains the power and the ability to change or maintain this external structure. Case findings suggest that the ongoing interaction of structure (Export Consultant) and agency (CEO) may be tense. The agent-in-focus draws on the structure as an internal structure of domination, exerting control through performance monitoring, while not fully acknowledging the expertise of the agent. The Export Consultant perceives that the agent lacks conjuncturally specific knowledge and this undermines his legitimacy.

6.4 Case 3: FishFarm

Introduction

FishFarm is a seafood company based in Waterford. Eighty percent of the business is in shellfish such as whelk, scallops, crab, live lobster, langoustines, shrimp, and winkles, with the balance in whitefish including monkfish and sole. The company only farms wild product and supply is very weather dependent. The current owners, the Managing Director (MD) and the Finance Director, acquired the company through a management buyout. Since then two major capital investment programmes have been completed with a total spend of €3m, resulting in FishFarm doubling its turnover and employee numbers. It currently employs 140 staff and has a turnover of €25m. FishFarm exports 98% of its product to Europe and Asia. Within Europe, the key markets are France, Spain, Portugal, and Italy. Within Asia, which accounts for approximately 35% of sales, the main markets are South Korea, China, Hong Kong, Japan, and Singapore.

FishFarm have been exporting products, through a network of agents, to a number of key European markets such as France, Spain, and Portugal for the past 20 years. Part of a recent company growth and market diversification strategy has been to develop sales within the Far East and particularly within the Chinese marketplace. To leverage market potential within China FishFarm has opted to take a collaborative approach and have pooled their resources with three other Irish seafood companies to form a joint venture. This alliance also represents a co-opetition agreement amongst participating firms, where they plan to engage in limited co-operation on a particular project, in this case market entry into China. This joint venture, or co-operative competition agreement, emerged from the case data as the key external structure influencing this aspect of the firms' internationalisation process.

The case analyses the role of the 'Ocean Pearl' joint venture as a set of external position-practices in the internationalisation process of the firm within the Chinese marketplace. The joint venture can be conceptualised as a "*cluster of practices through which identifying criteria, prerogatives and obligations are made manifest and acknowledged by others*" (Stones, 2005, p.61-62). This set of position-practices embodies structuring properties, frames the action horizon of the agent-in-focus and can enable or constrain his actions, leading to either intended or unintended firm outcomes.

This set of position-practices embodies an additional layer of complexity as it reflects collaboration between business competitors in the hope of mutually beneficial results.

The agent-in-focus within the case analysis is the Finance Director of FishFarm who is a co-owner of the company and also the key actor in both co-creating the joint venture format and also in driving sales within the Far East. The objective of the case analysis is to explore the complex interaction of structure (joint venture) and agent (Finance Director) in the internationalisation outcomes of the firm within China.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) research framework. The 'agents' conduct analysis' examines their internal structures which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures. General dispositions or the agents' dispositional frame of meaning includes things such as embodied skills, attitudes, ambitions, or habitus (Greenhalgh et al., 2014a). Such knowledge is built up over time as the actor is exposed to, and interacts with, social contexts (Stones, 2005). The agent-in-focus within the case analysis is the Finance Director, who is a co-owner of the company alongside the MD. He has over 25 years professional experience with the company and co-ordinates and manages the financial and administration functions of the company. He also liaises with FishFarm's Far Eastern clients.

The second category of the agents' internal structures is that of conjuncturally specific internal structures. Conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task or job (Stones, 2005). The agent-in-focus has extensive dispositional knowledge of the seafood industry as well as conjunctural knowledge of managing European agents. However, the industry is unusual in that there is a general lack of written agreements with companies instead relying on relationships built over time as the Managing Director describes;

> "w*e don't have written agreements with anyone, yeah we don't have written agreements with any of our suppliers either, it doesn't work, I'm not sure if LB [Finance Director] said this but the seafood industry is different than any other*

industry…it's the way the seafood industry works, based on relationships" (Managing Director).

Given the norms in the industry, the agent-in-focus lacks previous conjunctural knowledge of how to manage alliance relationships and of how to act within a co-opetition arrangement such as this joint venture. The Finance Director has some particular knowledge of the Chinese marketplace having participated in a number of trade missions through his practical engagement with the external structure of Bord Bia[5] as he describes;

> *"there were a couple of trade missions [to China] I went on … I would have been there on a regular basis. There's a seafood show in November every year, it alternates between Qingdao and Dalian and it's in Qingdao this year. We've been going to that since the start of 2012, this is the fourth one and we exhibit there … and we exhibit there under the Ocean Pearl brand which is the common brand"* (Finance Director).

Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences for the firm (Stones, 2005). The agent lacks fine grained conjunctural knowledge of both the market and the partnership agreement and is dependent on his networked others for access to such knowledge.

Position-practice perspective of the agent-in-focus

The Finance Director's conjuncturally specific knowledge also includes a social and professional network within the industry, as well as networked others, all of which can be explored through the concept of his position-practice relations. Position-practices consider people in webs of social relations and interdependencies, affecting and being affected by others (Stones, 2005). The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Stones, 2005).

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[5] The role of Bord Bia or the Irish Food Board is to act as a link between Irish food and drink suppliers and existing and potential customers internationally. The main objective is to assist in developing international markets for Irish suppliers.

The agent's professional relationships and networks have proved valuable to business development especially within China. A key business relationship has been developed with another fish company with whom FishFarm jointly employ an agent within the Spanish market. This arrangement has worked well for both companies over a ten year period and has built up a strong working relationship. This professional link was crucial in the formation of the joint venture as the two firms combined to approach the other potential partners as the agent-in-focus describes;

> *"at the end of the fellowship programme[6] we said that we needed to move with China and take the next step. We had spoken to one company. We knew that there was a girl on the seafood programme out there [China] for fellowship for that year, who was finishing in 2012, and she had been working with two other seafood companies. So we made contact with the MD of one of them to see of his plans. Would he be interested in coming together to access the Chinese market and maybe take on this girl full-time? And he was very interested in that. And then we also decided to contact another MD in another seafood company to see if he was interested, so the four of us came together and had an initial meeting in May"* (Finance Director).

In addition to leveraging network relationships the other key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures as sets of position-practices, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009). A key agent-in-context for the company, with access to significant stocks of conjunctural knowledge of co-opetition and how to implement it, is BIM[7] who facilitated the initial meeting of the four companies. The agent-in-focus through his position-practice linkages was able to draw on the conjunctural knowledge of a specialist consultant within BIM. The agent-in-focus describes the advice they received as follows;

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[6] Fellowship programmes are run by Bord Bia and place students in firms to help them develop specific international markets.

[7] BIM is Ireland's seafood development agency. It helps to develop the Irish seafood industry by providing technical expertise, business support, funding and training.

> *"they [BIM] attended the meeting and they brought in a consultant who kind of advised us of the route to go. And he said the best option would be to form a company that we each had a share in, and this company then would be used for accessing the Chinese market and that's the route that we decided to go down. To develop our own brand and have a full-time office based in China"* (Finance Director).

The Finance Director goes on to explain that the joint venture company sells under the Ocean Pearl brand name, trades as Ocean Pearl Seafood and is an independent company as he describes;

> *"it's an independent company; each of the four partners in it owns twenty-five percent of the shares"* (Finance Director).

Within the agents web of interdependencies a key agent-in-context is the agent employed as the China Director for the company. The agent-in-focus can increase his stocks of conjunctural knowledge through this link to his networked others such as this agent. The Finance Director identifies this consultant as a crucial agent-in-context as there are no communication or cultural barriers involved in dealing with her as he illustrates in the following where he describe the agent as;

> *"an excellent fit because she was a Chinese national but she had worked in Ireland for seven or eight years before she got onto this [Bord Bia] Fellowship Programme so she was very familiar with both cultures and worked with both Irish and Chinese people and had all the languages... had a year's experience in the seafood sector and was very professional and picked up things very quickly so"* (Finance Director).

The addition of this consultant to the organisation is perceived as key by all the partners as it overcomes the lack of conjunctural knowledge within the company. This connection was facilitated through the company's ongoing interaction with Bord Bia as a key agent-in-context. As the Sales & Marketing Manager observes the agent is a perfect fit for the company as he describes;

"we've hired an agent in Shanghai, so she's a Chinese native but she has lived in Donegal for five years, so it's perfect, it's a great match. She knows the way Irish people do business and obviously, she knows all about the Chinese culture. Because we thought China was such a specific market you need to have somebody native on the ground not to miss anything in terms of ... the paperwork is huge. The regulations are just so heavy. Tax, custom clearance and all that and even just the way they do business is very much different to our own so to have that person down there is a great asset" (Sales & Marketing Manager).

Conjuncturally specific internal structures, or knowledge of different tasks, refers to knowledge of interpretive schemes, normative expectations and power capacities associated with them (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation and domination, and this language has been retained by Stones (2005) and is used within the case analysis to further examine the conjunctural internal structures of the agent-in-focus. The following examines how the agent-in-focus draws on both his own knowledge of structures of signification and legitimation, as well as that of his networked others, in acting and interacting with the external set of position-practices embodied in the joint venture.

The agent-in-focus draws on structures of signification as a way to interpret events, to give meaning to interactions and to make sense of organisational activities (Busco, 2009; Englund & Gerdin, 2014). These structures of signification are drawn on so that agents can make sense of the context they act within and can communicate this meaning and their views of ongoing practices to others (Sydow & Windeler, 1998). The agent-in-focus draws on the joint venture as an internal structure of signification in the operation of the venture on a day-to-day basis. Liaising with partners and co-ordinating activities are key aspects of a successful partnership. The partners have a routine to facilitate communication and joint actions and the agent-in-focus outlines the process as follows;

"we have a conference call every week. Like I'm the partner or say I'm the Director from here. We [four partners] have a conference call every Tuesday morning at seventy thirty to basically see what's happening and operate the company and after our call then we have another conference call with Ling

[agent in China]. So there's weekly contact and she'd be in contact with the lads not just on a conference call but throughout the week as well" (Finance Director).

The agent-in-focus draws on internal signification structures to make sense of the context the joint venture operates within. Within FishFarm, the narrative around entry into China is one of high risk due to the huge size of the market and the small scale of Irish seafood companies. As FishFarm and its partners speak repeatedly of China as a high risk market, it increases the probability that the market is perceived in that way. A shared understanding emerges and the outcome is a management team which perceives a level of risk and uncertainty with China that is not evident within European markets. The Sales & Marketing Manager explicates this shared understanding and the value of collaboration as follows;

> *"basically Ocean Pearl is solely for China so if we get queries from China… mainland China we go through the Ocean Pearl group and the reason is simple it's just to be competitive. If you go on your own in a market so vast and so big we thought we were going to struggle, so the idea was to put in resources, product, production, transport costs, logistics with another group of a few companies so there are four of us in it"* (Sales & Marketing Manager).

This common understanding of the limitations of company size and scale as the key market entry challenge is in evidence across the management team. The MD's description of the Chinese business landscape also reflects the need to be part of a larger grouping to be able to service the market suggesting that very few companies, if any, could cope on their own as he describes;

> *"China has only really taken off in the last two years, that's in terms of scale; probably one city in China could buy all of the exports of Ireland, that's how big it is. Like its really huge but it takes a long-time to get into. Like the first year that the office was open there, the first year I think there were zero sales. But then they [customers] will come and like they could come with twenty containers worth. So very few companies in Ireland can do that on their own like, you know"* (Managing Director).

The issue of small size and lack of scale and volume is a recurring theme and the Sales & Marketing Manager explains that the joint venture is key for meeting the challenges that can arise as he discusses;

> *"for us it was key to have that kind of a venture just to be able to meet the volumes, the volumes the Chinese are talking about are ridiculously high. Like even as a joint venture we're still tiny but we're able to plan ahead, produce and still fill large orders but on our own we couldn't do that … no"* (Sales & Marketing Manager).

This reinforces the idea that small size may be problematic for supplying Chinese customers. The Sales & Marketing Manager continues this theme suggesting that the size of the market necessitates a collaborative approach as he describes;

> *"I think it's [the joint venture] only happening for the Chinese markets because … I think it's purely down to the size of the market we wanted to enter and just the limit of our resources if you are going to go individually like"* (Sales & Marketing Manager).

The perceived need for FishFarm to collaborate with others is reinforced also by the key agent-in-context, the co-owner and MD, who also draws on the joint venture as an internal structure of signification. The MD recalls that the Government Minister for Agriculture, Fisheries and the Marine has indicated that a minimum company size of €50m turnover is needed to compete effectively internationally as he describes;

> *"the Minister stated that it's necessary for companies to either amalgamate or to grow to be a €50m company … to be that size, to really compete in international markets. That's in terms of scale"* (Managing Director).

The agent-in-context draws on the joint venture as an internal structure of legitimation justifying the actions taken by FishFarm. Combined the four companies in the joint venture have a turnover of €49m, whereas individually they lack scale internationally. The perceived need to collaborate with others to access China is part of the agent's conjunctural knowledge informed by his practical engagement with external structures

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such as BIM who support co-opetition as a strategy for market entry. Engagement with BIM increases the dispositional and conjunctural knowledge of the agent-in-focus through showcasing companies who have targeted China as the Finance Director describes;

> *"like BIM had a conference last year and they brought over Clearwater who would be one of the biggest seafood companies in the world. They're a Canadian company and they were talking about China and said it took them five years to get established"* (Finance Director).

This conjunctural knowledge of the challenges facing large companies entering China encourages the agent-in-focus to draw on the joint venture as an internal structure of signification, as a sense making mechanism for what FishFarm and the other companies are doing through their collaborative agreement.

Structures of legitimation are norms which endorse or sanction certain forms of conduct (Englund & Gerdin, 2014) and denote a set of values and ideals for action (Busco, 2009). The agent-in-focus draws on the joint venture as an internal structure of legitimation, justifying the partnership through the synergistic benefits accruing to the stakeholders. Co-opetition works when each partner brings something different to the table and this joint venture works given the complementary and non-competing products of the four companies involved. This results in the benefit of being able to offer a wider product range under the Ocean Pearl brand name as the agent-in-focus explains;

> *"across the three processing companies we have a vast range of products like, one company does all the smoked range. He does mussels that we wouldn't do. Like we do razor clams, frozen sea prawns, scallops, whelks that none of the other companies do. Another company does crabmeat, crab claws. So we offer a much bigger range"* (Finance Director).

For the Finance Director the joint venture also serves a function of legitimation in terms of the benefits and cost savings it delivers for the partners as he describes;

"you've a bigger volume to target the market. You can … like big customers that want volumes or wanting a wide range of products, you can offer them. Like across the companies we have a vast range of products like, so we offer a much bigger range. We can save on logistics like combine shipments together. Increase volume. Turn volumes around pretty quickly" (Finance Director).

Agents-in-context can also draw on the joint venture as an internal structure of legitimation, justifying the companies choice of partnership in the context that domestic competitors are following the same route as the Sales & Marketing Manager describes;

"since we've done that [partnership for China] our competitors are doing the same. There's another two groups of Irish companies that have been created in the last twelve months, our competitors are doing the same because ... exactly for the same reasons" (Sales & Marketing Manager).

Position-practice perspective of the Finance Director

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). In this context, a position-practice can be thought of as the social position and associated identity of the agent (Stones, 2005). This role or position has various rules and normative expectations embedded within it (Stones, 2005). Such a social identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al., 2015). The Finance Director is one of two company owners and there are expectations of him in terms of delivering company growth. This growth is targeted at reaching the €50m turnover identified by government policy as the minimum threshold at which to compete internationally. The Managing Director describes the company's perspective as follows;

"well I suppose we're always looking to grow and that's very important to us. We know we can't stand still ... so we put a strategy together in the last two years for a five year plan to grow the company to a €50m turnover company" (Managing Director).

In enacting this position-practice there are expectations of the agent-in-focus in terms of achieving sales within Asia and delivering solid growth for FishFarm. The Sales & Marketing Manager reflects on their success to date and future growth expectations in the longer term as follows;

> *"within five years we doubled the size of the company, staff wise and turnover wise. When I started in 2011 we had 70 staff and we were maybe €12-15m in turnover, last year we had 140 staff and €25m. We're very much looking at the long term gain ... the fact that the company doubled we'd like to achieve the same again, maybe not in five years but maybe seven, eight, ten years down the line ... double the company again"* (Sales & Marketing Manager).

The agent-in-focus has demonstrated his capacity to make things happen by co-creating the Ocean Pearl venture and demonstrating his ability to achieve positive international outcomes for the company. The Sales & Marketing Manager describes how the agent-in-focus is leading the Asian business as follows;

> *"he kind of took ownership of all the Far Eastern customers, he's the one who grew the business in the Far East, he's the one involved in Ocean Pearl, I have very little to do with it myself, he's the one driving the business"* (Sales & Marketing Manager).

There are certain normative expectations with the role of Finance Director, which also incorporates ideas of domination and power. As a co-owner of the business, the agent-in-focus is dependent on the support of the MD as the other owner, to enact decisions such as the strategic decision to enter the co-opetition arrangement. The Sales & Marketing Manager describes the decision making process and the agents involved in terms of international business decisions as follows;

> *"if it's sales, if it's marketing or any kind of strategic decision it's the MD, Finance Director and me. If it's more operations and factory production it will be the MD, Finance Director and the Production Manager, but in terms of where we want the market, the business to grow and what market we want to target it would be the three of us. We're lucky in that we're quite flexible and*

can react quickly, if we have a meeting you don't have to convince that many people, you know if that's what we want to do, it can be done quickly enough" (Sales & Marketing Manager).

Within these position-practices the agent's view of both the external and strategic terrain is important. In the case of China, the agents' internal structures impact his perceptions of the market as high risk and difficult to operate in. Despite this, the agent's view of the external terrain remains positive but also pragmatic. The agent-in-focus suggests that FishFarm have been considering entry to China for a number of years and are always on the lookout for new market opportunities as he describes;

> *"we had always seen China as a market that we'd like to access and have a presence in. We're always open to looking at new markets, like China is still developing still increasing. Singapore is kind of sporadic at the moment, we'd like to make that more regular"* (Finance Director).

In the wider context of delivering firm growth over the next few years the agent-in-focus has a positive view of the potential for the Chinese market delivering in the medium to long term as he suggests;

> *"there's probably more potential in Asia than Europe. The economies are better out there. China is a growing market that we've only really, em scratched the surface at the moment"* (Finance Director).

The Finance Director is however pragmatic in his assessment of the market acknowledging that some customers are difficult to deal with and that like with all business it will take time to develop strong working relationships as he describes;

> *"there's good and bad companies out there [in China]. Yeah you don't want to be working with the bad companies so it takes a while to build up a rapport with the good companies and you know then that they are a good company"* (Finance Director).

His view of future sales potential for the Ocean Pearl brand are also optimistic as there is potential in the retail sector which the company has not yet explored as he explains;

> *"down the road we will be pushing more for the retail sales but it's easier at present, the stage we were at to go for the foodservice and then sell onto the retail"* (Finance Director).

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) research framework. The 'agents' context analysis' gives an account of their interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). In this case the external structure, or joint venture, is conceptualised as a 'set of external position-practices', representing "*clusters of practices through which identifying criteria, prerogatives and obligations are made manifest and known to others*" (Stones, 2005, p.61-62). This external structure, or set of position-practices, has an existence that is autonomous from the agent-in-focus and forms the structural context of action. These external structures exert influence over internal structures and agents themselves and may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008).

They may take the form of 'independent causal influences' where the external structures are constituted, reproduced or changed entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005). These influences are distinguished from 'irresistible causal forces' where the agent-in-focus has the capacity to resist an external influence but may feel unable to do so (Coad & Herbert, 2009; Stones, 2005). For an agent-in-focus to resist the pressure of external forces they must possess sufficient power and the capability to do so, and have adequate knowledge of relevant external structures including alternative avenues of possibility (Coad & Herbert, 2009). Within the case, the joint venture represents an 'irresistible causal force' for the agent-in-focus where the agent could pursue alternatives but has chosen not to.

The case analysis suggests that for FishFarm this set of position-practices, when drawn on by the agents' internal structures provide an effective way of managing sales and

internationalisation into Asia for the Finance Director, enabling company growth. As a set of position-practices this external structure opens up a range of international possibilities for the company which it could not avail of on its own. Bord Bia is a key agent-in-context and an enabling structure for the Finance Director. The Ocean Pearl consultant is operating out of Bord Bia's office hub in Shanghai. The Chinese consultant was also sourced through a Bord Bia contact.

Active Agency

Active agency encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures (Stones, 2005). Active agency shows how agents draw on their knowledge of internal and external structures when making decisions (Coad et al., 2016). Stones (2005) posits several aspects of active agency that are important when investigating the character and dynamics of the agent's conduct. This can include the conscious and unconscious motivations and emotions that impact how the agent draws knowledge from internal structures. Giddens (1984) posits that the agents' motivation to act can be direct and purposeful or indirect and more routine. Within active agency the agent-in-focus is capable of reflexive monitoring. The agent monitors the international environment, their own actions, the actions of networked others and the contexts in which actions are embedded (Sydow et al., 2010). This is illustrated in the following where the Finance Director monitors other domestic competitors engaging in co-opetition arrangements, or collectives, to enter China as he describes;

> "*there's kind of three collectives. They [BIM] call them collective streams now. There's kind of three collectives in the Chinese market from the seafood sector in Ireland. There's ourselves, there's a Donegal company that's in partnership with the company down the road and then there's two others that are in partnership as well*" (Finance Director).

Reflexive monitoring of action also involves the ordering of concerns or the sorting out of priorities (Stones, 2005). The Finance Directors ordering of projects and market priorities will be informed by both his own internal structures, as well as those of networked others. In terms of taking direct and purposeful action the agent-in-focus is motivated by the need to grow the company into the future. The Sales & Marketing

Manager explains that the potential for high levels of growth is less likely from European markets as he explains;

> *"they [company owners] have the long term vision to see that the ...you know Europe, the kind of historically strong markets are not going to give you growth or the revenue we might be hoping for in 20 years so it's very much a long term vision. Italy is going to calm down, Spain and Portugal look these markets will still be strong in ten years but if you want to grow the company they are not where we need to put the business"* (Sales & Marketing Manager).

A possible challenge with expansion into China is managing supply to established customers. The company farms wild product and supply varies and is at times weather dependent. As the Sales & Marketing Manager illustrates aligning strategic growth plans and tactical supply issues will be a challenge for the company as he explains;

> *"it's important for us to plan ahead in terms of allocating products into the markets. The likes of China our biggest item sold into China will be the brown crab, but it is also our biggest, one of our biggest items for the French market. So you want to be careful that even though China is growing and that's where you want to be, when you plan your production you still need enough to satisfy your existing French customers that have been there for twenty years"* (Sales & Marketing Manager).

Sales growth and market diversification may necessitate internal changes to support sales operations across various markets. If the Sales & Marketing Manager assumes additional market responsibilities the sales team may need to be expanded as he illustrates in the following comments;

> *"I'd be close to Finance Director now in terms of the Far East. Eventually I might move into that space for him to step aside slightly, then we'd need to look at restructuring the sales team, but at the moment I'm the sales team. If the company achieves the growth we want to achieve it will be necessary [to have additional sales people] because at the moment I'm stretched enough the way it*

is, and I'm lucky we have competent agents in all markets, but if the company keeps growing it will be necessary" (Sales & Marketing Manager).

Within reflexive monitoring the agent also keeps track of interactions as they occur and this enables the agent-in-focus to respond to changing situations (Stones, 2005). The agent's practical engagement with the external structure of BIM is changing and the Finance Director is keeping abreast of developments in the area of co-opetition strategy that may impact Ocean Pearls' operations and competitiveness. The key issue is that BIM are considering a strategy of selling all Irish seafood into China under the one umbrella brand. The MD describes the background to this idea, which is one of achieving adequate size and scale to compete effectively in China as he describes;

> *"what they're [BIM] looking to do now is ... sell all under one brand. That's everyone going into China. Well what they're trying to do ... and I can see where they're coming from ... they keep spouting Kerry, Kerry Group like, you know. Ah there's several meetings after taking place recently"* (Managing Director).

The Finance Director goes on to suggest that this universal brand idea does not appeal to FishFarm and the other partners in Ocean Pearl Seafood as they have already made a commitment to the Chinese market. The agent-in-focus feels that Ocean Pearl should be able to reap the benefits of their early investment in their joint venture as he explains;

> *"we would probably have been the first ones to come together. Like none of them [other seafood collectives] had a full time presence in the market like we had from the beginning"* (Finance Director).

The Ocean Pearl venture has ongoing interactions with BIM who support seafood companies engaged in co-opetition to enter Asian markets. The venture is still drawing down assistance from the agency as the Finance Director explains;

> *"they [BIM] have an aid package for people that are accessing new markets and that's still relevant for us for the Chinese market"* (Finance Director).

This has created power asymmetries and mutual dependencies between Ocean Pearl Seafood and BIM. The agent-in-focus is exploiting his access to resources, in this case BIM, for financial aid supporting his co-opetition strategy. Simultaneously the same external structure, BIM, may inadvertently increase competition for the Ocean Pearl joint venture by supporting other co-opetition strategies within the seafood industry, which will also target China.

Outcomes

Outcomes are the effects of agents' practices on structures, both internal and external, and can involve change and elaboration or reproduction and preservation. Outcomes also include events (Stones, 2005). In terms of internal structures, a change in the agents' view of the external terrain within position-practices can be detected. This is one of increasing optimism for the company's future sales growth within the Chinese marketplace now that the company is part of a collaborative venture and is no longer working in isolation. Practical engagement with external structures such as Bord Bia and BIM have also served to reinforce the agent's internal structures, specifically his conjunctural knowledge in relation to the value of partnerships and of operating within a collective arrangement.

Active agency reflects a change in priorities within FishFarm. As European markets grow but at single digit levels, the Chinese market and its potentially higher returns for Ocean Pearl become increasingly attractive. These positive views reinforce the external structure of the joint venture, as a set of position-practices, as its viability and economic utility continue to be demonstrated. Outcomes as events can also be seen in the development of a sales pipeline and increased sales into China as well as the geographical market diversification achieved for all four partners involved. This increases sales revenues and builds international experience for FishFarm.

Conclusion

The case analysis explores the role of the Ocean Pearl Seafood joint venture as set of position-practices (external structure) in the internationalisation process of one of the partners, a small to medium sized seafood firm, using the interpretative framework of Stones' (2005) strong structuration theory. The concept of position-practices has been useful within the analysis in a number of ways. The value of network relationships with

other seafood companies has been vital for FishFarm in identifying and approaching potential partners for the joint venture agreement. A key value of position-practices for the agent-in-focus is that he can draw on internal structures of other agents-in-context and networked others. The Finance Director draws on the dispositional and professional experience of the partner companies. Crucially he can also draw on the conjunctural knowledge of consultants within BIM in terms of both the Chinese marketplace and also the most suitable format for co-opetition. In reducing risk perceptions around market entry the Finance Director also draws on the stocks of conjunctural knowledge of the Chinese agent based in Shanghai. This contact was also facilitated through network linkages with Bord Bia.

Examining how the agent-in-focus draws on dispositional and conjuncturally specific internal structures enhances understanding of the Finance Directors' behaviour. It also provides insight into why the agent-in-focus has endorsed a strategy of co-opetition for entry to China. Despite lack of previous conjunctural knowledge of partnership agreements, the intended consequences of firm growth and market entry have been achieved. Case findings suggest that the Finance Director will preserve the external structure and set of position-practices embodied in the joint venture. Though the external structure, based on joint decision-making, constrains his actions as an individual Director, it also enables his company to achieve growth through collaboration, which is unachievable if operating alone.

6.5 Case 4: Caretech

Introduction

Caretech is a privately owned software development company which provides social care management systems in the UK, Ireland and the US. Caretech have designed and delivered social care management solutions for Criminal Justice and Youth Justice, as well as Children and Adult Services. They are a successful provider to over 80 local authority customers in the UK, Wales and Ireland. They have been working with individual local authorities and national partners such as the Department of Health, the Youth Justice Board and the Department for Children, Schools and Families in the UK and the Health Service Executive in Ireland.

The customer portfolio of Caretech consists of local authority, state managed operators and government agencies within Ireland, the UK and the US. These customers use a formal procurement process, or competitive tendering process, when awarding contracts to suppliers like Caretech. The procurement practices within the market emerged from the case data as the key external structure exerting influence on the firms' internationalisation process. This procurement process is conceptualised within the case analysis as an external structure, which forms the structural context of action for the agent. Within the procurement process, the steps to be followed and the applicable terms of reference are clearly laid out under either European or national legislation.

The procurement process can be conceptualised as a 'set of external position-practices', representing "*clusters of practices through which identifying criteria, prerogatives and obligations are made manifest and known to others*" (Stones, 2005, p.61-62). This set of position-practices embody structuring properties, frame the action horizon of the agent-in-focus and can either enable or constrain his actions, leading to either intended or unintended firm outcomes. The agent-in-focus within the case analysis is the Group Managing Director (Group MD) of Caretech who is the key actor in taking and leading decisions in relation to firm internationalisation and growth. The objective of the case analysis is to explore the complex interaction of structure (procurement process) and agent (Group MD) in the internationalisation outcomes of the firm.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) research framework. The 'agents' conduct analysis' examines their internal structures which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures. General dispositions or the agents' dispositional frame of meaning includes things such as embodied skills (Greenhalgh et al., 2014a). Such knowledge is built up over time as the actor is exposed to, and interacts with, social contexts (Stones, 2005).

The agent-in-focus is the Group MD and one of four original co-founders of Caretech. He has a sales background and was an Account Manager with a global information technology solutions company with responsibility for public sector sales to Central Government and Health accounts in Ireland. The founders exited this company to create Caretech delivering social care management software solutions to the health sector. The Group MD has accumulated 20 years of professional experience, skills and knowledge of how to operate successfully within the sector.

The second category of the agents' internal structures is that of conjuncturally specific internal structures. Conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task or job (Stones, 2005). The agents' conjunctural knowledge of tendering processes is well developed as all of Caretech's 80 existing customers, gained over 16 years, have been won through the formal procurement or tendering process. They represent a mix of local authority accounts, state managed operators and government agencies or departments. Within the UK market, the MD describes that *"when we were getting started there it wasn't long before we were in tune with how they do things"*. 'They' refers to the local authorities they initially targeted for business in the UK, all of which follow strict procurement processes.

Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences for the firm (Stones, 2005). Here it is well informed and fine grained and the firms' ability to qualify for tenders in the UK was never in any doubt as illustrated by the following comments of the Group MD;

> *"in the early days [in the UK] we weren't able to qualify for some tenders based on our turnover ... but the kind of turnover levels that they were talking about for the kind of business we do were low so once we got anywhere near say £1m turnover then that wasn't an issue"* (Group MD).

Caretech entered the US market in 2010 and the procurement process there is perceived as fairly similar to that of the UK where they have been doing business since 1998 as illustrated in the following;

> *"it [the tendering process] looks very similar, you know they go through a formal procurement process, they put up statement of requirements documents, they go through reasonably lengthy cycles, but actually the way they buy in the States is a lot more... they seem to buy more easily, quicker, they make decisions"* (Group MD).

These detailed stocks of conjunctural knowledge can be transferred to new markets in the expectation that intended successful outcomes would be similar to those achieved to date. This is feasible as the Group MD suggests that in relation to the procurement process in the US *"it's the same ... it's the same business, the same behaviour, the same thing (as the UK)"*.

Position-practice perspective of the agent-in-focus

The Group MDs' conjuncturally specific knowledge also includes a social and professional network within the industry, as well as networked others, all of which can be explored through the concept of his position-practice relations. Position-practices consider people in webs of social relations and interdependencies, affecting and being affected by others (Stones, 2005). The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Stones, 2005).

The agent's professional relationships and networks have proved valuable to business development especially within the US. A key agent-in-context that has framed the actions of the Group MD has been its software solution partner Microsoft. Microsoft were instrumental in urging the agent-in-focus to consider the US as a potential market,

which was timely also as the UK market was 'in the doldrums' at the time and the company was not doing well. As the Group MD recounts;

> *"when we started doing the platform based approach we ended up getting into more conversations with Microsoft teams who work across countries and those people would have been based in the States ... so they would be saying things to us like look what you're doing can work in the US, you should come to the US, that kind of thing"* (Group MD).

Based on this initial encouragement the MD went on to commission some initial US market research. This was conducted by a contact made by attending an industry conference as the Group MD explains;

> *"I met NH at a conference in 2009 and said would you be interested in doing a six month study or a three month study and we would pay him to see if it would come to something ... so we did a market entry study at the back end of 2009 and we looked at the whole market (US) from top to bottom ... the first trick for us was to understand where is the best place for our experience to land in the states".*

Once convinced of the potential of the US for Caretech Microsoft again played a key role in moving the project forward by connecting the agent-in-focus with a potential country manager for the operation. The Group MD recollects that;

> *"they [Microsoft] actually introduced us to the lady who is now our CEO. The introductions came through Microsoft human services people who knew them and who knew us"* (Group MD).

The US CEO subsequently appointed recollects that initial introduction to Caretech through Microsoft as she describes;

> *"I had left my own company which was pretty similar to Caretech. We were also a Microsoft partner so Microsoft knew that I wasn't working anymore and so they kept encouraging me to meet them [Caretech]. I think I took about a year to*

do that and so finally when we met things really clicked ... so that's how it started".

A key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures as sets of position-practices, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009). When considering entry into the US the view of the agent-in-focus of the market similarities in the procurement process was reinforced by members of the management team as illustrated;

"now the US is a much smaller operation because we are only getting started but there are similarities there between when we were starting into the UK market. It's the same tendering and procurement" (Director Programme Management).

Business in the UK has always been gained through tenders as illustrated by the comments of the Director of Programme Management;

"from my involvement [in the company] it was always tenders, it was constantly demos you know a lot of prequalification stuff, so a lot of customers do prequalification as well, it's more where they come and ask questions if they are looking for a product and you have a product that will do X. And they prequalify people so they know the people that they would like to respond to the tender" (Director Programme Management).

There are some perceived differences in the tendering process between the US and the UK however these are positive features in terms of the speed of completion and chances of securing business through the process as illustrated;

"the speed of it [process] might be slightly quicker. I find on a lot of the procurements that they [American clients] will make a decision very quickly. In the UK they tend to spend a lot of time thinking about it, you could be waiting a

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year for them to decide on it. And sometimes in the UK they will actually cancel them as well which means you can put quite a lot of work into them and then it's cancelled. In the US they are more inclined when they decide they are going to do something, they'll stick with it and follow it through" (Director Programme Management).

A key agent-in-context for the Group MD is the US CEO who is from a similar company background and sector and has significant stocks of conjunctural knowledge of tendering processes in the US for software solutions. This is reflected in business won to date where;

"every one that we have won [US customer] has gone through that process [tendering] (US CEO).

Stocks of conjuncturally specific knowledge of the agent-in-focus have been increased through the agents' linkage to his networked others such as the US CEO. However, there is also reciprocity within these relationships where the agent-in-context can exercise power by shaping and influencing the processes of the firm. This is illustrated in the following where the process has been altered, then revised again, due to the influence of the US CEO as she explains;

"I think that in the earlier time I was doing more of the work, I was writing a lot more of it [tender information] and before we did tender qualification reviews with the whole team it was less formal and so I was making more decisions. Although it helped us win the business what I've learned is that … you have to get buy in from everybody so that they are aware of what you're signing up for and are willing to do the work that needs to get done and in the timeframe that we promised the customer. So it takes a lot of coordination with everybody to make sure that they are all on the same page" (US CEO).

The agent-in-focus also acknowledges the depth of knowledge accessible through the professional experience and dispositional frames of meaning of his country managers as agents-in-context. A key agent that the Group MD is affected by is the US CEO and he acknowledges her input and experience to date in the sector;

> *"her previous company was a much bigger company than this and I would say for certain it would take us longer to get to where we are now [in the US] without her"* (Group MD).

The Group MD affects but is also affected by his UK country manager, who has vast experience in the area which the agent-in-focus acknowledges as illustrated;

> *"when you've got more senior people joining in then you've got to harness that. If you look at somebody like PH, he has run much bigger software businesses than this. He has the bigger picture probably the bigger company perspective. He can take something very loose and put a structure around it ... it's an amazing attribute"* (Group MD).

Conjuncturally specific internal structures, or knowledge of different tasks, refers to knowledge of interpretive schemes, normative expectations and power capacities associated with them (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation and domination, and this language has been retained by Stones (2005) and is used within the case analysis to further examine the conjunctural internal structures of the agent-in-focus. The following examines how the agent-in-focus draws on both his own knowledge of structures of signification, legitimation and domination, as well as that of his networked others, in acting and interacting with the external set of position-practices embodied in the tendering process.

The agent-in-focus draws on structures of signification as a way to interpret events, to give meaning to interactions and to make sense of organisational activities (Busco, 2009; Englund & Gerdin, 2014). These structures of signification are drawn on so that agents can make sense of the context they act within and can communicate this meaning and their views of ongoing practices to others (Sydow & Windeler, 1998). Within the UK context the agent draws on familiar tendering processes as a signification structure and has avoided the unfamiliar open tendering process[8] from the beginning. The Group MD explains that within the UK;

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[8] Open tendering is a unique bidding process with only one stage where the process is open to all qualified bids; anyone can put a tender in.

> *"there were tendering processes but the values of those contracts were about £25,000 There is a kind of a threshold in the UK of about £50,000 if you're going over £50,000 you're almost into open tendering. If it's under that, it tends to be more restrictive, there might be only two or three companies tendering. We tend to be against two or three others and would have won some and lost some, you know the way"* (Group MD).

Another organisational activity that the agent must make sense of is that of potentially partnering with another organisation to pursue larger contracts. The company has partnered with a management consultancy firm in the UK as the Group MD explains;

> *"it might be for a particular type of tender, the ones we bid with them [consultancy firm] might be ones where they are an existing supplier and they felt they could bring something extra to their client by working with us".*

The agent-in-focus goes on to recount the details of that partnering agreement as follows;

> *"we bid on a project [with consultancy firm] that wasn't in the end awarded, but that project was a much bigger project than we would normally have been part of. It comprised a fairly big business change as well with the person coming in having to take some business risk. It was setting up a new entity with the council to deliver service and IT at the same time; so they would be the kind of things we would partner on. And if people want to buy what we offer and implement it in a fairly normal way then we will typically want to go direct on those kinds of projects"* (Group MD).

The procurement process serves a function of signification for the agent-in-focus conveying meaning and providing a guide for company behaviour. When 'bigger than normal' projects appear it is understood that a partner will be needed. When clients continue to buy in a 'fairly normal way' the existing tendering process is sufficient. This demonstrates clear structures of signification for the type of contracts the company feels it can handle efficiently on its own.

Other international opportunities have come across the company's path as the Group MD explains;

"we got approached for a deal in Malta, we got approached for a deal in Russia, every so often these things come out of the woodwork. If you had a really good partner on the ground that you could work with you could probably go after some of those things but it takes so long to get one [a partner] and it takes time to build that working arrangement with somebody, it would need to be for more than just for one transaction".

The Group MD confirms that engaging with partners "*would be a new way of operating for us*" and though he implies that the company might look at the option of partnering in more detail in the future, it is not currently a strategic priority for the company. The agent draws on the existing tendering processes as a legitimation function which influences his strategic decision to exclude international markets where partners would be needed to be effective. These structures of legitimation are norms which endorse or sanction certain forms of conduct (Englund & Gerdin, 2014) and denote a set of values and ideals for action (Busco, 2009). These norms are drawn on by the agent-in-focus when considering which international markets to enter. In the European context, the Group MD explains his views on entering specific markets in comparison to entering the US in the following;

"we did have a think about some European markets…What we probably picked up without doing an awful lot of research on it was that country to country in Europe is quite different …and you're not going to find a country with the scale of the US whose requirements are all broadly similar. You could say that in Scandinavia they are going to do it [buy software] a particular way but then in some countries you have only one shot in that market, so we're not really going to look at those, probably not at this stage" (Group MD).

The agent draws on the tendering process as an internal structure of legitimation. The lack of applicability of the usual procurement process to these particular markets justifies his exclusion of them for now. The tendering process is also drawn on as an internal structure of signification by the agent, allowing him to makes sense of the

restricted European context the company operates in at present as well as making sense of why the US is the current market priority. Structures of legitimation are also drawn on by the agent-in-focus when selecting which market niches to compete in within the selected market. Within the US market, Caretech excluded one particular niche, child welfare, as the Group MD explains;

> "*we looked at child welfare and then we stopped and the reason that we stopped was because the procurement regulations around child welfare were quite restrictive*".

This relates to the fact that the procurement regulations can be tied to federal funding programmes. If dealing with federal funding the systems purchased must be owned by the State involved. This includes IT and any intellectual property involved. The Group MD explains the scenario in the following way;

> "*basically if I sell you a system and you are a [US] State, you buy that system with federal money ... then you have to own what you've bought. That means I can't sell it to you and then take it and sell it to another State because the federal government owns it now*" (Group MD).

The agent-in-focus draws on the tendering process an internal structure of signification. It helps to interpret events, and makes sense of organisational activities. His rejection of the supplier obligations attached to federal contracts in the US conveys the company's priority to maintain ownership of its solutions internationally. The tendering process also serves as a structure of legitimation for the agent. The change of supplier obligations and commitments in these federal procurement practices justifies the agent's exclusion of such business opportunities.

The procurement process is embedded within the organisation to the extent that it is only examined in detail when it appears not to be working as effectively as usual. Caretech had been selling a customised client solution within the UK, when the company started to be out competed on tenders for contracts they would usually expect to have won. When this occurred, the agent-in-focus drew on the tendering process as an internal structure of signification to interpret these failed tenders as they occurred

and to make sense of why they were happening. The key problem which emerged was explained by the Group MD as follows;

> "*what was happening was that the product that we originally brought into the UK had come to or was coming to its natural end but we just hadn't realised it. So we were getting outcompeted quite a lot say 2006 and 2007. We weren't winning the kind of contracts we had been winning before, and so you try harder, you work harder you knock yourself out until you actually realise that it is the thing you hoped it wasn't, the product*" (Group MD).

The agent-in-focus also draws on the procurement process as a structure of legitimation, justifying the company's move away from the customised product to a web based platform solution. The lack of efficiency of the core procurement process justified the investment in the new product and the 'sun-setting' or retirement of the older product. This opened up new internationalisation opportunities for the company. The older customised product "*could not go country to country*" whereas the web based application is borderless in application and once the company "*went on a platform then other opportunities opened up*" (Group MD). It was fortuitous that Microsoft was part of the web of position-practices of the agent-in-focus at that time of new product development as the Group MD goes on to explain;

> "*Microsoft is very initiative driven so if you can hit that moment that you're doing what they want to do, even if you're pretty small, they get very interested. You could be in the right place at the right time. We have been fortunate in that sense, we were prepared to do something on a platform that maybe others of their partners weren't prepared to do ... and they like to support the things that support their strategy*" (Group MD).

Position-practice perspective of the Group MD

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). This role or position has various rules and normative expectations embedded within it (Stones, 2005). This identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al.

2015). The focus here is on the agent as the Group MD rather than as just an individual. This position-practice of Group MD also incorporates ideas of domination and power. As part of a management team of six people, the agent-in-focus needs the support of the management team to enact decisions. In considering US market entry the agent-in-focus encountered resistance within the team as he describes;

"*there were different views, one view was that it was too soon to go into the States and that view was because we were having some difficulties in the UK market, and the view was that we should focus on that and sort it out and that we should not take on anything else*" (Group MD).

However, the team were eventually convinced and initial market research was completed. As the project progressed the agent-in-focus describes that in order to fund the position of CEO in the US;

"*each of us [management team] took a pay cut for the US CEO to come on board ... so that was a little bit of personal risk ... each took a personal hit for something that we thought we could have a go at*" (Group MD).

In enacting this position-practice the Group MD has demonstrated his ability to make things happen, and his capacity to mobilise his management team and to achieve an outcome where he is dependent on the agency of others. This reflects the power capacities of the agent-in-focus. The normative expectations of the agent as the Group MD are illustrated in the following where the pressure to deliver positive firm outcomes is clear as the agent-in-focus describes;

"*we have a decent appetite for risk. I think I wouldn't be that great on risk myself but we do have ... I mean we can't afford to take huge risk decisions because most of the decisions that we make have to come off to some extent*" (Group MD).

How agents-in-context view the Group MD within sets of position-practices is also important in shaping firm outcomes. The US CEO describes the company as very

progressive in their approach to the US operation recognising that it takes effort as she describes;

> "*it takes some effort to re-gear the company to focus on a brand new country and especially one that's further away. I think the Group MD is doing a really good job of slowly turning the ship in the US direction*" (US CEO).

Within these position-practices the agent's view of both the external and strategic terrain is important in shaping the firms outcomes. The agent-in-focus has a positive view of the external terrain and international growth opportunities for the company as illustrated in the following;

> "*I would say that if the US and the UK markets are similar and if we are on a platform that means that there might be a wider platform opportunity. We have seen the exact same ones [opportunities] across the two markets so it would be a pity to have a platform that would be international and not to have a look at least to see where else that could bring you*" (Group MD).

The agents' dispositional frame infers a positive and optimistic view of the US suggesting that as business builds;

> "*we can begin to think about the other business areas that we've worked in in the past ... and do we want to take them on the road in the US? Do we want to do a market entry for that capability? ... and I'd say we would, yes*" (Group MD).

The agents' positive view of the strategic terrain is also evidenced in the following statement where he suggests that;

> "*the important thing is that it [the US market] is not the be all and end all of things. There might be something else whether that's another market within the US or a European country market* "(Group MD).

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This view of the external terrain as one full of opportunities is underpinned by the signification function of the procurement process, which provides undertones of cohesion within the internationalisation strategy of the company. When presented with an international market the procurement process serves to identify business niches and reduces risk perceptions for the company as they continue with a process that they can manage successfully.

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) research framework. The 'agents' context analysis' gives an account of their interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). In this case the external structure is conceptualised as a 'set of external position-practices', representing *"clusters of practices through which identifying criteria, prerogatives and obligations are made manifest and known to others"* (Stones, 2005, p.61-62). This external structure, or set of position-practices, has an existence that is autonomous from the agent-in-focus and forms the structural context of action. These external structures exert influence over internal structures and agents themselves and may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008).

They may take the form of 'independent causal influences' where the external structures are constituted, reproduced or changed entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005). These influences are distinguished from 'irresistible causal forces' where the agent-in-focus has the capacity to resist an external influence but may feel unable to do so (Coad & Herbert, 2009; Stones, 2005). For an agent-in-focus to resist the pressure of external forces they must possess sufficient power and the capability to do so, and have adequate knowledge of relevant external structures including alternative avenues of possibility (Coad & Herbert, 2009). Here the procurement process represents an 'irresistible causal force' for the agent-in-focus. The Group MD could move away from tendering as the sole approach to winning business, but has not done so. The tendering process has enabled the agent-in-focus to deliver positive international outcomes for the company and has been preserved over time.

Another external structure or agent-in-context framing the action horizons of the Group MD is Microsoft. This partner has enabled both new product development and networking for the company. Simultaneously it exerts a constraint on the company as the pricing model is tied to Microsoft Dynamics and so the company has less flexibility when pricing for tenders.

Active agency

Active agency encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures (Stones, 2005). Active agency shows how agents draw on their knowledge of internal and external structures when making decisions (Coad et al., 2016). Stones (2005) posits several aspects of active agency that are important when investigating the character and dynamics of the agent's conduct. This can include the conscious and unconscious motivations and emotions that impact how the agent draws knowledge from internal structures. Giddens (1984) posits that the agent's motivation to act can be direct and purposeful or indirect and more routine. The key aspect of active agency observed within the case is the agent's control over the tendering process, which he draws on as an internal structure of domination. The agent-in-focus manages all of the business approval process required for outgoing tender bids. There are two stages within the approval process and the Group MD would not approve some bids at the initial stages based on risk assessment as he describes;

> "*there would be ones that you would say no to that there are not big enough to be bothered with but mainly things qualify out. They qualify out on the basis of competitive position, so if we are not positioned for this let's not waste our time; let's not put the time in to bid because we believe we are not positioned to ultimately win it*" (Group MD).

If the project continues once the tender documents are completed there is a second business approval process also managed by the Group MD as he explains in the following;

> "*the bid process is controlled essentially by the sales person or the country manager depending on the size of it. We put it through a formal business*

approval process so before you are allowed to commit the company's resources to bids, you have to do business approval, and before the bid is submitted there is a second approval which basically says do we agree with the risk we are taking on" (Group MD).

Where multiple bids are on the table simultaneously then the MD prioritises and ranks these business opportunities based on internal resources available and his dispositional and conjunctural knowledge. Controlling the business approval process reflects the power capacity of the agent, which is exercised through authoritative power (over people within the company) and also allocative power (over all other company resources).

Within active agency the MD is capable of reflexive monitoring. The agent monitors the international environment, their own actions, the actions of networked others and the contexts in which actions are embedded (Sydow et al., 2010). The agents' flexibility facilitates the tracking of interactions as they occur and enables agents to respond to changing situations. This is impacted by the degree of critical distance that agents bring to the internal structures that are the medium of their actions (Stones, 2005).

The Group MD through interaction with another external structure (state agency) has engaged with an international management programme which has afforded an opportunity to step back and consider company practices from an objective stance as he describes;

> *"I think we are getting it [programme participation] at a good time for us, we're getting a chance to be mentored and coached and helped through the work … so for me I'm learning things I didn't know before and I get to think about things in a slightly different way. So those things are nice opportunities to just step back and think"* (Group MD).

The agent-in-focus needs to be able to respond to changing situations. A key internal change in the organisation of completing tender bids has been the emergence of mixed country teams. Joint bids between the US and UK teams are becoming more frequent

and have been approved by the agent-in-focus. The US CEO recounts the details of one joint operation explaining that;

> "*we [US and UK team] are working on bids jointly. We are working on a bid in Canada at the moment that is resourced from the UK but it's led from the US sales team; equally we are working on a bid in Wisconsin which again is using UK resource to support a US sale*" (US CEO).

The UK MD explains the same procedure for joint bids as illustrated;

> "*there are some UK people operating in a mentoring capacity for the US team, the US do some online training for the UK. The US team did help with the development of a tender for a Canadian company, they [US] are waiting for the outcome of that bid now; the teams did work together on that. The tenders are usually done by mixed teams with the sales in the UK; pre-sales UK and then the team in Dublin as well*" (UK MD).

An unintended outcome of relying exclusively on the tendering process is the emerging management tension around the allocation of both authoritative and allocative resources within this team approach. As the Group MD describes;

> "*there is pressure on resourcing tenders because every time you want the teams to cooperate there is always a … I mean the UK MD is pressing me to come up with … in principle this is how we work together and this is how we do things ... are we going to be saying that the US is our market and that the UK is fine?*" (Group MD).

The UK MD notes the constraints of the organisation in the way the bid process is organised internally as he describes;

> "*if three or four tenders occur at the same time then from a resource point of view the company can't bid for all of them simultaneously. The process in the company that they go through for tendering is an interesting one that the*

company is looking at to increase efficiencies across teams and "trying to get ahead of the game" (UK MD).

Agents-in-context can also exercise power by shaping and influencing consequences for the firm. This can be seen with the US CEO, who in the context of increasing use of mixed teams for bids, is drawing on her own extensive conjunctural and dispositional knowledge structures in encouraging a change in the structuring of resources as she describes;

> *"we [US CEO and UK MD] have just started in the last couple of months and what we are trying to do is trying to get our teams to start communicating, so for example trying to establish a training department and sharing documentation and the way that we implement projects more ...so its slowly getting off the ground" (US CEO).*

Reflexive monitoring of action also involves the ordering of concerns or the sorting out of priorities (Stones, 2005). The Group MDs ordering of projects and market priorities will be informed by both his own internal structures, as well as those of networked others. He describes his challenge as follows;

> *"I'll give you an example, a mid-ranking opportunity in the UK might be worth €400,000 but a mid-ranking opportunity in the US might be worth 10 times that and there are more of them. So the issue is are we going to resource a sales campaign against an opportunity that is going to generate that for the group [€400,000] or are we going to resource campaigns that are going to generate multiples of that for the group?" (Group MD).*

The UK MD also perceives there may be contention going forward over market priorities. He explains the current situation as follows;

> *"the question will be whether to expend resources on small companies and contracts in the UK or to target larger companies in the US. For example there may be contention; more so on the allocation of company resources; if there is a large bid in the US that may need help from the UK team and a large US option*

[customer] this may be preferable to pursuing a number of small UK contracts?" (UK MD).

This is related to the associated strategic decisions which will need to be addressed as the agent-in-focus describes;

"one of the things we have to decide now is how do we want to be organise? How do we want to see the opportunity, do we want to see the opportunity based on countries or do we want to see it in a different way and I don't know yet ... it evolves as it goes along" (Group MD).

Reflexive monitoring has allowed the agent-in-focus to become aware that the company may not be harnessing the full capabilities of senior managers as he describes;

"we have got a leader in the UK and we have a very strong leader in the US but maybe we shouldn't be putting them in boxes ... maybe we should be doing something that says that those people can lead more than they are currently leading or lead in a different way" (Group MD).

Outcomes

Outcomes are the effects of agents' practices on structures, both internal and external, and can involve change and elaboration or reproduction and preservation. Outcomes also include events (Stones, 2005). The external structure or set of position-practices represented by the tendering process has been reproduced and preserved by the agent-in-focus. The company is not actively considering any other form of generating international sales. However, an unintended outcome of the reproduction of these structures has been the internal pressure on resourcing tender bids through mixed country teams. To preserve the external structure, the internal organisation and structuring of the company may need to be adjusted. The conjunctural stocks of knowledge of the agent-in-focus have been increased as his position-practice relations and network have been expanded by recruiting two new country managers. These agents-in-context will shape and influence the future international outcomes of the company.

Conclusion

The case analysis explores the role of the procurement process, as an external structure and a set of position-practices, in the internationalisation process of a small-to-medium sized software firm using the interpretative framework of Stones' (2005) strong structuration theory. The procurement process serves an internal function of signification for the agent-in-focus helping him to make sense of internationalisation decisions taken, and also to justify those decisions to the management team. The procurement process allows the agent to retain control over allocative and authoritative resources within the company, serving an internal function of domination. The position-practice relations of the agent-in-focus have been instrumental in enacting the firms' internationalisation strategy. Social relations and interdependencies with partners and agents-in-context have enabled international growth and expansion for the company.

Case findings illustrate that the preservation of the external set of position-practices embodied within the tendering process is a priority for the agent-in-focus. Rather than considering alternative customer acquisition routes the agent-in-focus will enact any necessary changes within the company to support the reproduction of this external structure. Preserving the external set of position-practices enables the Group MD to deliver positive international outcomes for the firm.

6.6 Case 5: Dromoland Engineering

Introduction

Dromoland Engineering is a leading provider of advanced hitching products to manufacturers of agricultural and construction equipment worldwide. Dromoland design coupling technology for agricultural tractors and construction excavators. Other product lines include excavator buckets and other specialist attachments. Dromoland's customer base is worldwide and the company exports 99% of their output to 39 countries worldwide. Dromoland supply some of the largest OEMs (Original Equipment Manufacturers) and OEDs (Original Equipment Dealers) of agricultural and construction equipment in the world. They also have a distributor network worldwide.

Up until the period of the recession in 2006/2007 Dromoland was completely dependent on sales of agricultural based hitching technology and products. The recession threatened to decimate this market and in response to the economic crisis the CEO sought to diversify into development and sales of construction related products. This product diversification strategy coincided with a change in Dromoland's internal structuring reflected in a move away from a traditional Sales & Marketing function to organising international sales within a Product Management function. The key challenge facing the company was how to organise to cater for international growth and a rapidly increasing number of international markets. The Product Management function emerged from the case data as the key external structure exerting influence on the firms' international development and market reach.

Within Dromoland, the Product Management role covers a number of areas such as new product development and introduction, generating commercial and technical proposals for customers, getting voice of customer, generating prototypes and bringing the product to full production and launch. Additional areas of responsibility include contract negotiations, pricing, market, and competitor analysis. After sales service and support also fall within the remit of the Product Manager as does ongoing account management such as extending lines carried by a client company and representing the primary point of contact for customers within Dromoland. There are three Product Managers operating within the function.

The Product Management function can be conceptualised as an institutionalised position. This position-practice slot can be identified independently of its incumbents and so can be classed as an external structure (Stones, 2005). Institutionalised positions, such as the Product Management function, frame the international action horizon of the agent-in-focus and can enable or constrain his actions, leading to either intended or unintended firm outcomes. The Product Management function is an irresistible causal force (Stones, 2005) and the CEO has the capacity to do otherwise and to adopt an alternative organisational design. However, within Dromoland this position slot, or Product Management function, provides an effective way of managing company internationalisation by focusing on strategic client accounts which have international or global coverage. Dromoland 'piggy back' on their customers' international dealer and distribution networks and manufacturing locations, becoming global in reach themselves through these supply arrangements. As an enabling structural condition, the CEO has chosen to preserve and reinforce this external structure. The agent-in-focus within the case analysis is the CEO of Dromoland Engineering. The objective of the case analysis is to explore the complex interaction of structure (Product Management function) and agent (CEO) in the internationalisation outcomes of the firm.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) quadripartite framework. The 'agents' conduct analysis' examines their internal structures which are divided analytically into two components: dispositional frame of meaning or habitus and conjuncturally specific internal structures.

General dispositions or the agents' dispositional frame of meaning includes things such as attitudes, ambitions and embodied skills (Greenhalgh et al., 2014a). Such knowledge is built up over time as the actor is exposed to, and interacts with, social contexts (Stones, 2005). The CEO has an engineering background and held a number of senior roles in multinational companies prior to joining Dromoland. He worked in a number of countries including the UK, North America and China before returning to Ireland. He has been CEO of Dromoland for 15 years and has 30 years of professional experience, skills and dispositional knowledge of how to operate successfully within the engineering sector.

The second category of the agents' internal structures is that of conjuncturally specific internal structures. Conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task or job (Stones, 2005). Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences for the firm (Stones, 2005). The CEO has previous contextualised and conjuncturally specific knowledge of the Product Management function and its successful application and implementation having seen it in action in a previous company. As he explains;

"I worked in a company which was cited in "In Search of Excellence" by Peters and Waterman. Well Peters was heavy on the sales side of it and the product management and he actually cited the company in it and I was lucky enough to work in it before we were bought over, but they believed passionately in the Product Management function and they used it to drive the business" (CEO).

Based on his previous exposure to the Product Management function the CEO went on to create one within Dromoland, reallocating some of the previous sales team to Product Manager roles. Despite being an unusual organisational approach within manufacturing companies his dispositional and conjunctural knowledge underpins his confidence in the structure, regardless of the industry in question, as he describes in the following;

"we've developed a Product Management function in the company which is unusual in our industry, well definitely unusual in our peer group here in Ireland. It tends to be in software and places like that. But I'd have had a positive experience of Product Management in the past so we've actually developed a Product Manager role ... we call it the bow tie. That person is really a mini business manager so they look after sales, operations, finance and engineering [the four corners of the bow tie]. So you've got a product element, a product engineering design element and you've a clear link to finance, operations and then a sales piece to the puzzle" (CEO).

This Product Management function underpins and drives the internationalisation of the company. When asked about the management of international markets the CEO defers to the Product Management structure as the main approach as he explains;

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"you can talk about the markets or you can talk about the approach. It's the approach is the thing. That's the key thing so we're probably a little bit odd. We're not the norm in that respect. I just believe passionately in the Product Management function. I grew up in it" (CEO).

Position-practice perspective of the agent-in-focus

Position-practices consider people in webs of social relations and interdependencies, affecting and being affected by others (Stones, 2005). The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Stones, 2005).

A key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures as sets of position-practices, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009). Key agents-in-context for the CEO are the three Product Managers. The CEO describes the structure as follows;

"so we've got three Product Managers at the moment, one is dedicated to agriculture, one is heading up construction and the other guy is in an OEM development kind of role" (CEO).

PD is Product Manager for agriculture and was previously part of the original sales team structure, or institutionalised position, and has 20 years' experience with the company. MS is Product Manager for construction and is with the company 25 years. PMcM is Product Manager OEMs and Technical Sales Manager. He manages key accounts within the French market having spent a number of years there as Business Development Manager. His remit is slightly wider in that he also fulfils a Technical Managers' brief.

The agent-in-focus acknowledges the depth of knowledge accessible through the professional experience and dispositional frames of meaning of his Product Managers as agents-in-context and describes their experience with the company as follows;

> *"MS headed up operations, he has not got a technical degree but he worked in sales and in finance. PMcM is an engineer, he worked in sales and he also did some work in running our operations process. He lived in France for a few years managing those accounts before he came back here to take up a product management role. PD worked in sales predominantly and finance and has some experience in operations"* (CEO).

The three Product Managers have cross-functional experience of engineering, operations and finance and this is a prerequisite for a Product Manager role within the company as the CEO describes;

> *"some of the criteria for working here is you can't just be hired in and you can't have just worked on sales. In the company you have to have experience of the three functions"* (CEO).

The Product Managers reflect also on their cross-functional experience within the company before moving into the newly created Product Manager roles as follows;

> *"I started out on the floor and then I moved to quality. I was there four or five years so I went through all of the different aspects of quality and ended up dealing with the customers, the OEMs direct. Then I moved into customer services and then into sales"* (PD).

The agent-in-focus recognises the value of upskilling and educating his Product Managers to increase stocks of both dispositional and conjunctural knowledge which facilitates them enacting their roles. He describes the further education of one of the more recent employees as follows;

> *"PMcM joined with an engineering degree, and needed more development so we put him through a Masters in Engineering Management which is kind of like*

a technical MBA, so he finished that and he moved into his new product management role here" (CEO).

The other two Product Managers or agents-in-context have vast experience and dispositional knowledge of the company and the industry. However, their conjunctural knowledge of the actual Product Management function and the expectations of the Product Manager role were low. This was addressed through access to education specifically tailored to Product Management. The CEO describes the programme and the agent's experience of it as follows;

> *"PD and MS wouldn't have had formal degrees but they had great experience here so I went to you guys (a third level college) and they both did the Product Management Diploma and you know they just excelled at it. They really really excelled at it. So they did really well at that and so that allowed us then to start continuing to develop*" (CEO).

Conjuncturally specific internal structures, or knowledge of different tasks, refers to knowledge of interpretive schemes, normative expectations and power capacities associated with them (Stones, 2005). This is similar to the Giddensian structures of signification, legitimation and domination, and this language has been retained by Stones (2005) and is used within the case analysis to further examine the conjunctural internal structures of the agent-in-focus.

The following examines how the agent-in-focus draws on both his own knowledge of structures of signification, legitimation and domination, as well as that of his networked others, in acting and interacting with the external structure of the Product Management function and his Product Managers operating within it.

The agent-in-focus draws on structures of signification as a way to interpret events, to give meaning to interactions and to make sense of organisational activities (Busco, 2009; Englund & Gerdin, 2014). These structures of signification are drawn on so that agents can make sense of the context they act within and can communicate this meaning and their views of ongoing practices to others (Sydow & Windeler, 1998). The Product Management structure serves an internal function of signification for agents-in-context

where the meaning and characteristics of the process is a shared understanding by both employees and management within the organisation. PD likens his role as Product Manager to that of a mini CEO for the agricultural product as he describes;

> *"the best way I suppose I heard the job ever described was a like mini CEO for the product. Okay, so I think that was the best description I've heard. I basically look after the product through its lifecycle, like new product development, new product introduction, discontinuing product and so forth" (PD).*

PMcM mirrors this view, with similar language, describing the level of responsibility involved as similar to that of a CEO as he explains;

> *"yeah you'd be responsible. Like each product is like a business and you are a mini CEO of the business"* (PMcM).

The CEO holds a similar view of the role of his Product Managers where he describes them as mini business managers. Describing the role repeatedly in terms of mini CEO or mini business manager increases the chances of it being perceived as such by the Product Managers and the agent draws on the Product Management function as an internal structure of signification to make this case. He describes a Product Manager as follows;

> *"that person is really a mini business manager ...so they look after sales, operations, finance and engineering" (CEO).*

For the Product Managers themselves the Product Management function serves a function of signification. Whereas the management of 39 individual export markets may appear complex, the external structure provides a clear guide to individual responsibilities.

In order to serve a function of signification within the company all internal stakeholders need to share a common understanding of the role and function of the Product Management structure. Following a strategic sales and marketing review the agent-in-

focus included all internal stakeholders and other institutionalised positions, finance, engineering etc. in the discussion and describes that;

> *"there is no point in having a marketing review if it's only the Product Managers that know about the product. So we had Operations, Engineering, Customer Services, Product Management and Finance present. When you've the action plan [from the review] and when you have everybody on board, people understand what it's about. So you have the finance person there so they know the financial commitment that's needed. You've got the engineers so they have visibility of the pipeline of what's going on. Obviously you've the Product Managers driving it on and the customer services and all of the rest of it"* (CEO).

Structures of legitimation are norms which endorse or sanction certain forms of conduct (Englund & Gerdin, 2014) and denote a set of values and ideals for action by agents (Busco, 2009). The agent can draw on the Product Management function as an internal structure of legitimation, as it is perceived as having brought professionalism, structure and focus to the company, all of which have led to increased international sales. The Product Management function has suited the company's operations from the beginning as MS reflects in the following;

> "*when I look back at it [Product Management function] it's probably pretty much the fit from the start. But probably in a more professional manner in the last number of years. It's a lot more structured now*" (MS).

PD concurs with this idea explaining that structured activity is one of the key benefits as he reflects;

> "*I mean sales … look it when I was in sales I was doing a little bit of Product Management without really knowing what I was doing …there wasn't as much structure to it*" (PD).

PMcM perceives that the external structure has helped to develop strategic thinking within the company and increased focus on key accounts. He explains the advantages of adopting the Product Management approach as follows*;*

> *"[product management approach] has brought a lot of focus on our key accounts more so ..... and the three of us [Product Managers] have upskilled a lot over the last number of years ...we've gone on to further studies ...and you know even the language that we're kind of talking is more strategic and we're kind of thinking long term and I think it's just brought a lot of kind of focus to the team and what we're doing"* (PMcM).

The Product Management structure also serves a function of legitimation for agents, as there is a recognition that the value proposition for the customer can be delivered more effectively by managers with extensive cross-functional experience. MS describes the benefits for both parties as follows;

> *"to be fair all three of us [Product Managers] are very much hands on within the group. Like we understand the technology ...previously if the Marketing Manager was going to a customer he'd have had an engineer beside him whereas we have the whole thing. You know we can really abstract what the customer wants. We can really drive our value proposition to the customer, you know if there are changes required we will bring in other members of the team, and its mainly only to let the customer see that there's a structure in place, but other than that we're fairly competent on what we're selling"* (MS)*.*

Structures of domination provide facilities for the exercise of power by the agent-in-focus (Englund & Gerdin, 2011). The Product Management design has resulted in increasing levels of responsibility for Product Managers throughout the whole product life cycle process. PD describes the increased level of responsibility as follows;

> *"more responsibility for the product. I mean you're now responsible for, you know, design, development and how it performs, you know, the legalities of it all. You're responsible for everything, you know"* (PD).

In terms of managing accounts the responsibility falls to the relevant Product Manager as MS describes;

> "w*ell at the end of the day it's all down to the Product Manager… how he wants to roll it out*"(MS).

The agent can draw on internal structures of domination as the Product Management function identifies clear lines of responsibility for each account and their geographical markets, and helps to monitor and regulate the actions and behaviour of Product Managers. The Product Management function within Dromoland is tightly monitored in terms of the company's strategic objectives and individual performances through weekly and monthly budgets. These targets hold Product Managers accountable for their activities and their time on a constant basis. The agent-in-focus describes the various monitoring techniques as follows;

> "*we've various techniques if you look at the management of all this business. Like there was a meeting this morning at 8'0 clock irrespective of whose present that meeting goes ahead …so there's a weekly, monthly budget for all of the customers and that's the catalyst for activity if you like. So that's the shorter-term stuff. The medium to longer term then we use the pipeline scenario. So you've got the feasibility of development projects, development accounts and how they're going and they're run on a project-by-project basis like that*" (CEO).

Performance measures can be a combination of quantitative sales metrics and non-quantitative metrics such as relationship management with key accounts. PMcM explains the basis of the performance management process as follows;

> "*to be honest with you it's very much metric driven. At the beginning of the year we would agree on objectives for each person and these would be kind of metric driven and then maybe kind of non-quantitative, say kind of growing relationships with a certain customer because it might be deemed to be kind of deteriorating. I suppose it can be quite sales configured now at the moment.*

We're quite sales focused but we're also focused on developing new projects as well, new products for our customer base itself" (PMcM).

Product Managers have individual key performance indicators (KPIs) set from the beginning of the year including aggressive sales targets as MS explains;

"we've got extremely aggressive targets for sales. We try to avoid revising targets as you get into a comfort zone ... and we are used to growth. So they [targets] would be product lines. They would be specific markets and you know ...deepening existing markets … among others" (MS).

A key strategic target is to convert one OEM per year within the group of the three Product Managers. These and other targets tend not be revised regardless of market conditions or changes which may occur. As PD describes;

"we have to prioritise you know ... where we operate ... we've been targeting OEMs at least trying to get one per year and we're exceeding that at the moment" (PD).

In the short term, the Product Management function can be drawn on as an internal structure of domination for the agent-in-focus and he retains power over allocative and authoritative resources through performance management mechanisms. In the medium to longer term, Product Managers' performance is also monitored within the new product introduction (NPI) phase. Here projects have designated monetary values and timelines against which individual performance can be tracked. MS describes the process steps in the following;

"we've got the NPI phase and these are all a range of projects. All these projects have got monetary value and they've got timelines. So from the project plans we've basically scoped out the size of the project, the investment needed, the timelines required to transfer that back into cash within the business and you know, like that's, its visible for anybody within the organisation to review. So that's probably the high end of how it's [performance management] being done" (MS).

Dromoland is currently formalising its use of the sales pipeline as a tool to monitor sales and projects. It will be applied at two junctures; new product introduction and also for existing products. MS explains the two stranded approach that is being taken to managing the sales pipeline as follows;

> "we're taking a two stranded approach there. So we've got NPI products which are coming through and you know, like how they're making their way through the pipeline, the different measure points and also we've got product which we had developed which is already gone through NPI and what new business opportunities or markets we're considering for those products. We do have a weekly sales monitoring target meeting and that's with the products that have made their way through NPI. So that's on a weekly basis. Then the other part of it is what's on the NPI board? How is it making its way through and tracking that through to its release and that's really, it's very much monetary driven, and like we have our new plan being rolled out at the moment and that's taking us through financials up to 2018 "(MS).

The Product Management structure facilitates setting and monitoring both short and medium term targets for the CEO. The agent-in-focus draws on internal structures of domination as these tools and practices offer transparency when monitoring individuals and their contribution to, and impact on, the internationalisation outcomes of the firm. This ability to assess performance on an ongoing basis helps the agent to retain power over both allocative and authoritative resources within the company. An additional source of power is the agent's legitimacy and proven ability with conjunctural knowledge of all aspects of the industry as well as a passion for, and experience of, Product Management as an organisational approach.

Position-practice perspective of the CEO

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). This role or position has various rules and normative expectations embedded within it (Stones, 2005). This identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al. 2015). The focus here is on the agent as a CEO rather than as just an individual. The

position-practice of CEO incorporates ideas of domination and power. As CEO, the agent-in-focus needs the support of his management team to enact decisions. All functions, or institutional positions, are represented on the management team as the agent describes;

> *"I've Finance obviously. I've got Operations, I have planning at that level as well. HR obviously, Product, MS represents the Product Management group on it [team]. I've Process, Engineering then Technical as well"* (CEO).

In addition to the management team, the agent-in-focus is also dependent on the agency of the other majority shareholder when taking strategic decisions as he describes;

> *"I'm a minority shareholder in the business so I need to have the other shareholder with me"* (CEO).

The Product Manager representing the group at the management forum acknowledges that all internal stakeholders need to be on board before any decisions can be made, and they need to understand how decisions around product management will affect, and will be affected, by them. The agent-in-context explains this as follows;

> *"so you've got Finance, who we have to sell the investment to [around the NPD], how much we are going to initially price the product at. We've got Operations, what impact is it going to have on capacity and engineering? You need input from them on timelines and how long it is going to take"* (MS).

In enacting this position-practice there are expectations of the CEO in terms of company growth. The agent-in-focus has demonstrated his capacity to make things happen by moving the company from a position where three agricultural customers accounted for 80% of sales to a more viable position. The current company position is based on international sales of agricultural products, accounting for 60%, and sales of construction related products making up the balance. Twenty eight customers now account for 85% of sales. The CEO reflects on this changed landscape suggesting that *"where agriculture was the cash cow, construction is now the star"*.

The institutionalised position of the Product Management function has allowed the agent-in-focus to transition to an organisational design which facilitates close performance monitoring of the three Product Managers. It has also empowered the agents-in-context. As Product Managers hold full responsibility for the product and the client account they also hold decision making authority within certain process guidelines.

Within these position-practices the agent's view of both the external and strategic terrain is important. The agent-in-focus is confident of the company's ability to continue to build its position within the market and he is impatient to realise that ambition. He explains his view as follows;

> *"our objective is to be number one or two in the market. That's the objective to get up to that level. I never say that things are going really well, I don't think that way ... but it is growing. It is part of our strategy to continue to grow. I wish it was moving at a quicker pace"* (CEO).

The Product Manager for construction has a positive view of the strategic terrain within that sector based on his belief that the technology Dromoland has is a global platform that can be rolled out across all markets. He reflects on this idea as he explains;

> *"we feel the technology we have in construction is probably one of the most global solutions that can be provided to all regions" (MS).*

The Product Management approach and functional design has empowered the agent-in-focus. When faced with a large number of geographically diverse markets to manage, 39 and growing rapidly, the Product Management function ensures the focus remains trained on key accounts and that responsibilities within managing these accounts are clearly delineated.

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) research framework strategy. The 'agents' context analysis' gives an account of their interpretation of, and practical engagement with, external structures (Parker, 2006;

Stones, 1991; 2005). Key agents-in-context for the CEO include his management team, Product Managers and the majority shareholder in the company. Interdependencies and power asymmetries exist within this web of relations. The CEO is impacted by the three Product Managers as they are the international sales generating arm of the organisation. The CEO is also affected by, and is dependent on, the quality of the management team and his ability to get sign off to enact decisions taken. A crucial agent-in-context is the other majority shareholder in the business who has an 80% stake in the company.

Stones (2005) refers to 'independent causal influences' which can exist as external structures and form the structural context of action for the agent-in-focus. These 'independent causal influences' are constituted, reproduced or changed entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005).

Within the Dromoland analysis, a key independent causal influence which impacted the company and kick started the Product Management function was the economic recession which began in 2006/2007. Completely dependent on sales of agriculture based hitching technology and products the CEO sought to swiftly diversify into sales of construction products. The CEO describes the strategic decision to diversify into the construction sector in the following;

> *"basically moving into construction we protected some of the core competencies in the business around product design, hydraulics, an understanding of hitching"* (CEO).

These external structures, or independent causal forces, exert influence over internal structures and agents themselves and may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008). Within Dromoland, the product diversification strategy occurred in tandem with the removal of the traditional sales and marketing function and its replacement with the Product Management function, or institutional position, within the company structure. This independent external structure was the catalyst for changes in organisational design and product diversification which have served the company well.

In Stones (2005) narrative, the Product Management function as an external structure, or institutionalised position, is an irresistible causal force. With an irresistible casual force the agent-in-focus has the capacity to do otherwise, to adopt an alternative organisational design, or to change the external structure. As an enabling structural condition, the agent has chosen to preserve and reinforce the external structure which has facilitated Dromoland effectively managing their internationalisation process.

Active Agency

Active agency encapsulates the observable behaviour during which an agent, motivated by his internal structures, chooses to act in order to confront his external structures (Stones, 2005). Active agency shows how agents draw on their knowledge of internal and external structures when making decisions (Coad et al., 2016). Giddens (1984) posits that the agents' motivation to act can be direct and purposeful or indirect and more routine. The key aspect of active agency observed within the case is the agents' purposeful motivation to move from the original sales structure to that of product management. Within the case context, the agent takes direct action to restructure the company away from a sales and marketing function towards a product management approach. On joining the company, the CEO inherited a Sales & Marketing Manager and a sales team which accommodated the company's singular focus on agricultural products at that time. The CEO describes the situation as follows;

> *"we had a Sales & Marketing Manager here who would have been instrumental in getting sales. I had some direct sales when I came in and we got rid of that. We had sales people and bringing stuff you didn't want and it was a flipping nightmare to manage" (CEO).*

These sales people, up to seven at one stage, were organised geographically but given the length of the client acquisition process, which can vary from 18 to 36 months, this approach was not working for the company. The CEO reflects on the sales approach as follows;

> *"it just wasn't working. They [salespeople] didn't have the breadth of what we needed to drive that thirty-six month cycle. So a sales man was no good to me"* (CEO).

The Product Manager for construction reflects on the previous sales structure and critiques the lack of product expertise of the Sales & Marketing Manager as he illustrates in the following;

> *"he [Sales & Marketing Manager] never really got involved in the whole idea the concept of it, you know like understanding the product in much detail so ... he always relied on, you know, expertise to support him, pretty much from Engineering or that sort of thing"* (MS).

The Product Management function has recently become more structured and formal in approach as a result of a strategic review undertaken by the company. This strategic review coincided with the agents-in-focus engagement with another external structure, an international executive management programme, which crystallised the CEOs' views on the value and use of Product Management as an organisational design for Dromoland. The CEO goes on to describe the conscious decision taken to develop the product management function even further as he explains;

> *"we made a conscious decision, we did a strategic review and we came out of that and we says ... we're going counter intuitive but we're actually going to focus more we're going to be quite dramatic and use that [product management] approach and going to focus, focus, focus"* (CEO).

Increasing stocks of knowledge of the external structure is allowing the company to customise elements of this structure specifically to Dromolands' operations. The CEO feels that there is more to be done in terms of the Product Management function suggesting that, *"we're not there yet"*. The general opinion amongst agents-in-context is that the Product Management function is still bedding down within the company as described by the Product Managers;

"it's still bedding down and we are continuously learning" (PD).
"we're developing it more and more and we're very keen on expanding it like" (MS).

This evolution is reflected in the comments of one particular Product Manager who suggests that there are still aspects of the process which need to be finalised. He describes the situation as follows;

> *"to a certain extent it's still evolving because okay we have put to bed the NPI process but there's NPD which is a new product development process which is before that and that's in the final phase of being finalised now at the moment"* (PMcM).

Reflecting on whether there is a need to expand the Product Management function even further to include an after sales service requirement, the CEO acknowledges that there is more work to be as he explains;

> *"we're not totally up to speed yet in that. So as the business is developing now that is the next phase"* (CEO).

Another emerging issue is the need to support the Product Management function as it evolves with improved marketing intelligence resources. The CEO explains the need for more data driven marketing in the following;

> *"we want more data driven marketing … we're going to try and develop a better hub of market intelligence to equip these people [Product Managers] as we enter into a market or we're going into a customer or whatever…that we can really put forward our products"* (CEO).

Within active agency the CEO is also capable of reflexive monitoring. The agent monitors the international environment, their own actions, the actions of networked others and the contexts in which actions are embedded (Sydow et al., 2010). The agent-in-focus is conscious of the need to understand the dynamics of dealing with competing markets as he describes in the context of managing both Japanese and Korean clients within the Dromoland portfolio;

> *"you have to watch the dynamics of the international market. If you go to Japan you do not say I'm supplying Korea. They'd run you out of the office, they can't*

stand each other. And when you go to Korea you don't say I'm flying to Japan"
(CEO).

A key aspect of reflexive monitoring is that the agent-in-focus can respond to changing situations. This can be seen in relation to monitoring markets such as the South African market to gauge its ongoing potential as the agent explains;

"we want to develop South Africa, mining and construction, we're watching closely, the amount of infrastructure work going in the northern African countries is phenomenal but there's volatility. But then you've also got this other thing they've none of the environmental standards we have. It means they're buying in cheaper machines and when you're buying cheaper machines you won't be buying our technology" (CEO).

Outcomes

The agent-in-focus has led the way in creating and implementing the Product Management function within the company. He has been able to do so due to the stocks of dispositional and conjunctural knowledge available to him. This has legitimised his introduction of the new approach and allowed him to retain power amongst his networked others. Within his internal structures, a change in the agents' view of the external terrain within position-practices can be detected. This is one of increasing optimism as the company continues to make major wins with global OEMs particularly in the construction sector. Where the agent-in-focus was always in favour of the Product Management organisation for Dromoland, he now has increased confidence in championing this initiative as the benefits are crystallised for Dromoland in terms of organisational efficiency and effective handling of sales and client account management. These positive views reproduce and preserve the external structure of the Product Management function within the company by the agent-in-focus. The role of the Product Management function, as an external structure and an institutionalised position, is also evidenced by a number of outcomes as events, mainly a widening of the customer portfolio, company sales growth and product representation in new geographical markets.

Conclusion

The case analysis explores the role of the Product Management function as an external structure, and institutionalised position, in the internationalisation process of a medium sized engineering firm, using the interpretative framework of Stones' (2005) strong structuration theory. Case findings illustrate the capacity of the individual to act and to make his own choices within the company. At the first opportunity that arose within the organisation the agent-in-focus took decisive action to remove the underperforming Sales & Marketing function and replace it with the new external structure, or institutionalised position, of the Product Management function.

These decisive actions are based on internal structures of the agent-in-focus in particular the CEOs' conjunctural knowledge of the Product Management function. The agent-in-focus derives power capacities from this knowledge base which legitimises his approach and gives him credibility amongst his networked others. The positive effects of the interaction between the structural conditions formed by the structure (Product Management function) and managerial agency (CEO) are evident in the company's improved performance. This evidence further legitimises the CEOs' choice of approach and ensures continued preservation of, and investment in, this organisational design.

6.7 Case 6: Keavy Engineering

Introduction

Keavy Engineering is a family owned SME established in 1978. The company operates under the Keavy system brand which denotes the Keavy mixer wagon[9] it manufactures plus the specialist nutritional support that Keavy provides to its customers. This award-winning company has become one of Ireland's largest machinery exporters and an international brand. The company's success is based around its reputation for service and the long life and reliability of the Keavy mixer wagon itself. Keavy employs 230 people, of whom 70 are based abroad. It currently exports to over 50 countries which represents 90% of sales and has a customer base of approximately 30,000 farmers. The company had a turnover of €46 million in 2014. The Keavy brand is the market leader in Ireland, the UK, France, Denmark, Sweden, New Zealand, Australia, Lithuania, Hungary and Latvia.

Within the case analysis three episodes of structuration were identified; (i) 1978-1995, (ii) 1995-2006, and (iii) 2006-2014. The term episode is used within the case analysis to depict a finite period of time. Within each time frame or episode identified, repeated cycles of structuration are also evidenced. Cycles of structuration, as used within this case analysis, depict a series of activities and actions that are regularly repeated in largely the same sequence and order within the relevant episode identified.

Within the case analysis, the outcomes of the first episode of structuration form the external structure and conditions of action for the next episode of structuration. Within the case analysis, the external structure in the first episode of structuration (1978-1995) represents distributors and dealers that the company deals with. The outcome of structuration is that the company moves away from the use of these intermediaries and instead creates wholly owned subsidiaries, which are the observable outcomes of the structuration process.

These subsidiaries as external structures frame the conditions of action of the agent in the second episode of structuration. The outcome of this second episode (1995-2006) is a move away from subsidiary structures back towards a hybrid arrangement which

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[9] A mixer wagon is a specialist agricultural machine used for accurately weighing, mixing and distributing total mixed ration for ruminant farm animals, in particular cattle and most commonly dairy cattle.

includes the use of country distributors supported within markets by Keavy staff. Within the final episode of structuration (2006-2014), the hybrid arrangement forms the external conditions of action for the agent-in-focus. The outcome of this episode is the reproduction and preservation of these external structures but also the formation of collaborative agreements with other actors such as international feed companies.

The three episodes of structuration observed within the case analysis cover a combined time frame of 36 years. Analysing several episodes of structuration was only feasible given the continuity of tenure of the agent-in-focus within the company over this time period, albeit in differing roles. Investigating the various episodes allows the impact of external pressures to be traced out in clearly defined time periods. The quadripartite structure provides a holistic framework within which to examine how and why international events unfolded as they did. The changing internal structures of the agent-in-focus are mapped out within the internationalisation process story and how these, as well as position-practices, mediate external realities are explored in detail.

As several episodes of structuration are discernible throughout the case analyses, the case findings and analysis are presented in three separate sections, each dealing with a specific episode of structuration and analysing the role of a particular external structure. Episode 1 analyses the role of distributors and dealers in the internationalisation process of the firm between 1978 and 1995. Episode 2 analyses the role of subsidiaries, as institutionalised positions, in the firms' internationalisation process between 1995 and 2006. Episode 3 analyses the role of the hybrid arrangement of country distributors supported by Keavy staff in the internationalisation process of the firm, between 2006 and 2014.

6.7.1 Episode One

This first episode of structuration within the case analyses the role of distributors/dealers (external structure) in the internationalisation process of the firm. This episode deals with the timeframe 1978-1995.

Agents' conduct analysis

'Agents' conduct analysis' is the first of two methodological brackets to be employed as part of Stones' (2005) research framework. The agents' conduct analysis examines their

internal structures, which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures. General dispositions or the agents' dispositional frame of meaning includes things such as attitudes, ambitions and embodied skills (Greenhalgh et al., 2014a). Such knowledge is built up over time as the actor is exposed to, and interacts with, social contexts (Stones, 2005).

The agent-in-focus is GK, one of the founding members of the company. Previously he was a Marketing Executive with an agricultural machinery manufacturer in Germany, before returning to manage sales in Keavy. For the period under investigation, the agent held the role of Sales & Marketing Director. At this point, the CEO was his father who was the product development champion within the company as the agent acknowledges in the following;

> *"the business started off in 1978 and between '78 and '83 we weren't in the area we are currently in. We were in a series of innovative machinery or implements. I wasn't a driver of how to develop those products, my father would have been"* (Sales & Marketing Director).

The second category of the agents' internal structures is that of conjuncturally specific internal structures. Conjuncturally specific, or particular knowledge, is knowledge of how to act in particular situations, in relation to a particular task or job (Stones, 2005). The agent-in-focus was in the early stages of acquiring conjuncturally specific knowledge. As Sales & Marketing Director, he was at the forefront of selling activities for the products, including attending trade shows and managing sales leads for the Keavy mixer wagon. He describes his activities around the launch of the mixer wagon in the UK as follows;

> *"I would have been market development and out there selling them one-by-one to the farmers. Would have done the [trade] shows, would have done the marketing, the direct marketing, the planning, the PR, stuff like that. I would have done the initial selling of the first machines to the farmer and the first promotions"* (Sales & Marketing Director).

The agent-in-focus is building up dispositional knowledge of the sector and particular knowledge of how to sell the product effectively. The key aspect of a successful sale was the ability to be able to articulate the value proposition clearly for the end user or farmer as he describes in the following;

> *"we were able to sell and we were able to understand how to find an end user and how to articulate the benefits of the product and all that so that started us on our way in 1983"* (Sales & Marketing Director).

A key challenge facing the company at this point was accessing distribution networks to achieve market penetration and adequate sales for this new and expensive piece of capital equipment. The Sales & Marketing Director describes the challenge as follows;

> *"the challenge, the real big challenge was to get to a volume of business that you'd make money on. We were a new business based on new products so we were selling new concepts"* (Sales & Marketing Director).

In the early 1980s, the UK was the first export market for Keavy and sales were initially achieved through dealers. However as sales were strong and the market was close the company decided to invest in the market by setting up its own subsidiary. One of the agents-in-context, the Commercial Director, explains how the change occurred;

> *"initially it [the UK market] was set up through some dealers, and getting enquiries through some dealers, some distributors, and then it moved to a wholly owned fully staffed subsidiary"* (Commercial Director).

This structure was very successful for the company in the UK as the agent recollects they had established the products within a growth segment as he describes;

> *"within four or five years we were cleaning up. We were making net profits of twenty/twenty-five per cent and you know we gave a terrific service. We basically controlled ... well we had a niche that was growing"* (Sales & Marketing Director).

Despite setting up a subsidiary in the UK market, the company planned to sell through the distributor and dealer network in less familiar and more distant markets within Europe. This would represent less financial risk and commitment for the company in the initial stages of market entry.

Conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences for the firm (Stones, 2005). Here the conjuncturally specific knowledge of the agent is only developing in terms of dealing with both international markets and distributors. This lack of particular market knowledge leads to the perception of unfamiliar markets as 'alien parts of the world' as the agent-in- focus describes in the following;

> "*when we did this system [combining the machine with nutritional advice] we had our toes in mainland Europe from about 1987 into Holland, Denmark, Sweden, Germany and initially we had found, you know, these were alien parts of the world*" (Sales & Marketing Director).

The lack of conjuncturally specific knowledge leads to the agent-in-focus assuming that distributors have a level of expertise that Keavy lack. He draws on internal structures of legitimation to justify his use of such distributors based on their market knowledge and expertise. The Sales & Marketing Director explains the company's position as follows;

> "*we didn't contemplate doing that [setting up subsidiaries] on the continent and we did the usual thing for a period, let someone else distribute it. We kind of said well they must know better because they're Dutch, German, Swedish, and Danish*".

However, these distributor and dealer networks proved to be problematic in some markets. Within France, the distributor was perceived as unwilling to put in the necessary levels of effort to sell the product. The product also had become one item within a wide portfolio as the agent-in-focus describes;

> "*we had a go at France with a big distributor and that got nowhere. We never really got into the market. We just did a few trials and you know, they didn't*

have much stomach to develop the market and you know it was just another product along a big list of stuff" (Sales & Marketing Director).

As the agents-in-focus experience with these intermediaries builds, there is a change in his internal structures which mediates his relationship with them. It emerges that the conjunctural knowledge of the agent-in-focus in terms of how to sell the product successfully is as, if not more, important than the distributor's knowledge of the external terrain in European countries. The agent-in-focus recollects that Keavy itself knew more about how to sell the product successfully than distributors did as he illustrates in the following;

"*people [distributors] had a narrow view of the thing. They kind of treated it like say another machine and that wasn't the case. This was a tiny niche. There was a very limited market in almost any of these places. They were basically coming from the same place that we had started from six or seven years before*" (Sales & Marketing Director).

The agent-in-focus draws on structures of signification as a way to interpret events, to give meaning to interactions and to make sense of organisational activities (Busco, 2009; Englund & Gerdin, 2014). These structures of signification are drawn on so that agents can make sense of the context they act within and can communicate this meaning and their views of ongoing practices to others (Sydow & Windeler, 1998). Within Keavy, the drawbacks of the distributors and their negative characteristics come to underpin a shared understanding among the management team. A key agent-in-context, the Managing Director, outlines why distributors are failing the brand and identifies their lack of interest in 'doing the hard yards' to get sales as problematic as follows;

"*classic distributors, they control entry points for products into a market and then they have a number of dealers under them. All they do is basically sit back and take their margin. They push the easier ones [brands]. So if there's a John Deere[10] or some other brand …but in terms of going out and creating markets and doing the hard yards. They're not engaged in that at all*" (Managing Director).

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[10] Large American brand of farm machinery

This view of distributors has been communicated to other actors in the company. The agent-in-focus also perceives that distributors won't 'do the serious graft' needed to advance sales as he describes;

> "*you know no real drive. They were intelligent people, they liked it [product], but if you looked at it, they didn't do the hard work. They didn't do the serious graft that you have to do to get out there and find the market. Find it the hard way. It doesn't appear on a plate for you*" (Sales & Marketing Director).

As the conjunctural knowledge of the agent-in-focus is increasing, this is changing his perception of the distributors and the company is beginning to consider alternative sales channels. As the agent-in-focus describes the lack of drive in distributors remains a problem;

> "*at that point in time we had a much clearer idea of what was required so when we were talking to them [distributors], well this business needs, dedicated sales guys and it needs to be a, b, c and d and they were switched on by the business because it was a value add. But it didn't work … there wasn't a drive, you know, what you're meeting is kind of sophisticated businesses but no drive*" (Sales & Marketing Director).

The agent-in-focus highlights that sales were not being managed in the way that Keavy had identified they needed to be as he describes;

> "*w*e *found that distributors didn't do it [sales] very well, because the fundamentals that we had found as successful they felt were unnecessary, so things like rapid mechanical service, nutritional service support*" (Sales & Marketing Director).

The changes in the agents' conjunctural knowledge and internal structures are evidenced by the following where he describes how Keavy's expectations of distributors were changing based on their success in Ireland and the UK where the company managed sales itself through its own subsidiary structure;

"we would be looking at a distributor in Holland selling a few machines and as we were developing fairly rapidly in Britain and Ireland, our expectations and requirements in these markets changed" (Sales & Marketing Director).

A shared understanding now exists within the company that distributors lack the level of detailed knowledge needed to sell the product and that this channel was not working for Keavy. The agent-in-focus goes on to further explain that;

"we were as well particularly in the early stages of Total Mixed Ration[11] (TMR) feeding; we were bringing in new feeding concepts to the market. It was value add and so from the start it was very much positioned as a premium product that was creating value for farmers and it was introducing a new concept, and so what we found out in a lot of the markets that we needed to go into, was that going in the traditional dealer importer route didn't really work for us. We needed someone to really understand the concept and the concept of selling and there was a detailed level of knowledge required of this sector you were selling into" (Sales & Marketing Director).

The agent-in-focus feels constrained by distributors who are not adequately representing the brand and at the same time are tying up a market that Keavy could unlock themselves as the agent describes;

"this [type of selling] required creativity ... so if you don't push you don't get anywhere. Finding a dealer and stocking them up isn't the answer. You don't get a second order. So then after a period of time this wasn't happening [sales with distributors] and we were kind of saying well we're tying up a market here for nothing" (Sales & Marketing Director).

As the dissatisfaction with distributors as a sales channel continued to mount the company considered alternatives. This was informed to a large extent by the success of the UK subsidiary in direct contrast to the failure of the distributor option. The agent-in-focus describes the thinking behind the change in direction as follows;

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[11] TMR Total Mixed Ration: is a method of feeding dairy cattle and the special equipment needed to achieve this is a mixer wagon.

"then we decided over a period of a couple of years to setup our own business direct. Effectively we began to recruit our own people to go direct in these countries, that's essentially it, and that grew on from there. We just basically put in Irish people who were working for us to head up Germany, Denmark and Sweden and that was an important part" (Sales & Marketing Director).

By this time, the need to move away from the distributor channel as a market entry mechanism is a commonly held belief. As one of the agents-in-context describes;

"you know it wasn't enough to have a standard dealer machinery sales man who represented 10 or 15 different products ... you actually needed a specialist in there. And we found out that the best way of actually doing that was through our own subsidiary companies" (Commercial Director).

Towards the end of the 1980s, subsidiary companies were set up in Denmark, Sweden, and Germany as the company focused on Northern European markets. In the early 1990s, Keavy established subsidiaries in New Zealand and Australia as it expanded into the southern hemisphere. In the mid-1990s from about 1995 onwards Keavy established subsidiaries in France, South Africa, the US, Chile and Argentina as part of "*its globalisation spree*" (Commercial Director).

Agents' context analysis

'Agents' context analysis' is the second methodological bracket within Stones' (2005) research framework. The agents' context analysis gives an account of their interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). The case data illustrates the constraining nature of distributors on the company. The sales and market penetration expected from intermediaries has not been forthcoming and the agent-in-focus feels limited by them. These external structures are irresistible causal forces where the agent has the ability to do otherwise, to resist, or to change the external structure (Stones, 2005). As a constraining structural condition, the agent-in-focus has chosen to change the external structures impacting his horizon of action. Distributors as external structures are abandoned and replaced by wholly owned subsidiaries. These subsidiaries can be conceptualised as institutionalised

positions, or position-practice slots that can be identified independently of their incumbents, and so can be classed as external structures (Stones, 2005).

A key external structure which framed the action horizon of the agent-in-focus was the economic recession in the 1980s. As an independent causal force (Stones, 2005) it provided a crucial impetus for the speedy development of export markets. Towards the end of the 1980s and into the early 1990s, competition in the sector increased significantly. This encouraged the company to improve its product offering which saw Keavy combine the machine with nutritional support for farmers. This innovative approach enabled further market penetration and sales and helped Keavy to retain its number one spot in the marketplace.

Active Agency

Active agency encapsulates the observable behaviour during which an agent, motivated by internal structures, chooses to act in order to confront his external structures (Stones, 2005). Giddens (1984) posits that the agents' motivation to act can be direct and purposeful or indirect and more routine. The key aspect of active agency observed within the case is the agents' purposeful motivation to move from the use of distributors to establishing wholly owned subsidiaries. In confronting these external structures, the agent-in-focus demonstrates his ability to change the structural conditions facing the firm. The agents' practices also demonstrate a capacity for transformative action in altering external structures for the company.

Outcomes

The agent-in-focus has been instrumental in the drive to replace distributors with wholly owned subsidiaries in international markets. This is due largely to increasing stocks of conjuncturally specific knowledge which has led to increased confidence within the company to manage its own sales. These subsidiaries, or institutionalised positions, now form the external conditions of action for the agent-in-focus within the next episode of structuration.

6.7.2 Episode Two

The second episode of structuration within the case analyses the role of subsidiaries (as external structures and institutionalised positions) in the internationalisation process of the firm. This episode relates to the period from 1995 to 2006.

Agents' conduct analysis

The agent's dispositional knowledge has built up over the last 15 years within the company as he continues to be exposed to, and interacts with, social contexts. His conjuncturally specific knowledge or knowledge of how to act in particular situations, in relation to particular tasks has also been built up within this time frame. By the mid-1990s, the company was operating 13 subsidiaries around the globe. The agent-in-focus is now the CEO of the company. Using subsidiaries as a market entry mechanism allowed the company to revisit markets which had been unsuccessfully targeted in the past with distributors. For example, 10 years after failing to enter the French market via a distributor the company entered with its own subsidiary. Key to its foundation was the inclusion of 'Keavy people' as the agent-in-focus describes;

> "*we decided that there was a market [in France]. We looked at the various regions. Looked at where the intensive farming was and looked at setting up an office, which we setup in Brittany. My brother went, headed it and that was basically it and built an organisation from scratch*" (CEO).

One of the agents-in-context describes the process in relation to entry into the Danish market and setting up a Keavy subsidiary as an expensive investment but still 'the most effective' for Keavy as follows;

> "*a lot of early business came from early users, go out then set up our own subsidiary and recruit our own people. I mean it's a very expensive model of doing business, really expensive, high commitment, if you're in you're in fully, and it was a huge, a huge investment because what we were bringing really at that stage and particularly, say from the end of the 1980s to the early 1990s on, we were bringing in nutritional expertise. So you were bringing sales, you were bringing nutrition, you were bringing the product, you were bringing customer service, you were bringing admin - it was an expensive entry into the markets*

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but certainly at that stage proved to be the most effective for us" (Commercial Director).

The agent-in-focus draws on the subsidiary as an internal structure of legitimation as it justifies the actions taken by the company. Subsidiaries staffed with Keavy's 'own people' allows the agent to draw on internal structures of legitimation as the obligations of each person or function are clarified whether that is within sales, nutritional services, customer services or the product itself.

However, a change in external structures creating the structural conditions of action for the agent-in-focus had a huge and direct impact on company operations. The Commercial Director explains how the advent of BSE[12] (or Mad Cow disease) in the UK affected operations almost overnight;

> *"up until about 1996 the UK was our major market, it probably accounted for 40% of our sales. It was the cash cow for the group at that stage. Then BSE hit the UK and basically our business in the UK dropped by 50% literally overnight"* (Commercial Director).

The CEO also outlines the dramatic change in the structural context of action for the firm at that time as follows;

> *"the UK and Ireland were about half our business at that stage, fifty per cent, and they dropped by call it fifty per cent and so now we kind of accelerated our sales in these new markets. Well it looked like a bright idea to kind of overcome the Mad Cow disease thing because you didn't know how long that was going to be a problem"* (CEO).

The structural context created by changes in external structures can serve to either facilitate or frustrate the agent's purposes (Stones, 2005). In this case, the advent of BSE was the impetus for rapid expansion as the UK market 'nosedived'. This change

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[12] BSE is a fatal neurodegenerative disease in adult cattle. Commonly known as Mad Cow disease it hit the Irish and UK cattle market in 1996 causing havoc within the Irish and UK farming industry. Thousands of cattle were slaughtered, prices fell and consumers turned away from eating beef.

accelerated the expansion plans the company was already pursuing as the Commercial Director explains in the following;

> "*our response very much was to go on this globalisation piece. We were embarking on this phase anyhow but once it [BSE] hit and the UK dried up in terms of sales we accelerated that quite a bit. We would have transferred people directly from the UK market and put them out in each of the various markets. The UK market almost disappeared overnight and there were a number of months that zero business came out of it. And so we went with that and some of them [direct entry markets] worked out quite well*" (Commercial Director).

Changes in the structural context exerted pressure on the company's network of subsidiaries. The agent-in-focus recollects that although the company thought they had 'the answer' with the subsidiary structure this was not the case as the CEO explains how the cracks began to appear in the following;

> "*I think at one stage we had thirteen subsidiaries and then we got hit with Mad Cow disease which exposed the weaknesses in the thing. At that point in time I would have thought well we had the answer ... and it seemed to be similar in all the places ...but it wasn't as it happened*" (CEO).

These changes caused the agent-in-focus and the management team to question the subsidiary structure as the most appropriate sales vehicle for Keavy. This questioning of the suitability of the subsidiary structure was ongoing as operational challenges increased for management as the CEO describes;

> "*there were challenges within the places we were exposed anyway but we were particularly exposed when Mad Cow Disease happened. As we accelerated we moved people out of the UK and Ireland and so various kinds of operational issues, kind of small stuff, got you exposed, if you had warranty issues, if you got your order wrong, if the machine now had to cope with different types of material in different places*" (CEO).

Despite the involvement of Keavy employees the agent-in-focus can no longer draw on the subsidiary structure as an internal function of domination as these actors can no longer achieve positive outcomes for the CEO. The agent-in-focus is losing the capacity to get an outcome where he is dependent on the agency of others and the CEOs' power is being diluted. The agent-in-focus describes the lack of adequate management structures as a key cause of the problem as he describes;

> *"we did encounter difficulties as we went into it [market expansion via subsidiaries] that as we spread ourselves into these other markets and even if we put out some of our own people from Britain and Ireland into key roles, we found by about 1996/97 that we hadn't a management structure, it wasn't strong enough and you know, we had expected guys to transition from maybe good line jobs in selling or nutrition into management, and that didn't work out so well"* (CEO).

The CEO can no longer draw on the subsidiary structure as an internal structure of domination as it is failing to hold people accountable for their actions and control has become lax. The agents' control over both allocative and authoritative resources is lessened as the CEO explains;

> *"it was in this period when you could get lost and you could do things ... and information flow was poor and central control was lax. It [subsidiary structure] had been okay and adequate when you had very honest and responsible people but we seemed to have a cracking combination of the opposite in X"* (CEO).

Difficulties with managing subsidiaries also emerged with the German market. The agent-in-focus recollects that market turbulence meant that his brother moved on from managing the subsidiary as the CEO describes;

> *"what happened there is that the management of the business ... my brother had set it up and had built a good organisation, a good hard working commercial organisation. But because of all of this kind of havoc throughout the business we had to change his role so we gave him Scandinavia and he probably got France as well"* (CEO).

The CEO goes on to describe the approach the company took to the German market, which included appointing a new country manager as the agent-in-focus explains;

> *"so we promoted a guy in the (German) market who is a very good sales guy into being the manager of the thing and he was an extremely difficult guy as a manager. And he more or less began to create a bit of an empire. He liked the power and he wouldn't do it our way. He was always a difficult guy but he was extremely difficult when he was the "man". So we went through probably three different managers over a few years and it went from bad to worse"* (CEO).

As illustrated in the previous comments the subsidiary structure no longer serves a function of domination for the agent-in-focus. The agents' power in terms of regulating manager's actions and behaviour is constrained. The poor effectiveness of the subsidiary structure is a shared understanding among the management team and the Managing Director highlights that the company was faced with taking key strategic decisions about these subsidiaries. He describes the situation as follows;

> *"so we were skimming along the top of a whole lot of markets around the world through direct operations which were ... which gave early wins, you know, you can get the early adopters the innovators fairly early on and then you come to a chasm and then it goes quiet. So we were in chasms all over the place and particularly when 'food and mouth', you know Mad Cow disease ... so we had strategic choices to make"* (Managing Director).

Competition as an external structure provided the impetus for the change in strategic direction away from subsidiaries. This independent causal force (Stones, 2005) changed the structural conditions of action for the company and prompted the winding back of operations from subsidiaries to distributor arrangements. The Commercial Director describes how competitors prompted action within Germany, which was the beginning of a major change in company operations;

> *"at one stage we would have been the market leader there [Germany] not much competition at that stage and huge market share at the end of the 1990s. Then*

there was a product developed called the vertical feeder[13] and they have taken a very strong hold in the German market and so we would have converted Germany to be a distributor market in the mid 2000s. So that was really if you like the foundation of the distribution division" (Commercial Director).

This new organisational structure, the Distribution Division, oversaw the winding back of international markets from direct entry and subsidiaries to a combination of distributors and Keavy personnel, from the mid 2000s onwards. Over time a hybrid external structure has emerged with Keavy, using a country distributor (external structure) combined with a team of Keavy staff on the ground in the market (agents-in-context). The Managing Director describes the combination as follows;

"*if you look at Germany, you've kind of got a hybrid. So you have a small number of dealers who were not that effective in driving the business. You've a core group of our people [Keavy staff] in the market, so you kind of got a hybrid*" (Managing Director).

The Keavy team provides the marketing, sales, and nutritional support and the distributor provides the network and the initial sales leads and contacts. This resource combination is mediated by the conjunctural knowledge of the CEO and his first-hand experience of dealing with distributors as discussed within the first cycle of structuration. The negative outcome of previous interactions with distributors leads to the agent-in-focus including Keavy staff as central actors in this new hybrid arrangement. This facilitates the CEO in retaining a degree of control over both authoritative and allocative resources within markets. The CEO describes the emerging situation in Australia as follows;

"*Australia we've just appointed someone, our guy there so you'll have dealers, you know, handling the products or distributors, more regional distributors, you know, so it's kind of a hybrid. It's not perfect but it's probably a position where the dealer or the distributor is able to put the service infrastructure in place. So that at least takes care of that. The market development bit, that's not great in*

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[13] An alternative smaller machine based on vertical feeding rather than the paddle feeding mechanism used in the Keavy wagon.

general, you know, that's tending to be coming back to us and definitely in Denmark, and definitely in Germany, so that will probably be the situation in Australia as well" (CEO).

The Managing Director describes the supports in place for another of Keavy's distributors within New Zealand. A key feature of this arrangement is the inclusion of Keavy staff in sales and marketing activities. The conjunctural knowledge of the agent-in-context, as evidenced in the first episode of structuration, is based on the opinion that only 'Keavy people' can effectively sell Keavy products. The agent-in-context describes the situation as follows;

"in New Zealand we've got a new distributor. Now that's a guy who was the service engineer. He was providing the whole backup if machines broke down and preventative maintenance and all that sort of stuff. And he is really doing very well. So now we're going in supporting him then. At the moment, next month there will be one of the nutritionists from the UK market will travel down. He's highly commercial so he'll be in a market development role. And then we'll then, you know, we'll now recruit a sales guy. So they'll be a shared cost ... the sales and marketing is really driven by us" (Managing Director).

Position-practice perspective of the CEO

Within position-practices, the agents' view of both the external and strategic terrain is important. The extreme change in external structures, particularly the BSE crisis, impacts the agents' view of the external terrain very negatively. The company has been close to going out of business and the agents' view of the strategic direction the company should pursue is unclear as the CEO explains in the following;

"sales collapsed and so it was a depressing kind of time. There was six months of this stuff as we were in freefall, and this went right up to the end of 1997. At this point in time we felt we had had it really as a business, you know, you kind of felt there was nothing left. We didn't need more markets and we didn't have a stomach for more products. We'd done all the cost cutting so there were not a lot of choices left" (CEO).

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A key agent-in-context was an accountant who, as part of an external structure and state agency, was brought in to advise the company on a cost cutting exercise. This accountant focused on cost centres such as the subsidiaries as the CEO explains;

"we decided we had to consider a change [away from subsidiaries] and this was where we got advice from an accountant. He cut 25% of people and costs, this would have been right across the company but the subsidiaries were the biggest winners in the great cull" (CEO).

Another key agent-in-context is the Commercial Director who is driving the Distribution Division. He has huge stocks of conjunctural knowledge and professional experience with the company over a 20 year period. He describes his roles with the company as follows:

"my original background is in the company's finance... I joined in 1995 in the finance function and then became CFO in 2002 to about 2006/7. During those years started to sort of move from the finance function to supporting the front end of the business. I was appointed Commercial Director in 2006 and then the Distribution Division... I was asked to take it on then fully from early 2008" (Commercial Director).

The CEO has a very positive view of the Commercial Director (MH) as an agent-in-context as he explains in the following;

"I think in fairness MH has been a revelation and a surprise, you know, I mean I think what MH has done has been way more than what we'd expected. And, you know, a very, very smart guy. He gets on well with people, drives people in a good way and they're motivated by him and they trust him and you know, he's taken time to build up a quality, you know, he's after taking a lot of that load on his own shoulders, you know, getting the right people in place. It is a large portfolio" (CEO).

Agents' context analysis

The 'agents' context analysis' gives an account of their interpretation of, and practical engagement with, external structures (Parker, 2006; Stones, 1991, 2005). The case data illustrates that the external structure explored, that of subsidiaries, has moved from a point of enabling firm internationalisation to one of constraining the company due to ineffectiveness. These external structures are irresistible causal forces where the agent has the ability to do otherwise, to resist, or to change the external structure (Stones, 2005). As a constraining structural condition, the agent-in-focus has chosen to change the external structures impacting his horizon of action. Subsidiaries as external structures are abandoned and replaced by a hybrid arrangement of a distributor supported by a Keavy team.

This decision to move away from subsidiaries was not taken in isolation. A key external structure, which framed the action horizon of the agent-in-focus, was the outbreak of BSE. As an independent causal influence (Stones, 2005) it had a direct impact on the company with business in the UK market decimated. A second independent causal influence impacting the company was the poor economic conditions within the marketplace, which constrained the firms' competitiveness abroad. This was part of a wider picture of a crisis in Irish manufacturing during the period 2003-2007.

Active Agency

The key aspect of active agency observed is the agents' purposeful motivation, or strategic decision to act, to move from the use of wholly owned subsidiaries to a combination of a country distributor supported by a number of Keavy staff in each market. Changes in the structural context of action for the firm, generated by independent forces of competition and BSE disease, have exerted a huge impact on the agents' practices within this time frame. The agent's practices reflect the CEOs' ability to improvise when confronting external structures.

Outcomes

Within this episode, the internal structures of the agent-in-focus have evolved and a change in attitude towards risk is perceptible. The agent-in-focus appears risk averse and less confident in committing resources given how close the company came to going out of business as a result of the BSE crisis. The key change in external structures is the

decision by Keavy to move away from the high investment and high control mode of subsidiaries towards a hybrid arrangement of country distributors supported on the ground by Keavy staff.

One of the case outcomes has been the creation of a Distribution Division to manage international markets. At the end of this period Keavy retain three direct markets; Ireland, the UK and France. The other markets now form part of the Distribution Division which takes in markets that were previously direct (subsidiaries) including Scandinavian markets, the Benelux, Germany, Poland, Lithuania, Latvia, Hungary, China, Japan, Australia, New Zealand, South Africa and North America.

The hybrid arrangement of country distributor supported by Keavy staff in the market forms the external conditions of action for the agent-in-focus within the next episode of structuration.

6.7.3 Episode Three

This episode of the case analyses the role of the hybrid arrangement of country distributors (external structure) supported by Keavy staff as agents-in-context (external structure) in the internationalisation process of the firm. This relates to the period from 2006 to when the research was conducted in 2014.

Agents' conduct analysis

The agent-in-focus's conjuncturally specific or particular knowledge, of managing foreign distributors is informed by previous interactions with intermediaries examined in first episode of the case analysis. These interactions were unsatisfactory for the company based on the shared understanding among management at the time that distributors did not have the wherewithal to sell the Keavy product effectively. This opinion has become part of the dispositional frame of meaning of both the CEO and key agents-in-context. Reacting to, and dealing, with changes in the structural context of action has led to the current compromise of using distributors supported on the ground by a team of Keavy staff.

Position-practice perspective of the agent-in-focus

A key aspect of the agents' conduct analysis is the influence of their position or role within the company. This identity carries a range of prerogatives, obligations and power capacities with it (Coad et al., 2015). In enacting the position-practice, there are expectations of the CEO in terms of company growth. The remit of the CEO is to bring the company back to a stable position financially and also to grow the business further through repositioning the company and its product offerings. This repositioning of the company is based on no longer being perceived solely as a manufacturer and seller of a 'big grey machine' but also to be seen as a technology company; offering technology alongside traditional nutritional services and machinery. The CEO illustrates his role and function in this repositioning strategy in the following;

> "*most of my time is probably leading the development of markets in one form or another and that's probably principally in advancing the application, the technology, the understanding of what it is that we provide which is much more than a machine ... and working out with our managers and the markets how can we position this, you know. So I suppose my primary job is really developing a position for what we have in international markets, so what's the technology? Can we shift the understanding of our business outside from an agriculture machinery company to something much more ... and that's quite a challenge. That's quite a challenging position*" (CEO).

A key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents i.e. their agents-in-context (Chan et al., 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009). Key agents-in-context for the CEO are the Commercial Director who is running the Distribution Division and the Managing Director who is monitoring the performance of all stakeholders involved. The CEO draws on the internal structures of these networked others to manage these new distributor arrangements.

These agents-in-context draw on their knowledge of internal structures of signification in acting and interacting with the external structure created. They draw on these structures of signification to give meaning to interactions and to make sense of organisational activities (Busco, 2009; Englund & Gerdin, 2014). The Commercial Director explains how direct markets were wound back to distributor type markets where Keavy would also staff these markets with some of their own people;

> *"even though we would operate through distributors we would have our own people there. In Denmark we appointed a distributor but we kept our own team, our own sales and nutrition team, supporting the operations on the ground ... it's from a product knowledge and a commitment point of view"* (Commercial Director).

The Managing Director agrees with the division of responsibilities among the parties and particularly the role that Keavy retain in the sales and marketing activities of the product as he explains;

> *"the distributors are very good people to do the invoicing, the shipping, collecting money, service. All of that stuff. But the sales and marketing is really driven by us"* (Managing Director).

Structures of signification are drawn on so that agents can make sense of the context they act within (Sydow & Windeler, 1998). The previous comments illustrate the shared understanding of the role and function of both the distributors and Keavy staff which has emerged amongst the management team.

The Commercial Director explains that this combination of distributor and Keavy staff has proved effective for the company in getting distributor commitment to the market and generating sales so far as he illustrates in the following;

> *"in order to get the commitment and the market penetration you want in a distributor market that's the best format [distributor supported by Keavy team], for us anyway it's certainly proved effective there"* (Commercial Director).

This support pattern for distributors continued in New Zealand where the distributor is strongly supported with a Keavy team. The Commercial Director explains the current situation within the market as follows;

> "*now we are into our third distributor there [New Zealand] at the moment… and I suppose that's part of the thing as well it's just hard to get the focus on it hard to get the attention, to get the real commitment to the product. What we've done with the guy now this time the most recent guy was appointed last year we are supporting him strongly with a Keavy team in there we are actually relocating people from some core markets for a two year period to work closely with them down there and that seems to be working quite well*" (Commercial Director).

The Commercial Director goes on to describe the same approach as it was applied in nearby Australia;

> "*Australia we would have converted to a distributor market as well in around about 2012 and using the same model there; the exact same model of a number of regional distributors supported by Keavy staff*" (Commercial Director).

This hybrid arrangement also serves a function of legitimation for the agent-in-focus, justifying from a financial perspective why this option has been chosen by the company this time. A key agent-in-context describes the lower level of investment required as follows;

> "*it's not the same level of expense. You don't have an overseas office, you don't have the staffing of that office, you don't have a manager, and in the people that would be relocated, you would share the cost on them as well. You'd have a bit of confidence in that one [distributor and Keavy staff]*" (Commercial Director).

The agent-in-focus can draw on these distribution arrangements as an internal structure of domination. As they are closely monitored, the agent retains power over both allocative and authoritative resources. There is transparency in terms of performance and sales can be reviewed by distributor, by importer, by person and by country. The Managing Director explains how the process is monitored as follows;

"they [managers] do the budgets. We do the budgets daily, and then we have office team monthly budgets and we monitor sales every day. So we've a sales budget every day. So we know here every morning at seven o'clock, we get the system to send us a report. For the group and by market, and by salesman" (Managing Director).

The Managing Director describes the budgeting process, which further demonstrates how performance can be monitored in real time as follows;

"we have our annual budgets which comes down into quarters, months and weeks so on a weekly basis you would be effectively reporting on each of these [markets], we have our own system online where we can tie in information on orders, invoices and the like so we know what's happening, there are targets assigned to each area down along on a weekly basis, it depends on what we are doing" (Managing Director).

This new distribution combination also serves a function of domination for agents-in-context dealing with intermediaries. The agent-in-context feels empowered to drop distributors who are not performing as expected. This is facilitated by having Keavy staff within the market, as companies are reluctant to drop distributors in markets where they lack market information. Having a customer-facing role in markets empowers Keavy to collect customer data, which is a power resource in itself. The Managing Director describes the process involved when dealing with distributors experiencing performance shortfalls;

"then we have conversations. How can we help them? And if we can't help them and they don't want to get help then we have to drop them off. That's not the objective though. So the whole purpose here is to try and create intensity around the achievement and excitement and support" (Managing Director).

Agents' context analysis

External structures form the structural context of action for the agent-in-focus. This hybrid arrangement is an irresistible causal force (Stones, 2005) which the agent could change if he wished. However, the CEO has chosen to maintain this combination of

external structures as they empower the agent to deliver positive outcomes for the company. Keavy can leverage the abilities of the distributor while also including their own staff in the market offering.

Key agents-in-context enacting the internationalisation strategy are the Managing Director and the Commercial Director. A new agent-in-context within the company is the consultant that Keavy have appointed to do some market research within China. Another key external structure impacting the company's structural context of action during this time frame is increasing competition from large feed companies.

Active Agency

The key aspect of active agency observed is the agents' purposeful and direct motivation (Giddens, 1984) to preserve and reproduce the external structure of country distributors supported by Keavy staff, as the main sales channel in international markets. Within active agency the agent is capable of reflexive monitoring (Stones, 2005) and the new organisational structure created to support the hybrid arrangement in place internationally is constantly under review. The Managing Director sums up how the business model is under review and how the hybrid arrangement is still being fine-tuned in the following;

> *"so look that division [distribution] we were trying to find various models to make that work and I don't know if we've found the perfect model yet but we're closer to it. I think we are getting towards the hybrid sort of thing and getting that fine-tuned. It's a gain for both parties for us and our partner in terms of cost. So we are looking more and more at the model, the business model"* (Managing Director).

Additional structural adjustments may be needed within the Distribution Division to get maximum operational efficiency and the Managing Director muses that this may entail creating multiple divisions as times goes on as he explains;

> *"MH is building up the company and building out the management potential in that division. Now will we split that in time into two divisions, distribution one and distribution two? We probably will that's where I see it going. Yeah and I*

think Australia and Asia will become its own unit in time. And MH then he has, he's building management potential in that part of the world and he's building management potential in Europe so he's going to have a European head and an Asian head and MH should go higher in the organisation as we go on" (Managing Director).

In terms of moving forward within the distribution division Keavy are considering bringing the Asian region together in terms of China, Japan, Vietnam, and Korea. They are also considering targeting South America as the Commercial Director illustrates in the following;

"so in terms of where we are you would like to bring the Asia region together in terms of China, Japan, and Vietnam. Korea and sort of do something like that maybe under IF [consultant for China] in terms of that broader area, and that you declared a sub division of distribution who would have other markets into it, you'd like to target into South America, you'd like to think there is an opportunity there" (Commercial Director).

Within active agency the CEO monitors the international environment, their own actions, the actions of networked others, and the contexts in which these actions are embedded (Sydow et al., 2010). The CEO is conscious of the need to lead the new positioning of the company, which is no longer based on being a seller of a 'big grey machine' but rather as a company providing technology alongside traditional nutritional services and machinery. His motivation to act is purposeful (Giddens, 1984) and the agent-in-focus describes what needs to be done in European markets as follows;

"I suppose what we're going through right now with the more concentrated markets up here in Europe, we're really going through a kind of a positioning, working through each of these markets. A shift to this new position and an understanding of that and getting feedback and that type of stuff" (CEO).

Negative experiences or events can impact the agent-in-focus and lead to them reprioritising their projects. In doing so actors may draw on their internal structures in new and, critically reflective ways challenging their accepted patterns of meaning and

behaviour (Arnall, 2015). The potential closure of the company due to BSE and other causal forces combined was a period of huge negativity and crisis for the agent-in-focus. This has impacted the CEOs' internal structures and prompted a re-examination of the business model for Keavy with a focus on collaboration and co-operative agreements, which were not previously in evidence. A change in priorities towards seeking out potential partners and opportunities for collaboration is illustrated in the CEOs' view of how the company should proceed;

> *"we're moving towards choices in other markets as well because you certainly wouldn't be trying to go into new markets and they could be anywhere, Brazil or Russia or someplace like that. All of these places actually have massive agricultural industries and they've actually massive needs but unless we've got a more robust business model there's no point going in there. If we get the robust business model right which includes relationships, which includes us on a technology basis in data generation and information that's valuable and helpful, if we have that well then we have the capacity to go into places and actually seek out partners. You know, so you might have machinery partners and you might have something else like technology partners"* (CEO).

The Commercial Director has also come to value opportunities for collaboration, especially in the context of large international feed companies. The agent-in-context explains that the company needs to occupy a cooperative space with these companies rather than try to compete head on, as he describes in the following;

> *"we probably started to understand better that our real unique selling point was the physical representation of the ration. We didn't need to be in the chemical nutrition side of things, which really brought you into competition with the feed companies. So we didn't need to be in a competitive space … we could be in a cooperative or collaborative type of space with them"* (Commercial Director).

Outcomes

The case data illustrates the reproduction and preservation of the structural context by the agent. Though the distributor (external structure) and Keavy staff (agents-in-context) combination is preserved it continues to be refined and fine-tuned as the

company seeks the most efficient and effective resource combinations. A change in the internal structures of the agent-in-focus and his management team is reflected in a move within the company towards creating collaborative agreements with food companies as another channel of foreign market sales. Keavy has gone on to develop an alliance with a French company and is in discussions with a feed company in New Zealand to develop a similar arrangement. Keavy has also begun to do some business in China and signed a deal with a Chinese partner to bring its feeder wagons to firms in China. These agreements reflect changes in the dispositional frame of meaning of the agent-in-focus and his positive change in attitude towards more collaborative ways of doing business.

Conclusion

The value of the case analysis lies in its ability to examine a number of episodes of structuration as defined by the 'horizons of action' of the agent-in-focus. This 'horizon of action' is important as it influences which particular aspect of structure will be animated (Stones, 2005). The case analysis animates three particular external structures across the three episodes of structuration; distributors (in episode one, 1978-1995), wholly owned subsidiaries (in episode two, 1995-2006), and the hybrid arrangement of country distributors supported by Keavy staff (in episode three, 2006-2014). Within the analysis, the outcome of each episode forms the external structure and conditions of action for the next episode of structuration.

The case study materials have allowed for a contextualised analysis of events and actors at a mid-point of what Stones (2005) terms an ontological sliding scale. The analysis is neither a deeply contextualised ontic study of day-to-day events, nor is it an abstract account of structuration. As suggested by Jack and Kholief (2008, p.36) "*sufficient information has been achieved by floating over the organisational field to produce an account of structure and action in the life of the organisation*". This allows the complex dynamics of the mutual interdependencies between structure and agency and its consequences for the firm to be unveiled.

Covering multiple episodes of structuration from the perspective of the same agent-in-focus generates insights into how the agent draws on his dispositional and conjuncturally specific internal structures. How these internal structures are formed, reformed and modified through the agents' actions, has also been examined. This

enhances understanding of the agents' behaviour and of the process of rationalisation he engages with as his attitudes and behaviour alter. The case analysis also incorporates the impact of changes in external structures as conditions of action on the agent, and illustrates how his internal structures mediate these interactions. Exploring the impact of external structures and their interrelationships highlights the practical pressures the agent operates under when taking decisions.

6.8 Conclusion

This chapter has presented the findings and analyses of the internationalisation process for the six SMEs. The analysis within each case draws on strong structuration as the theoretical framework and this research argues in favour of the analytical value of describing and analysing the firms internationalisation process through the reciprocal relationship of structure (environmental factors) and agency (the individual manager).

This research has adopted a process approach to understanding internationalisation and is focused on explaining the 'how' and 'why' of internationalisation within the case firms. This research questions how the internationalisation outcome observed came to be realised and explores the sequence of actions and interactions which gave rise to a particular firms' internationalisation outcome (Langley et al., 2013; Pettigrew, 1997; Sminia, 2009).

The six case companies represent a number of sectors such as engineering, food and drink and software sectors. Each SME faces similar sets of strategic challenges in growing their business internationally and this is manifested in an array of tactical challenges such as dealing with customer acquisition strategies, distributor management, selecting foreign markets and modes of operation as well as product development and diversification strategies.

The analytical value of using the strong structuration framework is derived from the depth of insight achieved into managerial agency within the cases. The agents-in-focus significantly influence the firms' internationalisation and capturing the impact of their personal characteristics, motivations, attitudes, international orientation, and general world views adds to understanding of the firms' internationalisation activities, direction, and outcomes. Analysing agency uncovers the internal drivers of internationalisation within the firm. It also sheds light on the agents' decision-making process, and the differences in how various managers respond to opportunities and challenges have been explored. A key insight from this research is the impact of the managers' knowledgeability, including previous professional experience, on the firms' international activities. The managers' position within social and professional networks also emerges as a valuable firm asset, which can be leveraged for competitive advantage and underscores the value of relationships within international business.

In-depth illustrations and insights into the impact of environmental and situational factors on the firm have also been accessed within the analyses. External structures such as competition, customers, intermediaries, government agencies, as well as domestic market issues such as the recession, and foreign market opportunities have all been noted within the cases and their impact has been evaluated. The analyses have revealed the external triggers of internationalisation for firms and captured critical incidents impacting the firm.

Examining active agency and the reflexive monitoring that managers engage in has exposed the internal obstacles that agents encounter as the firm internationalises. Within the cases, these have included the need to restructure to facilitate international sales, the lack of competent personnel, resource constraints, knowledge and experience barriers, as well as generally poor organisation within firms. Examining the interaction between structure and agency reveals the internal changes that occur within firms as they develop internationally, as well as how patterns emerge to support ongoing internationalisation activities. These insights are possible due to the ability of a structuration approach to incorporate the dynamic of time and to take the time-based nature of internationalisation seriously.

To summarise, the case analyses demonstrate that a structure and agency perspective provides a rich conceptual foundation and apparatus for investigating the process of small firm internationalisation. Its ability to explain the dynamics of the firms' internationalisation process in contextualised settings has been illustrated. When describing the internationalisation outcomes within firms it has been possible to provide a meaningful and comprehensive analysis and interpretation of how and why particular outcomes occurred in the way that they did.

CHAPTER SEVEN: DISCUSSION

7.1 INTRODUCTION

The key aspects of the six case analyses, presented individually in Chapter 6, are now discussed. The strands of the discussion are structured around the components of Stones' (2005) quadripartite framework of structuration and include: external structures impacting the structural conditions of action for the firm, internal structures within the agent including their dispositional frames of meaning or habitus and their conjuncturally specific knowledge, active agency representing moments of structuration, and the firms' internationalisation outcomes. The key observations from the case analyses are synthesised and the ability of strong structuration theory to explore and understand the dynamics of the firms' internationalisation processes is assessed. Patterned firm practices, observed as outcomes of structuration within the case companies, are identified as routines supporting internationalisation activities. The empirical identification of these routines introduces a micro perspective on the internationalisation process.

The question of what a strong structuration analysis of internationalisation adds to existing process research is then addressed. To answer this question the assumptions and limitations of extant process approaches, the Uppsala model and the business network approach, are revisited. Based on dualist approaches to studying internationalisation the Uppsala model has largely exhibited a structural orientation in its study of process, whereas the business network approach focuses on agential and managerial considerations in explaining the internationalisation of the firm. The value of exploring the internationalisation of the six case SMEs involved as a reciprocal process of structure (international context) and agency (individual manager), operating as a duality, is evaluated. Finally, a structuration perspective is positioned as a superior and viable alternative to existing process models for exploring and understanding the small firms' internationalisation process.

7.2 EXTERNAL STRUCTURES

Process thinking views organisations in a world of ongoing change and flux (Caffrey & McDonagh, 2015). For a firm engaged in internationalisation such change and flux in the international environment or context of operations (external structures) presents constant challenges to be handled by the manager (agent). External structures have an existence that is autonomous from the agent-in-focus (Stones, 2005) and create the

structural context in which firms take international decisions and actions. These external structures within the international landscape exert influence over the internal structures of the agent themselves and may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008; Stones, 2005). Exploring the temporal bracketing of the agents' context analysis gives an account of the managers' interpretation of, and practical engagement with, relevant external structures. It concentrates attention on the external aspects of the agent (Parker, 2006; Stones, 1991, 2005).

Across the six cases there is variation in the types of external structures analysed which included: (i) agents-in-context (distributors and intermediaries in Gold Mountain, Keavy, and The Whiskey Co.), (ii) institutionalised positions (the Product Management function in Dromoland) and (iii) clusters of practices (the tendering process in Caretech and the joint venture agreement in FishFarm). There is also variation within the cases as to whether these external structures enable or constrain the agent-in-focus.

The quadripartite framework allows additional external structures as conditions of action (separate from the main external structure which anchors the case analysis), as well as their interrelationships, to emerge from the case analyses. Additional external structures at play in the internationalisation context of case firms included competitors, suppliers, customers, partner organisations, shareholders, as well as negative changes in the economic landscape, complex regulatory environments, and outbreaks of disease, such as BSE.

7.2.1 Agents-in-context

Within external structures, 'agents-in-context' are other agents within the organisation or within the community of practice. In the international context, these may represent external agents such as distributors, suppliers, competitors or other external agents the company may interact with, or be influenced by. These agents-in-context inform the behaviour of the agent-in-focus in the same way as other external structures (Stones, 2005). External agents investigated within the case companies included an Export Consultant within Gold Mountain, foreign country distributors within The Whiskey Co., and distributors and dealers within Keavy Engineering.

7.2.2 Institutionalised positions

Within Stones' (2005) framework, external structures can be further investigated by considering these structures as sets of external position-practices; as institutionalised positions. Institutionalised positions are made up of practices which locate one group in a particular position, relative to other groups (Coad & Glyptis, 2014) such an Accounting Department or a Personnel Department (Coad et al., 2015). These 'position-practice slots' can be identified independently of their incumbents and so can be classed as external structures (Stones, 2005). Within Dromoland Engineering, the Product Management function or department is conceptualised as an institutionalised position (Stones, 2005). This institutionalised position frames the action horizon of the agent-in-focus. The structuring properties embedded within this departmental design direct how international business accounts are prospected, won, and managed over time.

7.2.3 Clusters of practices

Within these sets of external position-practices, external structures can also be investigated as clusters of practices (Stones, 2005). These structures are defined as the "*cluster of practices through which identifying criteria, prerogatives, and obligations are made manifest and acknowledged by others*" (Stones, 2005, p.62). This cluster of practices embodies structuring properties and exists independently of the organisation or agent (Stones, 2005).

Within Caretech, the procurement practices or tendering process within the industry emerged from the case data as the key external structure exerting influence on the firms' internationalisation process. The tendering process is conceptualised as a set of position-practices or cluster of practices which embodies structuring properties (Stones, 2005).

In collaboration with three other domestic Irish seafood companies FishFarm have created a joint venture company to enter the Asian market and this alliance is also conceptualised as a set of position-practices or cluster of practices which embodies structuring properties (Stones, 2005). This set of position-practices is imbued with an additional layer of structuring properties as it also represents a co-opetition agreement between the companies.

7.2.4 Role of external structures

In addition to including external structures, strong structuration theory also acknowledges the differing roles that these external structures can play. External structures are seen to pose constraints, but also to provide resources and possibilities for action, and are the source of pressures and forces which the agent may or may not choose to, or be able to, resist (Greenhalgh et al., 2014b; Stones, 2005). External structures providing resources and enabling actions included state agencies, described by Stones (2005) as 'positional identities', and other company departments or as Stones (2005) describes them as 'institutionalised positions'. In several of the cases agents-in-context, as well as distributors, export intermediaries, and their associated relationship networks, provided possibilities for action for the agent and organisation in focus. There can also be interactions and inter-relationships between external structures (Stones, 2005) and within the analyses this generates a realistic picture of the pressures a manager operates under when making internationalisation choices for the firm.

In several firms external structures exhibited dual properties, both enabling and constraining the agent. In the case of Caretech, the relationship with Microsoft enabled aspects of business development and personnel recruitment whereas adopting the Microsoft web platform and revenue model carried associated sales and pricing constraints. In the case of The Whiskey Co., the distributors enabled the company in some scenarios and constrained the agent and the business in others. Similarly, in the case of Gold Mountain whereas the Export Consultant has enabled international sales for the company, this arrangement could potentially constrain the company as the consultant retains ownership of all of the tacit market and relationship knowledge being deployed to create international sales.

7.2.5 External causal influences
7.2.5.1 Irresistible causal influences

Stones (2005) classifies external forces into two types of causal influences; irresistible and independent causal influences. When engaging with irresistible causal influences as conditions of action, the agent has the physical capacity to resist these external influences and they have the capacity to do otherwise. However, in phenomenological terms they may feel that they do not have the ability to resist (Stones, 2005). For an agent-in-focus to be able to resist the pressure of external forces, they must possess

sufficient power and the capability to do so. They also need adequate knowledge of alternative avenues of possibility (Coad & Herbert, 2009).

All of the external structures analysed within the six case companies: agents-in-context (Gold Mountain, Keavy and The Whiskey Co.), the tendering process (Caretech), the Product Management function (Dromoland), and the joint venture agreement (FishFarm), are all identifiable as irresistible causal influences forces as per Stones (2005). With these irresistible external forces, the feeling of the relevant agents in terms of whether they can resist or control a particular causal influence is dependent on their hermeneutic frame of meaning, including wants, dispositions and ordering of concerns (Stones, 2005). How the agent's hermeneutic frame influences their interpretation of, and approach to, specific external forces is evidenced within the case analyses.

Within all of the case companies, with the exception of Keavy Engineering, the external structures analysed have been reproduced and maintained by the agent-in-focus through the structuration process. Within Caretech, alternatives to using tendering to generate international sales exist. However, the existing tendering process serves functions of signification, legitimation, and domination for the MD and this impacts his positive experience of, and ongoing commitment to, tendering activities within the company.

The analysis within Dromoland illustrates that the agent-in-focus has no motivation to resist the external structure of the Product Management function. This is because he initiated the process of creating this external structure as it serves functions of signification and domination for him. The agent-in-focus derives power from his base of conjunctural knowledge, gained in other firms, and this gives him credibility within the company.

Within FishFarm, finding an alternative to the joint venture agreement and resisting the external structure may be feasible. However, it is undesirable for the agent-in-focus as it would return him to a position of powerlessness in terms of the firms' ability to compete within the Asian marketplace. Also for the Finance Director a viable collaboration alternative is not easily identifiable and the perception of operating alone as a small firm is not considered as a viable option at all.

The Whiskey Co. case analysis highlights the scenario of an SME dealing with a large number of foreign market drinks distributors. As these are the normal channels within their export markets, there are no viable alternatives available to the company. However, the company can exert influence on the type of the relationship they have with distributors. This is done by building and influencing distributor relationships through the brand library, which is an online marketing material repository for distributors. Whereas the external structure cannot be resisted, it can be handled with improvisation and creativity.

Within the Gold Mountain case analysis the agent-in-context, or Export Consultant, can be resisted as an external structure as his employment with the company can be terminated. However, this external structure is reproduced and maintained as it serves a function of domination for the agent-in-focus.

The Keavy company is the only case firm that illustrates the ability of the agent-in-focus to resist and change the irresistible causal influences encountered. This resistance is evidenced at several junctures across the three episodes of structuration analysed within the firms' internationalisation process. The agent-in-focus has found alternatives and exercised agency to break free from external structures constraining the company. The external structure within the first episode represented distributors and dealers the company dealt with. The outcome of this episode involved moving away from these structures and replacing them with wholly owned subsidiaries. These subsidiaries as external structures framed the conditions of action of the agent in the second episode. The outcome of this second episode was a move away from subsidiary structures towards a hybrid arrangement including country distributors and Keavy company staff. Within the final episode of structuration, the hybrid arrangement forms the external conditions of action for the agent-in-focus. The outcome of this episode is the preservation and reproduction of these external structures.

Throughout the Keavy case analysis the resistance of the agent-in-focus to external structures is a reflection of his motivation to exercise a degree of control and to retain a degree of power over operations. The original structures of distributors did not serve a function of domination for the agent, or the organisation, whereas the wholly owned subsidiaries did. In the final hybrid arrangement distributors are supported in markets by

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Keavy staff, which increases power and control for both the agent and the company over international operations. The case illustrates that irresistible causal influences can be resisted where the agent has sufficient power and the capability to do so.

7.2.5.2 Independent causal influences

Stones (2005) refers to the second category of external forces as 'independent causal influences' which can exist as external structures and form the structural context of action for the agent-in-focus. These independent causal influences are constituted, reproduced, or changed, entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005). Stones (2005, p.112) describes these independent casual forces as external structures that "*have the kind of causal influence on agents' lives that those agents do not have the physical capacity to resist*".

Independent causal influences identified within the six cases included the economic recession and its associated business and industry implications, as well as outbreaks of disease such as BSE. In the case of Keavy, the outbreak of BSE was a critical incident in the firms' international plans and one which the company had absolutely no control over. The crisis around Mad Cow disease appeared out of the blue in 1996. It decimated business in the UK immediately. In response to the crisis the company accelerated international expansion plans to try to limit the damage from the impact of the disease. As the case analysis illustrates this accelerated company response to this independent causal influence created its own set of problems further down the line for the company.

The impact of the recession resonated within all of the six firms to various degrees, but its impact was particularly visible in the corresponding actions of Dromoland, Gold Mountain, FishFarm, and Caretech. The recession had an immediate and dramatic impact on Dromoland. With the engineering company completely dependent on sales of agriculture based hitching technology and products, the CEO sought to swiftly diversify into sales of construction products. This product diversification strategy occurred in tandem with the removal of the traditional Sales & Marketing function and its replacement with the Product Management function, or institutional position, within the company organisation. This independent causal influence, or global recession, was the catalyst for changes in organisational design and product diversification, which have

served the company well. The dispositional frame of meaning of the agent-in-focus or CEO was the crucial ingredient for company survival and eventual regrowth. The influence of the recession was hugely negative for the company but was offset by the CEOs' internal structures and motivations, which meant the company responded by turning challenges in the industry into future opportunities for the company. The agents' knowledgeability was crucial in taking the right internationalisation decisions for the company at the right time, informed by his dispositional and conjunctural knowledge.

Within Gold Mountain and FishFarm, both companies were impacted by the recession and the reduction in sales of premium priced food products. Gold Mountain reacted to its dependence on the UK market, which was also in recession, by planning strategic market diversification activities for the company. In a similar way, FishFarm sought to generate a new sales pipeline for the company within the Asian marketplace. Caretech also suffered from the recessionary environment where health authorities cut spending on managed care software products. This prompted the company to investigate the potential within the US marketplace. In all of these cases, the independent causal force of the economic recession (2006/7) promoted reactive moves from the agents-in-focus to keep the businesses afloat.

One exception to negative impacts from independent causal forces is The Whiskey Co. The existence of the company is largely attributable to the strong market perceptions, position and sales of Irish craft whiskey products on global markets. The Whiskey Co. has sought to leverage this surge in interest and sales of these products, which represents an independent causal force which has positive sales and growth implications for the company. The Whiskey Co. is also the youngest of the case companies and was established as the recession was coming to an end.

7.2.6 Episodes of internationalisation

As firm internationalisation is a process, it is dynamic and may change over time (Agndal & Chetty, 2007). The external structures confronting the agent will vary over time and these changes need to be captured if the process is to be fully understood and explained. McAuley (2010) in a review of SME internationalisation research concluded that cycles of internationalisation over time within firms need to be investigated to examine the internal changes that a firm goes through. Process theories facilitate this

type of research as they examine '*how and why things emerge, develop, grow, or terminate over time*' (Langley et al., 2013, p.1). Stones' (2005) ontology-in-situ allows for time to be a central feature of a strong structuration study. However in examining internationalisation, as well as collecting data from multiple time points, a process approach is also about explaining how these time points are connected (Langley, 2009; Langley et al., 2013).

The ability of the quadripartite framework to address time and cycles of internationalisation is illustrated within all of the six case firms. These cycles of structuration depict a series of activities and actions that are regularly repeated in largely the same sequence and order over time. Where internationalisation outcomes were positive for case firms the external structures involved, such as agents-in-context (distributors and intermediaries in Gold Mountain, The Whiskey Co. and Keavy), institutionalised positions (Product Management function in Dromoland), or clusters of practices (tendering process in Caretech, joint venture agreement in FishFarm), have been reproduced and preserved. These cycles are enacted and repeated within the case firms as the internationalisation process unfolds and patterned activities can be noted. This research asserts that these patterned activities represent organisational routines, or internationalisation routines within companies. This proposition is debated when examining to what extent the outcomes of the structuration process can be categorised as organisational routines, later in this discussion. The immediate focus here is on the Keavy case analysis. This case analysis is unique among the six case studies as three episodes of structuration, with discernible time frames, have emerged from the case data. The term episode is used here to depict a finite period of time. Within each episode identified, cycles of structuration are also evidenced. The analysis of the structuration episodes identified was greatly facilitated by access to the agent-in-focus who has been with the company, in differing capacities, over a continuous 36 year period.

The Keavy internationalisation story is one of changing entry modes from distributors/dealers in episode one (1978-1995), to wholly owned subsidiaries in episode two (1995-2006), to a hybrid agreement involving distributors supported by Keavy staff in the marketplace in episode three (2006-2013). Within the first episode, the case analysis illustrates the change in the agents-in-focus internal structures, which

eventually leads away from the use of distributors. As the agents' stocks of conjuncturally specific knowledge of how to sell the product internationally builds, this coincides with increasing dissatisfaction levels with distributors. These distributors no longer serve functions of signification or domination for the agent, and this explains the move towards wholly owned subsidiaries to operate the company internationally.

The second episode begins in the mid 1990s with the company operating wholly owned subsidiaries. This organisational structure served functions of signification, legitimation, and domination for the agent-in-focus. Company operations were heavily impacted by the outbreak of BSE in 1996. In response to the almost immediate collapse of sales in the UK market, the company accelerated its international expansion plans ending up with 13 subsidiaries around the globe. The case analysis illustrates that over time problems emerged with the management and operations of these subsidiaries. As the power of the agent-in-focus over both allocative and authoritative resources is diluted, this operating structure no longer serves functions of signification, legitimation, or domination for the agent. Changes evidenced in his internal structures indicate the next move for the company is away from these subsidiaries.

The final episode begins with the winding back of subsidiaries in favour of a hybrid arrangement, which combines foreign distributors supported within the market by Keavys' 'own' staff. This hybrid arrangement is unusual, but can be understood in the context of the agents previous negative experiences of distributors in episode one. The motivation to use Keavys' 'own' staff can be understood in the context of the agent trying to retain a degree of control over distributors and power over his own staff. This final entry arrangement returns the agent to a position of power within the relationship. It also reflects his aversion to risk and his motivation to limit the company's exposure, which is largely impacted by nearly going out of business in episode two.

Changes in the agents' internal structures have been diagnosed from one episode to the next and shed light on active agency in the latter cycle. The case analysis has captured the changing external structures over time. More importantly, the analysis has been able to explain why these changes occurred within the defined time periods. The analysis has been able to explore and understand '*how and why things emerge, develop, grow, or*

terminate over time' (Langley et al., 2013, p.1). It has also demonstrated how these time points are connected.

In summary, including environmental and contextual aspects of the international landscape (external structures) in the six case analyses delivers a realistic insight into the external pressures that managers operate within in the marketplace. The case analyses have been able to assess the enabling or constraining role of external structures on the firm and its internationalisation outcomes. The cases have also been able to investigate how external structures interact with each other in leading to specific internationalisation outcomes for the firm. Within the Keavy case analysis, it was possible to identify and analyse three episodes of structuration within the firms' internationalisation process.

7.3 Internal structures

The agent-in-focus, or individual manager within each case, was identified as the pivotal agent responsible for the development, resourcing, and implementation of internationalisation activities. These were MDs or CEOs of the companies with one exception of a Finance Director charged with delivering international growth. The case analyses situate the agent-in-focus at the micro or ontic level of Stones sliding ontological scale. This allows an in-depth and contextualised concrete study of the individual to be generated (Coad et al., 2015). Agents' conduct analysis draws on the ontological category of knowledgeability (Stones, 2005) and concentrates attention on the internal aspects of the agent (Parker, 2006). This conduct analysis examines internal structures (within the agent) which are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures (Stones, 2005). Habitus or disposition is where external structures are interpreted in the context of the agents' disposition or their world views, habits of speech, attitudes and values (Coad & Herbert, 2009; Greenhalgh et al., 2014a; Stones, 2005). It provides the perspective by which events in the world are framed and perceived by the agent (Greenhalgh et al., 2013) and is formed and produced by both socialisation and formal education (Moore & Mc Phail, 2016).

7.3.1 Dispositional frame of reference

Personal motivations may affect managers' decision-making within the internationalisation process (Li & Gammelgaard, 2014) and this is evidenced within the case analyses. These personal motivations drive the need within agents to prove entrepreneurial ability (The Whiskey Co.), to demonstrate transformative capacity for change (Gold Mountain), to lead through innovation and creativity (Dromoland), to reposition a family owned business for competitive advantage (Keavy), or to strategically diversify to keep the business viable (Caretech and FishFarm). The analyses illustrate the critical impact of the managers' dispositional frame of meaning on the firms' internationalisation outcomes. The managers' dispositions calibrate and condition their responses to, and interactions with, the external structures they encounter within the international business landscape. This is particularly evident in the context of the managers various professional backgrounds, for example the accountancy and finance background of the CEO within Gold Mountain mediates his interactions with his networked others and agents-in-context.

7.3.2 Conjuncturally specific knowledge

Conjuncturally specific knowledge is knowledge of how to act in particular situations. It is knowledge of the strategic terrain and how the agent is expected to act within it, based on their hermeneutic understanding of external social structures (Coad & Herbert, 2009; Greenhalgh et al., 2014a). Conjuncturally specific knowledge can also be described as, "*knowledge of interpretive schemes, power capacities, and normative expectations and principles of the agents within context*" (Stones, 2005, p.91). Stones (2005) conduct analysis is concerned with the internal knowledgeability of the agent required to deal with specific contextual circumstances. This is the managers' task specific knowledge of managing internationalisation within their industry. The agents' conjuncturally specific knowledge may be informed and fine grained or it may be ill informed and broad brush risking unintended or unwanted consequences for the firm (Stones, 2005). Within three of the case companies, the analyses illustrate that the agent-in-focus lacks conjuncturally specific knowledge of the external structure being investigated. This is illustrated within The Whiskey Co. (distributors), FishFarm (joint venture agreement), and Gold Mountain (Export Consultant).

Within The Whiskey Co. case, the MD perceives his conjunctural knowledge of distributor management to be limited as illustrated in the following comment;

> *"So I'd be familiar with it [distributor management] from the spreadsheet point of view ... and probably more so than the average man in the street ... but no ... it's complicated ... particularly so in the US"* (MD).

However, neither the MD nor the senior management team perceive their lack of conjunctural knowledge of managing export intermediaries or distributors as problematic. Instead, they frame channel management as relationship management, something they feel that they are particularly good at based on previous professional experience and dispositional knowledge accumulated. These internal structures condition the management teams' response to the external strategic terrain. This agent-in-focus sees opportunities where another agent may perceive obstacles. This positive view of the external terrain is driven by an entrepreneurial motivation within the agents' habitus or disposition. Whereas low stocks of conjunctural knowledge have resulted in some unintended outcomes in the early stages of the distributor operation these have been quickly resolved.

In the case of FishFarm, the agent-in-focus lacks task specific knowledge of managing alliance relationships and of operating within a co-opetition arrangement such as the joint venture formed with three other domestic companies. This means that the agent is open to, and receptive of, offers of support and help from BIM in founding and managing the joint venture. This professional connection expands the agents' position-practices and increases his dependencies on his networked others for access to this knowledge base.

Within Gold Mountain, the agents-in-focus's conjunctural knowledge of managing export intermediaries is limited. This leads to increased dependency on his Sales & Marketing Manager as a crucial agent-in-context within the firm who is charged with managing the 'international arm' of the company, the Export Consultant. The tension between the Export Consultant and the agent-in-focus emerges from the Consultants' perception that the CEO lacks credibility around internationalisation and generating international sales pipelines. This is because he has no previous experience in this area

and fails to appreciate the degree of difficulty involved in delivering positive sales results.

When the agents' conjuncturally specific knowledge is informed and fine grained, it can exert a significant influence on the firm. This is illustrated within three of the case companies where the case analyses illustrate well developed levels of conjuncturally specific knowledge of the external structure being investigated. This is illustrated within Dromoland (Product Management function), Keavy (distributors and wholly owned subsidiaries), and Caretech (the tendering process).

Within Dromoland, the CEO has previous contextualised and conjuncturally specific knowledge of the Product Management function, as an institutionalised position, having previously seen it in action in a company where he worked. Despite being an unusual organisational approach within the engineering sector, the agent's industry and conjunctural knowledge underpin his confidence in this external structure, which he uses to drive the internationalisation of the company. This conjunctural knowledge provides a source of credibility and power for the agent in interactions with his Product Managers and other stakeholders. This information asymmetry gives the agent-in-focus the power to push through an initiative which is unusual within the industry. When discussing international markets the CEO defers to the Product Management structure as the approach to managing international markets as he explains in the following;

> "*you can talk about the markets or you can talk about the approach. It's the approach is the thing. That's the key thing so we're probably a little bit odd. We're not the norm in that respect. I just believe passionately in the Product Management function. I grew up in it*" (CEO).

Within the Keavy case, the agent-in-focus has built up extensive stocks of conjuncturally specific knowledge of the relevant external structures. This underpins his ability to resist and break free from external structures constraining the company across the three episodes of structuration identified within the case analysis.

The agent-in-focus within Caretech has well developed levels of conjuncturally specific knowledge of the tendering process which he has accumulated over a 16 year period.

This detailed and in-depth specific knowledge of the procurement process has been transferable to new geographical markets for the company, especially the US market. Within the US marketplace, this conjuncturally specific knowledge guides the agent and the company in selecting business prospects and market niches with maximum potential for positive returns. The agents' conjunctural knowledge is also increased as his position-practice relations and networks have been expanded with the recruitment of new managers for the US and the UK. Whereas the tendering process is delivering positive international outcomes for the agent and the company, an alternative view is that it is also restricting the agent from giving due consideration to alternative customer acquisition strategies.

Sarason et al. (2006) argue that in business, each agent or managers' interpretation of a given situation is unique to them, and as a result, their response to a given situation is also likely to be unique. This is reflected in the cases where managers interact with external structures in ways that are unique to them, based on a combination of their professional experience, differing dispositional frames of meaning and differing levels of particular knowledge of internationalisation. This focus on agency and internal structures unveils individual and company idiosyncrasies within the cases, which may not be visible within alternative internationalisation approaches.

7.3.3 Position-practice perspective
7.3.3.1 Position-practice relations
The managers' conjuncturally specific knowledge also includes a social and professional network within the industry, as well as networked others or agents-in-context, all of which can be explored through the concept of position-practice relations. Position-practices allow the agent or manager to be viewed within a web of interdependencies and focuses attention on their strategic conduct. The agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of these position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Greenhalgh et al., 2016; Stones, 2005).

The case analyses highlight the role and influence of the managers' position-practice relations in the firms' internationalisation process. Position-practices emerged as instrumental in the internationalisation of all six of the case companies, though they

exert varying degrees of influence on the pace, pattern and direction of internationalisation within each firm.

Within Caretech, the position-practice relations of the MD have been instrumental in enacting the firms' internationalisation strategy. The agent's professional relationships and networks have proved invaluable to new business development in terms of sourcing a new Country Manager for the US. A key agent-in-context has been the companies' software solutions partner, Microsoft, and their associated networks and agents-in-context. These social relations, and interdependencies with partners and agents-in-context, have enabled international growth and expansion for the company.

Within FishFarm, the agent's professional network has connected him to other firms interested in co-opetition, as well as to expertise within state agencies to guide the venture. Engaging with external structures, such as state agencies, has facilitated trade visits to Asia which have increased the agents' levels of conjuncturally specific knowledge of the market. The consultant appointed by the joint venture parties within China was also sourced through a referral from a networked source.

The analysis of The Whiskey Co. reveals that the management team and the agent-in-focus have both professional and social networks, which they can leverage in their venture. These networks have facilitated the company in identifying potential distributors to work with, as well as identifying a suitable importer for the US market.

Within Gold Mountain, the Export Consultant employed to drive international sales facilitates the company's access to a wide network of European contacts. The case analysis reveals that position-practice relations can provide agents with access to strategic advice, social capital and managerial resources for internationalisation.

For the Keavy CEO professional and social networks and relations have also played a role in internationalisation. This is illustrated within the case analysis by exploring the crucial roles played by certain agents-in-context, such as the Commercial Director leading the Distribution Division. The role of serendipitous encounters is also unveiled as in the case of a chance meeting with someone who would become the Business Development Manager for China. Professional contacts developed through engaging in

state led trade missions have also been leveraged to deliver the company's international sales objectives.

Within Dromoland, the agent's professional network and previous career relations have impacted how the company implement their internationalisation strategy. Exposed to the Product Management function when employed by other organisations, this conjuncturally specific knowledge is now transferred to Dromoland and its operations. Engagement with a professional body providing executive management education has been instrumental in reinforcing the value of the Product Management approach within the company for the agent.

Within all of the six cases, the analyses illustrate that managers can, and do, exploit their position-practices and networks for international advantage and to mobilise critical resources. Within all of the cases position-practice relations perform as valuable intangible assets for the agents-in-focus.

7.3.3.2 Internal structures of agents-in-context

In addition to leveraging network relationships the other key implication of the position-practices concept is that the agent-in-focus can draw, not only on their own internal structures, but also on the knowledge of the internal structures of other agents; their agents-in-context (Chan et al., 2010; Stones, 2005). In this way an agent-in-focus's understanding of conditions of action, formed by external structures, is informed by the conjuncturally specific knowledge of networked others (Coad & Herbert, 2009).

The case analyses illustrate the value to the agent-in-focus of being able to draw on the conjunctural knowledge of agents-in-context and networked others, especially where the managers' conjunctural knowledge is less developed. There is evidence within the cases that where the agents' conjunctural knowledge of internationalisation is limited they access, or create a link to, an agent-in-context who has greater particular knowledge of the issue. Such network ties are hugely valuable resources which the manager can leverage. This is evidenced within Gold Mountain where the agent-in-focus lacks fine grained conjunctural knowledge (Stones, 2005) of the exporting process and draws on the conjunctural knowledge of both the Sales & Marketing Manager and the Export Consultant. This has been valuable for the CEO as he manages his

knowledge deficits through leaning on expert agents-in-context. The agent-in-focus can also, by association, leverage the networks and connections of the Export Consultant, who in turn is caught up in his own web of social relations and interdependencies (Stones, 2005). Access to this secondary network of social and professional relations is the key resource offered to the company by this agent-in-context. Within Caretech, the agent-in-focus acknowledges the depth of knowledge accessible through the professional experience and dispositional frames of meaning of his two Country Managers. However, there is also reciprocity within these relationships where the agent-in-context can exercise power by shaping and influencing the processes of the firm. Tensions between agents can be captured within the position-practice concept. For example, tensions arising from resource allocations are evidenced within the Caretech case analysis.

7.3.3.3 Agent's role or position

A final aspect of the agents' conduct analysis is the influence of their position or role within the company. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989). In this context, a position-practice can be thought of as the social position and associated identity of the agent (Stones, 2005). This role or position has various rules and normative expectations embedded within it (Stones, 2005). Such a social identity also carries a range of prerogatives, obligations and power capacities with it (Coad et al., 2015). This concept offers the potential to theorise human characteristics such as identity and roles within structuration (Greenhalgh et al., 2016). What it means to be the CEO or MD of an international SME and the normative expectations and power relations associated with that position have been examined within each case analysis.

This position-practices perspective also raises the importance of power in social interactions (Coad & Herbert, 2009) which leads to issues of power interdependencies and symmetries within the firm. In each case company the power embodied within the agents' position comes from their ability to exercise control over allocative resources (objects and materials) and authoritative resources (over people) (Stones, 2005). Power asymmetries exist within all the case firms to various degrees.

Within FishFarm, power asymmetries have emerged as the joint venture created to enter China accesses financial aid from a state agency to support their co-opetition venture. Simultaneously this state agency inadvertently increases competition for the company by resourcing competing co-opetition ventures. From a differing perspective, the analysis of the position-practice of the CEO within Gold Mountain delivers an insight into how lack of role clarity may disempower the agent among his peers and networked others. Power asymmetries also emerged within Caretech where the MD feels the weight of very experienced country managers as a source of pressure on his performance. Within Keavy, it was the perceived lack of power over distributors and then subsidiary structures respectively which prompted the agent-in-focus and the company to resist these external structures and make changes to their organisation. The issue of power within The Whiskey Co. case is complicated as the management team are equity shareholders within the business, yet their positions and titles within the company impacts their individual levels of power and could lead to tensions. Within Dromoland, the agent-in-focus retains power over both allocative and authoritative resources through the Product Management function he has championed within the company. He also derives power and credibility from his previous experience of this approach in very successful organisations.

In summary, a structuration approach incorporates a focus on managers and agency and takes account of both the role and influence of social and professional relationships and networks in business transactions, which it does through position-practices. The concept of position-practices generates insights not just into the agents' knowledgeability but also into that of the managers' agents-in-context and networked others. This delivers a realistic oversight of the knowledge resources available to a manager who is always dependent on a team of people for support in enacting internationalisation strategies. Within the cases, an analysis of position-practices sheds light on issues of power and dependence for the agent and reflects the realities facing business managers.

7.4 Structures of Signification, Legitimation and Domination

Internal structures, investigated through the agents' conduct analysis, offer agents interpretive schemes (structures of signification), resources (structures of domination) and norms (structures of legitimation) for fashioning a course of action through particular social worlds (Coad et al., 2015). These constructs can be separated only for

analytical purposes as in practice they are an integrated set rather than three discrete components (Sarason et al., 2006). While a social system incorporates all three types of structures, it is possible for one structure to be more salient in a given context (Sarason et al., 2006). How agents draw on these internal structures when dealing with external structures allows the interaction between structure and agency to be explored in detail within the case analyses.

7.4.1 Structures of signification

Structures of signification provide general interpretive schemes necessary for communication. These interpretive rules provide ways for people to see and interpret events, and so give meaning to (inter)actions (Englund & Gerdin, 2014). In this way, structures of signification are drawn on to make sense of organisational activities (Busco, 2009). Structures of signification were particularly salient within four of the case companies: Caretech, FishFarm, Dromoland and The Whiskey Co.

Within Caretech, the tendering process functions as a structure of signification for the MD. The tendering process communicates understanding within the company, as well as across disparate geographical markets, as to how new business will be won. The process facilitates agents-in-context knowing their roles in a given tendering situation, and provides undertones of cohesion within the company as people know what they are doing, when and why, each time the steps in the process are enacted.

In a similar way, the agent-in-focus or Finance Director in FishFarm draws on internal signification structures to make sense of the context the joint venture he has co-created operates within. Within FishFarm, the narrative around entry into China has always been one of high risk due to the large size of the market and the small scale of the company. A shared understanding has emerged within the partner companies and the outcome is a joint venture management team which perceives a level of risk and uncertainty with China that is not evident within European markets and who are absolutely convinced that collaboration is the only way to enter the marketplace successfully.

Within Dromoland, the agent-in-focus or CEO draws on the Product Management function as a signification structure. This organisational design allows all managers to

understand the activities of the organisation, and there is a shared understanding of the function across all departments and stakeholders. Product Managers understand their roles clearly as "*mini CEOs of the business*" or as the CEO describes them as "*mini business managers*".

Within the management team in The Whiskey Co. there is an acknowledgement of the importance of getting the right distributor for the product. In terms of criteria for distributor selection these are not codified, rather as described by the Sales & Marketing Manager "*it's all going on in the head, we'd have this understanding*". In interacting with external structures, the agent draws on structures of signification to communicate to others the type of appropriate distributors to choose and the structuring properties that they should be embedded with. This is illustrated in the following quote where the Sales & Marketing Manager outlines what the team look for in a distributor;

> "w*hen we started out we were ... it's funny you sort of go for like- minded people. We were the plucky, challenger brand who goes against convention and tries to do things differently, so we were looking for similar types of distributors.*"

7.4.2 Structures of legitimation

Structures of legitimation are norms, which endorse or sanction certain forms of conduct (Englund & Gerdin, 2014) and denote a set of values and ideals for action (Busco, 2009). The agent-in-focus draws on the identified external structures as internal structures of legitimation, which help to set the firms priorities and legitimise the strategic choices made by the agents. Structures of legitimation were particularly salient within four of the case companies: Dromoland, Caretech, Keavy and FishFarm.

Within Dromoland, the agent-in-focus draws on the Product Management function as an internal structure of legitimation as it is perceived as having brought professionalism, structure, and focus to the company, all of which have led to positive international outcomes. The CEOs networked others, the Product Managers, endorse this organisational design. The Product Management structure also serves a function of legitimation for agents-in-context as there is a recognition that the value proposition for

the customer can be delivered more effectively by managers with extensive cross-functional experience, making it easier for Product Managers to achieve their targets.

In the case of Caretech, the Group MD draws on the tendering process as an internal structure of legitimation. The Group MD has used the lack of applicability of the usual procurement process to particular European markets to justify their exclusion. Structures of legitimation have also been drawn on by the agent-in-focus when selecting which market niches to compete in within the US and which to exclude from consideration.

Within the Keavy case, the external structure preserved as an outcome of the third and final episode of structuration was a hybrid arrangement combining distributors supported within the foreign market by Keavy's own staff. This hybrid arrangement serves a function of legitimation for the agent-in-focus as it justifies, from a financial perspective, why this lower level of investment option has been chosen. Process studies may trace processes backwards into the past or follow them forward in real time (Bizzi & Langley, 2012). Within the Keavy case analysis, the episodes identified allow internationalisation events and the process to be traced backwards into episode one, and then allows them to be followed through episodes two and three. This approach means that the hybrid arrangement, which emerges in episode three, can be fully understood and clearly explained. The agents' previous experiences of, and interactions with, external structures (distributors) as well as changes in his internal structures (attitudes) over time have been captured in the analysis. This sheds light on both what the agent is doing and why in terms of internationalisation activities observed within the final episode of structuration.

In the case of FishFarm, the agent-in-focus draws on the joint venture agreement as an internal structure of legitimation. The Finance Director justifies the choice of partnership as a strategic choice for the company by highlighting the synergistic benefits for all the companies involved. These benefits include offering a wider product range, continuity of supply and the ability to service larger orders. The joint venture also serves a function of legitimation in terms of the cost savings and the reduction in both financial and trading risks it delivers to the four firms.

7.4.3 Structures of domination

Structures of domination provide facilities for the exercise of power (Englund & Gerdin, 2014). This power is exercised through access to two forms of resources; authoritative resources (power over people) or allocative resources (power over material and economic resources) (Giddens, 1984; Stones, 2005). Structures of domination were particularly salient within four of the case companies: Dromoland, Caretech, FishFarm and Keavy.

Within Dromoland, the agent-in-focus draws on the external structure of the Product Management function as an internal structure of domination. The CEO has previous experience of the implementation and successful operation of this function. This conjunctural or particular knowledge mobilises an authoritative resource (power over people) for the CEO. The agent-in-focus derives power from the professional knowledge he has accrued from exposure to this organisational design in previous companies. The CEO can also draw on internal structures of domination as the Product Management function identifies clear lines of responsibility for Product Managers and facilitates monitoring and regulating their actions and behaviour. The Product Management approach and functional design has empowered the agent-in-focus. When faced with a large number of geographically diverse markets to manage, the Product Management function ensures the focus remains trained on key accounts and that responsibilities within managing these accounts are clearly delineated.

Within Caretech the tendering process, as an external structure, also serves a function of domination for the MD in regulating the actions of employees within the company, and holding people accountable for certain activities within the group. Within the steps in the tendering process, the agent-in-focus manages the business approval process for all outgoing tender bids, which involves deciding whether bids go ahead or not. The agent retains the power and authority to abandon a bid at this stage. Also where multiple bid opportunities are on the table simultaneously, the agent ranks and prioritises these opportunities based on internal resources available. In this way, the CEO retains power over both allocative and authoritative resources and the process as a whole.

Within FishFarm, the joint venture created for entry into China serves a function of domination for the agent. Within the new external structure created, the joint venture,

there is increasing power for the agent over allocative resources, which ensures orders can be filled, and over authoritative resources with the other venture partners. This is facilitated by the very clear obligations, prerogatives, and clusters of practices embodying structuring properties, within external structures, as sets of position-practices.

Within Keavy the hybrid arrangement of distributors supported by Keavy staff, which emerges from the final episode of structuration within the case analysis, represents a combination of external structures which returns the agent to a position of power. The agent draws on this hybrid as an internal structure of domination as it allows him to regulate the behaviour of people, both his own staff and indirectly the distributor, due to the close nature of the interactions. In this way, the agent retains power over both authoritative and allocative resources.

To summarise, the exploration of the agents' internal structures suggests that dispositional frames of meaning and the agents' motivations and skills are key in responding to external structures encountered during the internationalisation process. Agent knowledgeability has a significant influence on firm internationalisation activity. The dispositional frame of meaning of the agent creates confidence within the CEO or MD in their transposable skill sets and this attitude can, in some cases, overcome an observed lack of conjunctural or particular knowledge of internationalisation. Other ways of accessing knowledge and managerial resources for internationalisation is through the agents' position-practice relations. In examining how agents have drawn on various external structures across the cases, it emerges that agents-in-focus seek to reproduce and preserve external structures that serve functions of domination and power for them in their roles as leaders within their companies. As CEOs and MDs of small companies the preservation of external structures which facilitate power capacities for the agent, and help retain power over allocative and authoritative resources, is to be expected.

7.5 Active Agency

Active agency identifies and examines the actions of particular people in particular local situations analysing which elements of internal structures agents draw on in producing the actions noted, how they do this and why (Coad et al., 2015; Greenhalgh et al.,

2014b; Stones, 2005). Stones (2001, p.184) defines active agency as the "*ability to act, the ability to act routinely or to act differently*" and the "*ability to act reflexively, or pre-reflexively in relation to the external or internal structures that provide conditions of action*". The cases illustrate the capacity of the individual agent to act and make choices in dealing with external structures. Exploring the dynamic process of active agency provides valuable insight as it can explain how the firms' internationalisation outcomes come to exist and why. Langley et al. (2013) posit that the challenge with process research is to unravel the process to develop an understanding of the underlying logic. In this way, a process approach can move from description to explanation. Combining agential and structural considerations within active agency enhances understanding of managerial behaviour and subsequent firm outcomes.

Within the process of internationalisation the agents' critical reflection and reflexive capabilities have emerged as central to the process. How the agent rationalises their actions is a central component of structuration which takes place against the background of the agents' reflexive monitoring of their conduct (Stones, 2005). This reflects the first level of action in Giddens' (1984) stratification model of consciousness and action; reflexive monitoring of action; where agents reflect on themselves, as well as others, and the contexts through which activities take place. Managers involved in business internationalisation can be seen as reflexive agents, as individuals and managers who monitor their environment continuously and rationalise their own actions (Sydow et al., 2010). The cases illustrate the agents' capacity for reflexivity and self-monitoring within the international landscape. Critical reflection leads to active agency in terms of identifying and dealing with changing competitive conditions (Caretech and Dromoland), identifying challenges of small size and continuity of supply issues (FishFarm), pinpointing potential market opportunities (The Whiskey Co. and Keavy), and reducing market dependency and widening geographic scope (Gold Mountain).

The agents' flexibility facilitates the tracking of interactions as they occur and enables agents to respond to changing situations. This flexibility is particularly important where critical incidents, precipitated by either independent or irresistible causal influences, confront the agent. This flexibility is also impacted by the degree of critical distance that agents can bring to the internal structures that are the medium of their actions (Stones, 2005). The analyses illustrate that agents need to be facilitated in achieving

critical distance and time for critical reflection. For several agents-in-focus participation in executive management programmes at a strategic leadership level have facilitated such focus within their companies.

Within Caretech the MD's interaction with a state agency led to participation in an executive management programme which afforded the agent an opportunity to step back and consider company practices as the MD explains in the following;

> *"I think we are getting it (programme participation) at a good time for us. So for me I'm learning things I didn't know before and I get to think about things in a slightly different way. So those things are nice opportunities to just step back and think".*

Llewellyn (2007) posits that when agents are involved in a project or an activity that is not going well, they use reflexive knowledge to take a different 'tack' or adopt a different approach. This is evidenced within the Keavy case analysis where the agent-in-focus is forced to re-examine and re-interpret his stored knowledge across three episodes of structuration. The outcome of such reflexivity is a change in the agents evolving frame of reference, and a corresponding change in external structures within each episode.

Reflexivity can also lead agents to seek a degree of security where they may reproduce familiar structures from the past. This is evidenced within Dromoland where the agent-in-focus recreates the external structure of the Product Management function and within Caretech where the MD purposefully reproduces the set of external position-practices contained within the tendering process. These external structures serve functions of signification, legitimation, and domination for the agents within the internationalisation process and are continuously reproduced and preserved.

In exploring active agency, the case analyses have been able to investigate the situated behaviours of key agents within specific contexts of action at specific points in time. This generates an in-depth appreciation of the issues involved in the firms' internationalisation process at a particular juncture. The analysis benefits from an understanding of how actions supporting internationalisation are taken within the

constraints of external structures. Using Stones (2005) ideas of 'ontology-in-situ' and the 'ontic' means that structure and action are not contemplated at an abstract level, rather they are observed in concrete situations through the "*why, where and what of everyday occurrence and through understanding the dispositions and practices of agents in particular times and places*" (Jack & Kholief, 2007, p. 211). This research has therefore been able to examine concrete levels of structuration and realistic business situations within all six case firms.

7.6 Outcomes

Outcomes are the effects of agents' practices on structures, both internal and external, and can involve change and elaboration or reproduction and preservation. Outcomes also include events (Stones, 2005). Within the cases, there is evidence of both change and preservation of external structures by agents. The value of examining the firms' internationalisation outcomes is in detecting not only the degree of change, elaboration, or preservation involved in external and internal structures, but also in gaining insight into why and how a particular outcome has been (re)produced at a specific point in time.

Within all of the cases (with the exception of Keavy), the external structures investigated have been reproduced or preserved. However, agents can use their power and access to authoritative and allocative resources to break free from external structures in the course of the firms internationalisation journey This is illustrated within the three episodes of structuration which emerged from the Keavy case data. Within the analysis, it was possible to understand how the exercise of agency led to changes in external structures and to changes in the structural conditions of action for the firm. How external influences, both irresistible and independent, impacted the how, why and when of the internationalisation process of the firm was unravelled. Within the Keavy case data, changes in the agents' internal structures were diagnosed from one episode to the next, and shed light on active agency and associated firm outcomes in the final episode.

Stones' (2005) posits that structuration studies have the ability to focus in on any set of surface appearances and deliver a richer and more meaningful understanding of them. The case analyses dig beneath the surface characteristics of firm internationalisation,

such as the number of markets entered or entry modes selected, to generate a more meaningful and richer analysis and interpretation of the internationalisation outcomes captured.

7.6.1 Outcomes as micro processes and routines

A structuration analysis is not confined to just focusing on the decision made or the outcome; instead it considers the continued production and reproduction of the process (Coad et al., 2016) and the patterns which emerge (Caffrey & McDonagh, 2015). Within the six case analyses when internationalisation outcomes were positive for the firm, the external structures involved such as agents-in-context (distributors and intermediaries in Gold Mountain, The Whiskey Co. and Keavy), institutionalised positions (Product Management function in Dromoland), or clusters of practices (tendering process in Caretech, joint venture agreement in FishFarm), were reproduced and preserved.

Within the case analyses, cycles of structuration depict a series of activities and actions that are regularly repeated in largely the same sequence and order over time. As cycles were enacted multiple times within the internationalisation process, patterns of activity were noticeable within the cases. This research proposes that these patterned sequences of activities represent routines and contribute to a micro level understanding of the internationalisation process.

Nelson and Winter (1982, p.14) defined routines as "*regular and predictable behaviour patterns of firms*". Within the practice perspective, a routine is defined as "*repetitive, recognisable patterns of interdependent actions carried out by key multiple actors*" (Feldman & Pentland, 2003, p.95). A necessary characteristic of a routine is that these recognisable patterns are retained from one performance to the next (Pentland et al., 2012). Artefacts have been described as the "*physical manifestation of the organisational routine*" (Pentland & Feldman, 2005, p.797). Artefacts can take many different forms from written rules to computers or software (D'Adderio, 2008, 2011; Pentland & Feldman, 2005). The practice perspective conceptualises routines as engaging agency and subjectivity on the one hand and structure and objectivity on the other hand (Feldman & Orlikowski, 2011). This is reflected in the performative (action)

and ostensive (structure) ontology put forward by Pentland and Feldman (2003, 2005, 2008).

The key characteristics of routines are reflected in each of the six case analyses to various degrees. Within Caretech, in exploring the interplay between the external structure (the tendering process conceptualised as a cluster of practices) and the agent (manager) the story of the firms' internationalisation also recorded the activities and actions repeated within the firm to support the tendering process. Caretech have reproduced the tasks involved in the tendering process over 80 times. The tendering process represents a number of tasks or steps and predictable actions and responses to be completed at each stage of the process. It represents a way of doing something habitually within the firm. Based on the level and frequency of repetition involved a routine has formed which supports and co-ordinates the tendering process.

Within the Gold Mountain case analysis, specific performances, and identifiable patterned steps in the route to market activities of the company can be identified. These represent the performative aspect of the routine which has emerged to support the internationalisation of the firm. Although some variation exists within each cycle of structuration, a pattern of activities is discernible. This pattern or sequence of activities, as enacted by the Export Consultant, includes foreign market selection, analysis and review of the market for retail and/or foodservice sales potential, conducting store audits, locating intermediaries, negotiating agreements, and overseeing delivery and channel relationship management. Reproduction of this pattern on multiple occasions has allowed the company to achieve significant levels of international sales within a short period of time.

Within The Whiskey Co. a pattern of activities, practices and repetitive tasks have emerged within the company to deal with 18 worldwide distributors. Within the US another 14 distributors are engaged by the company. As the practices involved in distributor management are repeated and reproduced this pattern facilitates speedy market entry and international sales volume for the company.

Within FishFarm a routine approach to both the management of the joint venture, and order fulfilment, facilitates the company's smooth internationalisation into the Asian

marketplace. The activities and tasks involved in filling and shipping orders can be enacted quickly and efficiently and allows the four partners to develop a way of 'getting the job done' efficiently and effectively. The routine steps adopted within the group of companies for managing the venture reduces the risk involved for all parties.

Within Dromoland new business, specifically from global OEM accounts is now pursued, won, and managed through following the steps laid out in the Product Management function, which underpins the firm's internationalisation strategy. Following such a patterned set of practices has brought focus and accountability to all of the stages involved in the process as well as to the Product Manager role within the company.

Keavy has emerged from a period of change and radical restructuring. The company has generated a pattern of iterative steps and tasks used in appointing country managers and staff for markets, as well as locating and managing country distributors. Typical everyday activity of staff and distributors is managed in a patterned way and a repeated formula is discernible in how the company accomplishes internationalisation tasks within their newly created Distribution Division.

The tasks and steps identified within each of the cases reflect the performative aspect of a routine which consists of the actual performances by specific people (Becker, 2005b; Becker & Zirpoli, 2008; Feldman, 2000). These actions may exhibit variation (Pentland et al., 2012) but can be expected to conform to a typified pattern (Feldman & Rafaeli, 2002). Though there may be some variation in how Gold Mountain, The Whiskey Co., and Keavy deal with the intermediaries (agents-in-context) involved, a clear pattern of activity remains and is reflected in the performative aspects of the routine. Where steps in the process are clearly delineated as within Dromoland (Product Management function) and Caretech (tendering process), a routine is the likely outcome of repeatedly following a particular sequence of activities.

The ostensive dimension of a routine is its ideal or schematic form (Feldman & Pentland, 2003). This ostensive dimension informs behaviour in organisations by suggesting what people can do and helping others to attach significance and meaning to what these people do (den Hond et al., 2012). Within all of the six case firms the

ostensive dimension of the routine enables the participants (agents) to account for their performances. This may be within the abstract pattern or description that agents understand from the Product Management function (Dromoland), the tendering process (Caretech), or the joint venture agreement (FishFarm). Within Keavy, The Whiskey Co. and Gold Mountain the ostensive dimension of the routine guides the practices of agents as it indicates how they want to do business and how they want to be perceived within the market place. In The Whiskey Co., this is as an artisan producer and a challenger brand, with Gold Mountain it is as a premium player in the sector, and with Keavy, the company seeks to show a return to strength within their industry niche.

Artefacts may reflect either the ostensive aspect of the routine (as in the case of a written procedure or a policy statement that describes the overall pattern of the routine) or the performative aspects (as in the case of a transaction history or tracking database) (D'Adderio, 2008, 2011; Pentland & Feldman, 2005). Though not the focus of this research artefacts were observed within case companies and included software (Caretech, Keavy, The Whiskey Co.) and written protocols (Dromoland, Gold Mountain and FishFarm). Within The Whiskey Co. case, the recurrent interactions of the company with distributors are influenced by the firms' digital brand library or technology artefact. Distributors engaging with this material within the performative aspect of the routine, allow it to shape their activities and to create and recreate the positioning of the company, the ostensive aspects, as an artisan craft producer.

Valuable insights can be gained from identifying routines within the case firms. Nummela et al. (2006) suggest that as a company internationalises, administrative and organisational demands increase, and the company responds by making organisational rearrangements (Welch & Luostarinen, 1988). From this perspective, the key question is how these internal activities are organised (Nummela et al., 2006). The answer is in exploring how these internal activities are organised within firm routines.

Exploring routines can deliver insights into the internal changes within the firm as it develops internationally. Identifying routines and observing their enactment produces a micro-process perspective of internationalisation. This micro perspective facilitates insights into the firm practices that constitute day-to-day activities of the firms' international activities. Analysing routines means that the micro processes of

internationalisation can be examined by looking at what changes internally within firms during internationalisation. Pentland and Feldman (2005, p.794) suggest that the "*need to understand internal dynamics of routines is particularly strong if we want to influence, design and manage them*". Exploring routines can deliver managerial insights to the internationalising firm in terms of how best to manage and leverage routines for competitive advantage internationally.

In summary, within the six case analyses as cycles of structuration were enacted multiple times within the internationalisation process, patterns of activity were discernible. This research proposes that these patterned sequences of activities represent routines. Analysing routines as micro processes (Prashantham & Floyd, 2012) addresses the ongoing need to understand the internationalisation of SMEs from a micro process perspective. Analysing routines as micro processes supporting internationalisation activities unveils the internal changes taking place within the firm and generates a further layer of understanding of the internationalisation process. As the routines ontology incorporates ostensive and performative dimensions analysing the internal dynamics of routines adds to a deeper understanding of the dialectical relationship between structure (ostensive dimension) and agency (performative dimension), within the context of the routine itself.

7.7 Evaluating extant process models

This section of the discussion revisits the assumptions and limitations of extant process approaches to internationalisation research. The value of exploring the six case companies from a structure and agency perspective is assessed and compared with (i) the dominant internationalisation model of Uppsala and (ii) the business network approach.

7.7.1 Uppsala process model

The Uppsala model acknowledges and prioritises the role of environmental, situational and context related influences on the firms' internationalisation process. It views the environment as the key determinant of firm behaviour. Due to its focus on these structural factors, it is criticised for being overly deterministic in nature. This structural orientation within the Uppsala model means that the individual decision maker is not in focus within the analysis (Andersson & Florén, 2011) and the actions and activities of

managers remain for the most part subordinate and neglected within the model (Lamb et al., 2011). Overlooking the possibility of individuals making strategic choices and excluding the important role of managers and entrepreneurs, and therefore agency, in the firms' internationalisation process is the key criticism levelled at the model (Li & Gammelgaard, 2014; Ruzzier et al., 2006). Critics are generally in agreement that the model prioritises situational variables at the expense of agential considerations (Andersen, 1993, 1997; Andersson & Florén, 2011; Chetty, 1999; Fletcher, 2011; Lamb et al., 2011; Ruzzier et al., 2006).

However, within small firms managers have been found to heavily influence the firms' international development and it is important to include the manager in charge of the company in explanations of the firms' international development (Andersson, 2000; Andersson & Florén, 2011). This argument is supported by the case analyses which clearly illustrate the impact of individual managers on the firms' internationalisation activities.

Differing degrees of knowledgeability, or conjuncturally task specific knowledge, of managers has been shown to impact the firms' internationalisation outcomes. The case analyses illustrate that how the individual manager draws on internal structures of signification, domination and legitimation when interacting with external structures in the firms' international environment, plays a key role in active agency and how the company operates internationally.

Lamb et al. (2011) suggest that a drawback of the Uppsala model is that by excluding agential considerations the model does not incorporate psychological aspects of managers (agents) into the framework. A psychological aspect of interest is the managers' personal motives which affect their decision making and impact their world view and general business dispositions (Li & Gammelgaard, 2014).

The case analyses support this critique of the model by illustrating that the personal motivations of the agents play a key role in how the firms' internationalisation process unfolds. Within the case firms these personal motivations drive the need within agents to prove their entrepreneurial ability (The Whiskey Co.), to demonstrate their transformative capacity for change (Gold Mountain), to lead through innovation and

creativity (Dromoland), to reposition a family owned business for competitive advantage (Keavy) or to strategically diversify to maintain the viability of the business (Caretech and FishFarm). The managers' general business dispositions calibrate and condition their responses to, and interactions with, the external structures they encounter within the international business landscape.

Researchers have argued that in business each agent or managers' interpretation of a given situation and their response to it is unique to them (Sarason et al., 2006). These differences in meaning that managers bring to their internationalisation activities are an essential aspect of agency impacting the internationalisation outcome for the firm (Lamb et al., 2011). The cases illustrate that managers interact with external structures in ways that are unique to them, based on a combination of their professional experience, differing dispositional frames of meaning and differing levels of particular knowledge of internationalisation. These unique aspects of agency need to be captured as part of any process research.

It can be argued that the revised Uppsala model (2009) begins to include the individual to some extent as it incorporates network relationships, examining how these are formed and the importance of mutual commitment and interaction between actors in these relationships (Johanson & Vahlne, 2009). Forsgren (2016) acknowledges that the revised 2009 model regards internationalisation as an entrepreneurial process in a business network context, and would include aspects of agency, as the decision-making logic of the entrepreneur would shape the internationalisation process.

However, Forsgren (2016) is critical of this revision of the Uppsala model (2009) arguing that it may not in fact be possible to combine business network theory and entrepreneurship within the one model. Forsgren (2016, p.1136) argues that "*incorporating business network theory and entrepreneurship into the Uppsala model needs more consideration before it can be claimed to increase understanding of the basic features of a firms' internationalisation behaviour in a more profound way*". This level of consideration will also precede guidelines for researchers attempting to operationalise the model for empirical research.

In comparison to the Uppsala model, strong structuration theory acknowledges the role of agency, which it attends to through its emphasis on internal structures and also by examining the interplay of internal structures and actions (Coad et al., 2015; Stones, 2005). A key feature of this approach is paying attention to the hermeneutic and interpretive frames of agents. In doing so, it incorporates psychological aspects of managers (Lamb et al., 2011) and their personal motivations and emotions (Li & Gammelgaard, 2014). In addition, a structuration perspective views structure and agency as a duality, excluding neither from analysis. Instead strong structuration theory considers how the values and knowledge possessed by both individual and organisational actors (agents-in-context) are influenced by, and mediate perceptions of, external structures and how this value knowledge informs and influences their actions (Greenhalgh et al., 2014b; Stones, 2005).

In examining the link between managers and their firms' international development, questions of 'what' managers do, 'how' they do it and 'with whom' require attention (Andersson & Florén, 2011). These aspects can be captured and understood within a structuration perspective. The case evidence and analyses strengthens the argument in favour of combining both structural and agential considerations when trying to increase understanding of the firms' internationalisation process.

The Uppsala model has also been criticised for falling short of explaining what happens when companies decide to internationalise their operations, specifically what happens inside the business during internationalisation and thereafter as internationalisation continues (Andersen 1993, 1997). This is at odds with internationalisation scholars who agree on the need to be able to examine the internal workings and changes within the firm as it develops internationally; an issue which they note is neglected within empirical research (Lamb et al., 2011; McAuley, 2010; Nummela et al., 2006; Vanninen & Kuivalainen, 2015).

A structuration approach addresses both of these issues: unravelling what happens within the internationalisation process and delivering empirical evidence of this. *"Process research is about events and incidents and their sequencing. It asks questions about who did what, where they did it and how and why they did do the things they did"* (Welch et al., 2016, p.783). As a process theory, a structuration approach unveils what

happens inside the business during internationalisation. The cases illustrate various dimensions of company change happening such as organisational design changes to facilitate international operations (Dromoland , FishFarm, Keavy, Gold Mountain), the appointment of new personnel (Gold Mountain, Caretech), the formation of alliances or hybrid arrangements for market entry (FishFarm, Dromoland), and product diversification (Dromoland, Keavy, The Whiskey Co.). Other aspects of internationalisation such as the market selection process (Gold Mountain, Caretech, The Whiskey Co., and Dromoland) can also be explored. Crucially a structuration perspective can help to understand why these events occurred and why others did not; how the internationalisation process evolved the way it did.

The Uppsala model has been criticised for failing to deliver insights into what happens within the firm during internationalisation. Fletcher (2001, 2011) notes that whereas the Uppsala model describes firm internationalisation it does not explain it. Dominguez and Mayrhofer (2017) agree, suggesting that the Uppsala model does not explain why, how and when firm internationalisation starts. The model therefore provides only a partial explanation of the small firm internationalisation process (Dominguez & Mayrhofer, 2017; Li & Gammelgaard, 2014; Ruzzier et al., 2006).

A final point of critique of the Uppsala model relates to the conceptual ambiguity it suffers from. Steen and Liesch (2007) suggest that the original theorising on the Uppsala model (1977) is vague on what exactly is meant by knowledge, and that the model suffers from conceptual ambiguity about the mechanisms within the firm that enable the exploitation of international opportunities. Dominguez and Mayrhofer (2017) suggest that the qualitative, ambiguous, and hardly measurable key concepts put forward by Johanson and Vahlne (1977) do not allow for replication or refutation and question the validity of the model. Forsgren (2016) when commenting on the revised 2009 model also concluded that ambiguities about core concepts remain, making the revised model difficult to operationalise. In contrast, Stones' (2005) strong structuration theory provides a clear conceptual methodology which provides a bridge between theory and empirical research (Coad et al., 2016) and is easily operationalised and used in the field.

To conclude, the Uppsala process model overlooks the possibility of individuals (agents) making strategic choices by being overly deterministic in nature. In contrast, a structuration perspective views structure and agency as a duality (Giddens, 1979, 1984). As a result, the subsequent analysis captures a more realistic reflection, and holistic understanding, of the dynamic interplay between external structures (international context or environment) and the agent (the individual manager) as the internationalisation process evolves within the firm. In their review of the Uppsala model (Welch et al., 2016, p.797) pose the question, "*are there additional research traditions on which internationalisation researchers can draw to inform the study of processes*?" This research asserts that Stones' (2005) strong structuration theory is one such research tradition which can inform the study of process. The case analyses demonstrate its value in understanding firm internationalisation from a structuration perspective.

7.7.2 Network theory: business network approach

Another way to analyse a firm's internationalisation process is to use the network perspective. Within the literature, three perspectives of network process research exist; social network research, entrepreneurial network research and business network research (Slotte-Kock & Coviello, 2010). Both social network research and entrepreneurial network research represent variance approaches to process research, emphasising structural analysis through a positivistic lens (Slotte-Kock & Coviello, 2010). Only the latter, the business network research approach, reflects a process orientation in its focus on building and managing relationships within a network (Ford & Håkansson, 2006; Jack, 2005, 2010).

The business network perspective focuses on understanding how to establish, build, and maintain or change relationships to create a position within a network. Its main focus is on how relationships change and why change occurs (Slotte-Kock & Coviello, 2010). Business network researchers investigate the concept of interaction between parties, where relationship development is conceptualised as (inter)action, rather than action, between independent firms or actors (Ford & Håkansson, 2006).

Though the business network approach offers an understanding of specific relationships, external forces and their impact on the relationships under investigation are excluded.

The focus is on agential dimensions of the network process and structural influences on the network are not part of the analysis (Slotte-Kock & Coviello, 2010). In contrast to this perspective, process thinking views organisations in a world of ongoing change and flux (Caffrey & McDonagh, 2015). For a firm engaged in internationalisation such change and flux in the international environment or context of operations (external structures) presents constant challenges to be handled by the manager when taking international decisions and actions.

The case analyses capture and clearly illustrate the link between external structures, factors operating within the environment, and the firms' internationalisation. External structures, or independent causal influences, identified within the six cases included the economic recession and its associated business and industry implications as well as outbreaks of disease such as BSE. In the case of Keavy the outbreak of BSE was a critical incident for the firm and immediately impacted the pace, direction and type of internationalisation strategy the firm pursued.

The impact of the recession resonated with the case firms to various degrees and its impact was observed in the strategic responses made by Dromoland (diversifying from agricultural products to construction), Gold Mountain, Keavy and Caretech, (market diversification away from a recessionary UK market), and FishFarm (targeting potentially high growth markets in Asia). In all of the cases the analyses illustrate the role of this independent causal force (economic recession) in generating strategic decisions, often under severe pressure, from managers to keep the businesses afloat. An analysis of firm internationalisation that did not account for the impact of this global recession on these SMEs and their international actions would have delivered a weaker and less informed understanding of what actually happened within these firms and why.

In contrast to ascribing primacy to agency, as in the case of the business network approach, internationalisation researchers have argued instead for the importance of industry context, and the structure of the industry, to be acknowledged in the firms' international development (Andersson et al., 2013). They suggest that specific industry context factors can influence internationalising firms differently and the particularities of an industry can shape the internationalisation process of the firm (Andersson et al., 2013; Laurell et al., 2013).

Specific industry context factors are seen at play within case companies such as Caretech, where the set of procurement practices is peculiar to their client portfolio. Evidence of the impact of this external structure is illustrated within the analyses and is seen to impact every facet of internationalisation for the firm. The Whiskey Co. case highlights the impact of regulatory frameworks within the US alcohol market on it operations. Contextual particularities, aspects of company size and turnover as well as continuity of supply issues combine to explain the international co-opetition activities of FishFarm within the fish market.

Research has also shown that the firms' environment influences their internationalisation strategies as the structure of an industry is continuously evolving, driven by technological, economic, and competitive changes (Andersson, 2004). Leveraging technological advances and associated business changes has been a key feature of how the Keavy CEO has repositioned the firm within the competitive landscape in the final stages of the case analysis. Harnessing new technology platforms has also realised substantial international opportunities for both Caretech and The Whiskey Co. Economic and competitive changes have impacted all of the six case firms.

Structuration theory gives due consideration to the role of external structures, and the impact of environmental influences on the firm within the process of internationalisation. A benefit of using Stones' (2005) framework is that it increases understanding of the role of external structures further by investigating either independent causal forces, as discussed previously, or irresistible causal forces, as subsets of external forces. All of the external structures analysed within the six case companies: agents-in-context (Gold Mountain, Keavy and The Whiskey Co.), the tendering process (Caretech), the Product Management function (Dromoland), and the joint venture agreement (FishFarm) are all identifiable as irresistible causal influences (Stones, 2005).

The value of this analysis derives from its ability to combine external structures with the hermeneutic frame of meaning, including wants and dispositions of the agent or manager (Stones, 2005). This delivers insights into the agents' interaction with key

external structures revealing why they are either preserved or maintained by including the agents' internal structures in the explanation. Understanding how the agent's hermeneutic frame influences their interpretation of, and approach to, these specific external forces within a defined case context is a key output from using structuration theory.

In addition to including external structures in the analysis, structuration theory also acknowledges that these structures can play differing roles and can enable or constrain the agent. There can also be interactions and inter-relationships between external structures (Stones, 2005) and where these can be mapped out and within the analyses, this generates a realistic picture of the pressures a manager operates under when making internationalisation choices for the firm.

In debating the best way to develop and enrich the business network approach as a stream of research, Bizzi and Langley (2012) conclude that the way forward is to integrate ideas and methods from the wider process domain. They suggest that in developing network studies researchers *"need to problematize the spatial boundaries separating firms and networks from their context"* (Bizzi & Langley, 2012, p.231). The suggestion is that the environment faced by a firm or by a network of firms is constantly changing and is not something that can be held constant and outside of the (network) changes being analysed by researchers. The process ontology implies that the environment of the firm is constantly recreated by the actions of the network participants themselves. Researchers within the business network field need to treat this issue of separation of the firm and its environment as a problem that needs to be solved.

To conclude, this research contends that context matters for internationalising SMEs and external structural influences need to be an integral part of process research on internationalisation. Prior research has emphasised the need for internationalisation models to include the specificities of internationalisation in different industries, suggesting that industry context is a decisive factor for understanding firms' internationalisation (Andersson, 2004; Laurell et al., 2013). A structuration perspective acknowledges the role and influence of environmental factors and can accommodate the specificities of differing industry contexts. The case analyses have illustrated the influence and impact of industry context on the firms' international activities and

decisions. In treating internationalisation as a duality of structure and agency, a structuration perspective can integrate environmental factors and industry influences while simultaneously acknowledging the role and influence on the individual manager. Based on this reasoning, a structuration approach is advanced as an alternative to the business network approach, in exploring and understanding the internationalisation process of SMEs.

7.8 Conclusion

The six case analyses explored the role and influence of external and internal structures, as well as the interactions between them, captured within active agency, and the resulting internationalisation outcomes for each case firm. These case analyses have demonstrated the ability of a structuration perspective to understand and explain the internationalisation process of the firm. The explication of the 'why, how and when' of internationalisation as a structure and agency dynamic, based on a recursive process, is clearly illustrated within each of the six case analyses.

Extant process models, such as the Uppsala model and network perspective, have different strengths and weaknesses when it comes to explaining firm internationalisation. The strength of the Uppsala model derives from its ability to explain the impact of environmental factors on the firms' international behaviour. The corresponding weakness is that it is structural in orientation and excludes agential considerations. The strength of the business network approach is its ability to examine relationships and take an agency perspective. The key criticism of this approach is that the firms' international context and environmental factors impacting managerial decision-making are not part of the analysis. Both models contribute to understanding firm internationalisation but represent only partial explanations of the process.

This research concludes, based on the detailed case analyses presented, that structuration theories such as Stones (2005) provide an interpretative framework and approach that delivers a holistic and insightful understanding of the small firms' internationalisation process. It does this by including agency (the individual manager) and structure (the firms' context) as well as the interaction between them in the examination of the firms' internationalisation process. In bridging the structure-agency divide evident within alternative process approaches (such as the Uppsala model and the

network perspective), this research asserts that a structuration perspective is the superior approach to understanding small firm internationalisation.

The use of structuration theory can also deliver a micro perspective on the firms' internationalisation process. This micro level understanding of internationalisation is achieved by exploring routines as micro processes within the firm (Prashantham & Floyd, 2012). Patterned firm practices as outcomes of structuration were observed within all of the case companies to various degrees, and these patterns represent organisational routines, or internationalisation routines. Exploring the interaction of the ostensive (structural) and performative (agency) aspects of routines could help to understand the co-evolution of structure and agency in the context of particular routines (Hansen & Vogel, 2011). Insights from routines research can contribute a micro perspective on the firms' internationalisation process.

CHAPTER EIGHT: CONCLUSIONS AND CONTRIBUTIONS

8.1 INTRODUCTION

This final chapter revisits the motivation for this study and the resultant research question. It provides a brief overview of the main arguments advanced in support of the strong structuration perspective adopted. A summary of the core findings on the internationalisation processes of the six case SMEs is presented to illustrate and reinforce the analytical value of the interpretative framework used; the quadripartite nature of structuration (Stones, 2005). The core insight of this research is that a strong structuration perspective provides an innovative conceptual foundation, and process approach, to understanding and explaining the small firms' internationalisation process. This study contributes to internationalisation process research by providing an alternative way of conceptualising the process of small firm internationalisation. It also highlights the value of research combining sociological and internationalisation perspectives in advancing knowledge of firm processes. Possible directions for future research to build on and expand this research agenda are highlighted to conclude the discussion.

8.2 OVERVIEW OF THE STUDY

SMEs are increasingly active in international markets and are the backbone of the economy within the European Union (Francioni & Pagano, 2016). In this context, the activities and processes surrounding the internationalisation of SMEs are important phenomena to understand from both a research and a managerial perspective (Kuivalainen et al., 2012; Vanninen & Kuivalainen, 2015).

Existing research explains the firms' internationalisation process in terms of dualist and dichotomous thinking. Researchers within these traditions have implicitly emphasised either structural dimensions (environmental or contextual features) such as in the Uppsala model of internationalisation, or agential dimensions (knowledge and characteristics of managers), as in the case of the business network approach. As a result, neither of these process models can incorporate the impact of the firms' environment (structural aspects), the activities and characteristics of the firms' managers (agency), as well as the interaction of structure and agency within their explanations of firm internationalisation.

Excluding the opportunity to explore the interplay of structural and agential dimensions within the process has led to concerns about the partiality and inadequacy of existing theories of small firm internationalisation (Coviello & McAuley, 1999; Lamb et al., 2011; Welch et al., 2016). This concern coupled with the need to better understand SME internationalisation manifests itself in a growing interest in theoretical frameworks through which the internationalisation process can be more fully described and analysed (Kuivalainen et al., 2012; Li & Gammelgaard, 2014).

These concerns led to the development of the research question, which explores the reciprocal relationship between structure (environmental and contextual factors) and agency (the individual manager) during the internationalisation process of the firm. This research argues that adopting the duality of structure and a structuration perspective can inform and improve the study of firm processes and advance an alternative way of conceptualising small firm internationalisation. Structuration theory is positioned as an alternative process approach to explaining the 'how' and 'why' of the internationalisation process (Langley et al., 2013; Pettigrew, 1997; Sminia, 2009). This research considers the firms internationalisation process as a reciprocal relationship between structure (international context) and agent (individual manager) and articulates this relationship as a duality of interdependent and mutually enabling elements (Farjoun, 2010; Giddens, 1979, 1984; Stones, 2005).

This research design draws on strong structuration theory (Stones, 2005), a strengthened and refined version of Giddens' (1984) original structuration theory, as a theoretical framework to analyse the interaction, and interdependence, of structure and agency within the internationalisation process. Unlike Giddens' (1984) work, strong structuration theory (Stones, 2005) recognises the existence of external structures as structural conditions of action. These external structures are autonomous from the agent and can exert a causal influence (Englund & Gerdin, 2016). Whereas the use of Giddens' (1984) original structuration theory has been rare within the international field the change in the ontological status of structures within strong structuration theory makes it easily operational within internationalisation process research. The quadripartite nature of structuration (Stones, 2005) has been applied as the interpretative framework to investigate the internationalisation process in six case studies of Irish SMEs. The components of the framework include internal structures of agents

(individual managers), external structures (environmental and contextual factors), active agency (managerial practices), and outcomes.

In conclusion, this research asserts, based on the detailed case analyses presented, that a strong structuration approach, is the superior approach to understanding and explaining the firms' internationalisation process. This research argues that strong structuration theory provides a rich conceptual foundation for investigating the process of small firm internationalisation. Retaining Giddens' (1984) duality of structure as a key tenet of the theory it is possible to explore and understand the interaction of, and interrelationships between, the structural (environmental) and agential (managerial) dimensions within the process. Knowledge of this structure-agency relationship is crucial to understanding the firms' internationalisation process (Dutta et al., 2016; Sydow et al., 2010) and drawing on this knowledge produces a comprehensive and holistic explanation of the process.

The duality of structure gives sufficient weight to both structure and agency within the case analyses rather than ascribing primacy to either. In doing so, it overcomes the structure-agency divide evident within existing internationalisation process models. The duality of structure allows the relationships and pressures between external and internal agents and structures to be articulated by examining their interaction throughout the process (Jack & Kholief, 2008). In the context of the SME cases presented, strong structuration theory (Stones, 2005) has provided a valuable conceptual apparatus for researching the firms' internationalisation process. It has provided an insightful processual perspective and the case analyses have produced richly contextualised explanations of how and why the internationalisation process occurs within firms. A summary of the findings on the internationalisation processes of the six case firms is presented next.

8.3 SUMMARY OF INTERNATIONALISATION FINDINGS

The six case companies represent a number of sectors such as engineering, food and drink and software sectors. Each SME faces similar sets of strategic challenges in growing their business internationally and this is manifested in an array of tactical challenges such as dealing with customer acquisition strategies, distributor management, selecting foreign markets and modes of operation as well as product development and diversification strategies. The findings are presented following the

logic of the quadripartite framework including internal structures of the agent, external structures, active agency, and outcomes.

8.3.1 Agency

The first objective of this research was to examine how the individual manager (agency) within an SME influences the firms' internationalisation outcomes when interacting with, and responding to, external structures. The role and influence of agency on the internationalisation outcomes of the firm has been examined by analysing the internal structures of agents (agents' conduct analysis) (Stones, 2005). The agents' internal structures are divided analytically into two components; dispositional frame of meaning or habitus and conjuncturally specific internal structures (Stones, 2005).

Habitus or disposition is where external structures are interpreted in the context of the agents' disposition or their world views, attitudes and values (Coad & Herbert, 2009; Greenhalgh et al., 2014a; Stones, 2005). It provides the perspective by which events in the world are framed and perceived by the agent (Greenhalgh et al., 2013). The managers' dispositional frame of meaning has exerted a critical influence on the firms' internationalisation outcomes.

The cases illustrate the impact of the agents' personal motivations, as part of their dispositional frame, as key internal drivers of internationalisation within the firm. These personal motivations drive the need within agents to prove entrepreneurial ability (The Whiskey Co.), to demonstrate transformative capacity for change (Gold Mountain), to lead through innovation and creativity (Dromoland), to reposition a family owned business for competitive advantage (Keavy), or to strategically diversify to keep the business viable (Caretech and FishFarm). These motivations impact the decision making process, the decisions taken and the managers' general business dispositions. The professional background of the agent, such as an accountancy background, impacts how they interact with their networked others in the firm as agents-in-context. The managers' general business dispositions calibrate and condition their responses to, and interactions with, the external structures they encounter within the international terrain.

Conjuncturally specific knowledge is knowledge of how to act in particular situations, it is knowledge of the strategic terrain and how the agent is expected to act within it,

based on their hermeneutic understanding of external social structures (Coad & Herbert, 2009; Greenhalgh et al., 2014a). The impact of managers' knowledgeability, captured within conjuncturally specific knowledge, exerts significant influence on the firms' international activities as illustrated within the cases. Whether the managers task specific knowledge of managing internationalisation within their industry is well informed or ill informed directly impacts their actions and has consequences for the firm.

Where the agent has contextualised, well informed, conjuncturally specific knowledge of the relevant external structure, this gives them confidence in their initiatives and is a source of power and credibility with other managers or agents-in-context within the firm. This is illustrated within the Dromoland case where the agent champions the Product Management function as an external structure informed by previous professional experience. Extensive conjuncturally specific knowledge can also give an agent the confidence to resist and break free from external structures constraining the company, as illustrated within the Keavy case analysis.

Where agents have well developed levels of task specific knowledge, such as within Caretech in relation to the external structure of the tendering process, this is manifested in two ways within the company. On the one hand, these stocks of knowledge of the external structure, the tendering process, are advantageous for the agent as they guide the company in their market selection and prospecting activities within new markets such as the US, helping the company to select business prospects and market niches with maximum potential for positive company returns. However, whereas the preservation of the tendering process, based on extensive conjuncturally specific knowledge of the agent, is delivering positive outcomes for the company, it can be argued that this exclusive focus on the tendering process is also restricting the agent from giving due consideration to other ways of acquiring customers.

The cases illustrate that where agents have less conjuncturally specific knowledge of the external structure this can mean that they underestimate the complexities involved in generating international business, (as seen within Gold Mountain), or unintended consequences emerge for the firm (as in the case of The Whiskey Co.), or that agents are more amenable to co-operative arrangements (such as within FishFarm). Where

conjuncturally specific knowledge is less developed the social and professional networks of the agent, their position-practices, are vital in accessing knowledge of networked others to offset their internationalisation knowledge deficit.

Within strong structuration theory the agent-in-focus is always conceptualised as being in the midst of, and caught up in, the flow of position-practices and their relations (Coad & Glyptis, 2014; Coad & Herbert, 2009; Greenhalgh et al., 2016; Stones, 2005). Position-practices allow the manager to be viewed within a web of interdependencies and focuses attention on their strategic conduct. The managers' conjuncturally specific knowledge includes a social and professional network within the industry, and this emerged as a valuable firm asset within the case analyses. These position-practices were instrumental within the case firms' internationalisation process whether in terms of assisting in new business development and sourcing senior management personnel (Caretech), identifying possible alliance partners (FishFarm), identifying potential distributors (The Whiskey Co.) or restructuring international operations (Dromoland). The cases illustrate that managers leverage their position-practices and networks for international advantage and to mobilise critical resources. Where the agents' conjunctural knowledge of internationalisation is limited they access, or create a link to, an agent-in-context who has greater particular knowledge of the issue. Such network ties are hugely valuable resources which the manager leverages.

The position-practices perspective allows the importance of power in social interactions to be analysed within the cases (Coad & Herbert, 2009). In each case the power embodied within the agents' position as CEO or MD comes from their ability to exercise control over allocative resources (objects and materials) and authoritative resources (over people) (Stones, 2005). Power asymmetries exist within all of the case firms to various degrees. These power relations can relate to dealing with agents-in-context, such as state agencies in the case of FishFarm, or distributors in the case of The Whiskey Co. Power asymmetries also emerge within Caretech where the MD feels the pressure of dealing with very experienced country managers he has recruited. Issues of power also exist internally within the companies whether the CEO needs the support of his management team (Caretech), other equity shareholders (The Whiskey Co.), a majority shareholder (Dromoland), or partner organisations (FishFarm).

Issues of power interdependencies reflect the tensions and realities facing managers managing internationalisation and interacting with networked others within position-practices. External structures are mediated largely through the position-practices of agents (Coad et al., 2015; Cohen, 1989) and what it means to be the CEO or MD of an international SME and the normative expectations and power relations associated with that position have been examined within each case analysis.

In summary, the cases illustrate that managers significantly influence their firms' internationalisation activities and process. Capturing the influence of agents' dispositional frames of meaning through personal characteristics, motivations, emotions, attitudes, international business dispositions and general world views, has been key in explaining their responses and reactions to external structures encountered during internationalisation. Agents' knowledgeability significantly influences the firms' internationalisation. Examining the agents' task specific knowledge and its impact has uncovered individual as well as company idiosyncrasies in dealing with internationalisation; insights which may not emerge from alternative process approaches. Within all of the cases position-practice relations are valuable assets for the agents-in-focus and underscore the value of both social and professional relationships within international business.

8.3.2 External structures

The second objective of this research was to examine how environmental and contextual factors (structure), mediated by managerial agency, influence the firms' internationalisation outcomes. The influence and impact of these autonomous structural factors on the firms internationalisation has been examined by analysing external structures (within the agents' context analysis) (Stones, 2005). Exploring the temporal bracketing of the agents' context analysis gives an account of the managers' interpretation of, and practical engagement with, relevant external structures (Parker, 2006; Stones, 1991, 2005). These external structures create the structural conditions of action for the firm and exert influence over the internal structures of the agent themselves. They may constrain or enable action by the agent-in-focus (Jack & Kholief, 2008; Stones, 2005).

Across the six cases there was variation in the types of external structures analysed which included: (i) agents-in-context (distributors and intermediaries in Gold Mountain, Keavy and The Whiskey Co.), (ii) institutionalised positions (the Product Management function in Dromoland), and (iii) clusters of practices (the tendering process in Caretech and the joint venture agreement in FishFarm). This reflects the diversity of the firms involved as well as the particularities of the industries they operate within.

Stones (2005) classifies external forces into two types of causal influences; irresistible and independent causal influences. All of the external structures analysed within the six case companies are identifiable as irresistible causal influences. When interacting with these causal influences as conditions of action, the agent has the physical capacity to resist and has the capacity to do otherwise. However, for an agent-in-focus to be able to resist these pressures they must possess sufficient power and the capability to do so. They also need adequate knowledge of alternative avenues of possibility (Coad & Herbert, 2009).

Within all of the case companies, with the exception of Keavy, the external structures analysed have been reproduced and maintained by the manager. The case analyses have been able to explain why this has occurred by examining how agents draw on their internal structures when interacting with the external structures noted. This produces an understanding of what agents are doing as well as why. Internal structures offer agents interpretive schemes (structures of signification), resources (structures of domination), and norms (structures of legitimation) for fashioning a course of action (Coad et al., 2015) through the internationalisation process. Where the external structures examined serve functions of signification, legitimation and domination for the agent they were more likely to be preserved. Understanding how the agent's hermeneutic frame influences their interpretation of, and approach to, these specific external structures within defined case contexts are key outputs from this study.

Internal structures of domination emerge from the case analyses as particularly important to managers. The cases illustrate that managers seek to reproduce and preserve external structures that serve functions of domination and power for them in their roles as leaders within their companies. As CEOs and MDs of small companies,

the preservation of external structures which facilitate power capacities for the agent and help retain power over allocative and authoritative resources is evidenced.

The Keavy company is the only case firm which illustrates the ability of the agent-in-focus to resist and change the irresistible causal influences encountered. This resistance is evidenced at several junctures across the three episodes of structuration analysed within the firms' internationalisation process. The agent-in-focus has found alternatives and exercised agency to break free from external structures constraining the company. Throughout the Keavy case analysis the resistance of the agent-in-focus to external structures is a reflection of his motivation to move to a position where he can exercise a degree of control and retain a degree of power over his company's operations. The case illustrates that irresistible causal influences can be resisted where the agent has sufficient power and the capability to do so, and provides further evidence of the role of internal structures of domination for the agent when interacting with external structures.

The case analyses have allowed additional external structures as conditions of action, as well as their interrelationships, to emerge. Additional external structures at play in the internationalisation context of case firms included competitors, suppliers, customers, partner organisations, shareholders, intermediaries, and government agencies.

The second category of external forces is 'independent causal influences' which can exist as external structures and form the structural context of action for the agent-in-focus (Stones, 2005). These independent causal influences are constituted, reproduced, or changed entirely independently of the wishes of the agent-in-focus even though they may directly affect the life of the agent (Stones, 2005). Domestic market characteristics such as recession, complex regulatory environments within international markets and outbreaks of disease, such as BSE, represented independent causal influences for agents.

In summary, including environmental and contextual aspects of the international landscape (external structures) in the six case analyses delivers a realistic insight into the external pressures that managers operate within in the marketplace. Process thinking views organisations in a world of ongoing change and flux (Caffrey & McDonagh,

2015) and the inclusion of structural factors in the analyses describes and explains how agents deal with these changes.

8.3.3 Active agency

During moments of structuration agents draw on their (virtual) internal structures, which represent their understanding of (concrete) external structures as a basis for active agency (Coad et al., 2015). This allows them to apply their knowledge and understanding to their internationalisation situations. Analysis of active agency within the case firms is concerned with how agents draw on their knowledge of internal and external structures when making internationalisation decisions, communicating with others and resisting or bringing about change (Coad et al., 2016) in internationalisation activities of the firm.

Examining active agency and the reflexive monitoring that managers engage in has exposed the internal obstacles that agents encounter as the firm internationalises and how the agent deals with them reflexively. Within the cases, issues have arisen around the need to restructure international sales operations, a lack of competent personnel, resource constraints, knowledge and experience barriers, as well as generally poor organisation within firms.

The cases illustrate the capacity of the individual agent to act and make choices in dealing with external structures. Exploring the dynamic process of active agency provides valuable insights as it can explain how the firms' internationalisation outcomes come to exist and why. Combining agential and structural considerations within active agency enriches understanding of managerial behaviour and subsequent firm outcomes.

A key finding from the case analyses is the impact of the agents' critical reflection and reflexive capabilities on the firms' internationalisation process. Reflexive monitoring of their own actions, as well as the activities of the firm and the international environment is a crucial aspect of what the manager does and is illustrated within the cases. Critical reflection has led to active agency in terms of identifying and dealing with changing competitive conditions (Caretech and Dromoland), identifying challenges of small size and continuity of supply issues (FishFarm), pinpointing potential market opportunities

(The Whiskey Co. and Keavy) and reducing market dependency and widening geographic scope (Gold Mountain).

As part of active agency the agents' flexibility to respond to changing situations effectively is a crucial attribute. This type of flexibility is particularly important where critical incidents, precipitated by either independent or irresistible causal influences, confront the agent. This flexibility is also impacted by the degree of critical distance that agents can bring to the internal structures that are the medium of their actions (Stones, 2005). The cases illustrate that managers struggle to find time for critical reflection of internationalisation activities and need to be helped to carve out time to achieve critical distance and time to think. For several agents-in-focus participation in executive management programmes at a strategic leadership level has facilitated critical evaluation of, and reflection on, individual and firm activities.

8.3.4 Outcomes

Outcomes are the effects of agents' practices on structures, both internal and external, and can involve change and elaboration or reproduction and preservation. Outcomes also include events (Stones, 2005). Within all of the cases (with the exception of Keavy), the external structures investigated have been reproduced or preserved. However, agents can use their power and access to authoritative and allocative resources to break free from external structures in the course of the firms' internationalisation journey. This is illustrated within the three episodes of structuration which emerged from the Keavy case data where external structures have been changed due to the exercise of agency.

Changes in the agents' internal structures are also diagnosed as outcomes within the cases as agents' attitudes, motivations, emotions and business dispositions alter as they work through the process of internationalisation. Exploring internationalisation outcomes within the cases has captured issues around foreign market entry, sales force expansion and restructuring, distributor selection and management as well as developing increased levels of international sales.

The key value of the analysis, in addition to identifying relevant internationalisation outcomes for firms, is being able to explain why these outcomes occurred. The case

analyses have provided insights into why and how a particular outcome has been (re)produced at a specific point in time. This generates a rich and comprehensive explanation and understanding of the internationalisation outcomes observed.

An additional set of outcomes for the firm is identified within this research study as routines or small scale micro processes within the cases supporting international activities. Within the six case analyses when internationalisation outcomes were positive for the firm, the external structures involved, such as agents-in-context (distributors and intermediaries in Gold Mountain, The Whiskey Co. and Keavy), institutionalised positions (Product Management function in Dromoland), or clusters of practices (tendering process in Caretech, joint venture agreement in FishFarm), were reproduced and preserved.

As cycles of structuration were enacted multiple times within firms patterns of activity were noticeable. These patterned sequences of activities incorporate the characteristics of routines defined within the practice perspective as "*repetitive, recognisable patterns of interdependent actions carried out by key multiple actors*" (Feldman & Pentland, 2003, p.95). The practice perspective conceptualises routines as engaging agency and subjectivity on the one hand and structure and objectivity on the other hand (Feldman & Orlikowski, 2011). This is reflected in the performative (action) and ostensive (structure) ontology put forward by Pentland and Feldman (2003, 2005, 2008).

The tasks and steps identified within each of the cases reflect the performative aspect of a routine which consists of the actual performances by specific people (Becker, 2005b; Becker & Zirpoli, 2008; Feldman, 2000). The ostensive dimension of routines was also evidenced within the case analyses. Though there may be some degree of variation in how Gold Mountain, The Whiskey Co., and Keavy deal with intermediaries (agents-in-context) involved, a clear pattern of activity remains and is reflected in the performative aspects of the routine. Where steps in the process are clearly delineated, as within Dromoland (Product Management function) and Caretech (tendering process) a routine is the likely outcome of repeatedly following a particular sequence of activities. This is also illustrated within the FishFarm case where following a particular sequence of tasks supporting the management of the joint venture partners leads to routinised behaviour and a discernible pattern of activity. A key finding of this research is the identification

of these routines, or micro processes, supporting the firms' internationalisation activities. This produces a micro-level understanding of internationalisation within these SMEs by providing insights into firm practices that constitute day-to-day activities of the firms.

In summary, this research has explored the reciprocal relationship between structure (environmental and contextual factors) and agency (the individual manager) during the internationalisation process of SMEs. It concludes that strong structuration theory provides a useful conceptual foundation for internationalisation process research and is the most appropriate approach to use to explain the 'how' and 'why' of firm internationalisation. Incorporating the duality of structure as a core tenet strong structuration theory provides a framework for better understanding the role of both structure and agency in the firms' internationalisation process while also recognising the interdependence of structure (environmental factors) and agent (individual manager).

The individual decision maker as agent-in-focus is central to the analysis and through internal structures strong structuration theory incorporates vital aspects of agency, such as psychological aspects of the manager (Lamb et al., 2011). The important questions of what managers do and how they do it (Andersson & Florén, 2011) can be captured within a structuration perspective. The firms' environment influences its internationalisation (Andersson, 2004) and these contextual and situational factors are examined within external structures. Researchers have argued for approaches to internationalisation research that incorporate industry context and particularities and their impact on the firm's international development (Andersson et al., 2013; Laurell et al., 2013). These influences are captured within a strong structuration analysis.

The key benefit of a strong structuration analysis of the firms' internationalisation process is the ability to combine external structures with the hermeneutic frame of meaning of the manager (Stones, 2005). Understanding how the managers' hermeneutic frame influences their interpretation of and interaction with, specific external structures is a valuable output of this case research. The subsequent analysis of active agency generates a rich and meaningful analysis and interpretation of the firms' internationalisation outcomes. The ability of a strong structuration approach to capture

and explain the dynamics of the firms' internationalisation process in contextualised settings has been clearly illustrated within the six case analyses.

8.4 CONTRIBUTIONS

8.4.1 Internationalisation Process Research

The core contribution of this research is in advancing the case for investigating the firms' internationalisation process as a reciprocal relationship between structure (environmental and contextual factors) and agency (the individual manager), and in viewing internationalisation as a process operating as a duality, as two interdependent, intertwined and mutually enabling elements (Giddens, 1979, 1984; Farjoun, 2010; Sewell, 1992; Slattery, 2003; Stones, 2005). This approach overcomes the limitations of extant studies which are largely based on dualist ontologies (Lamb et al., 2011). Scholars in this research tradition have implicitly emphasised either structural dimensions (aspects of the environment or context of operation) or agential considerations (practices and knowledge of the individual manager) in their research designs, excluding the interplay of structure and agency from their analysis. The result is that these studies offer highly focused but partial explanations of the process of firm internationalisation (Coviello & McAuley, 1999; Lamb et al., 2011; Li & Gammelgaard 2014).

Adopting a structuration perspective and embracing the duality of structure provides an alternative approach to conceptualising the process of small firm internationalisation. The core contribution of this approach is achieving a balance between structure and agency, and giving sufficient weight to both in the analysis, rather than ascribing primacy to either. Sydow et al. (2010) posit that knowledge about the relationship between action (agency) and structure (context) is crucial to understanding the process of firm internationalisation and rather than excluding this relationship, it takes centre stage in the structuration analysis used in this thesis. The research outputs of this study provide in-depth insights into, and knowledge of, the role and interdependence of both structure and agency within firm internationalisation processes. This perspective can therefore go part of the way towards bridging the gaps identified within SME internationalisation research by adding to both theoretical and empirical knowledge of the interplay between structure and agency within firms.

This structuration analysis offers a number of contributions to existing theoretical knowledge of firm internationalisation. It does this by extending the theoretical explanation of internationalisation to include both multiple inputs to, and multiple outcomes, of the process. It also accounts for the recursive processes and patterns of internationalisation by incorporating a combination of both structural and agential considerations into the explanation of the firms' internationalisation process. A further contribution to existing theories of internationalisation is the introduction of the role of soft power within the internationalisation process.

There is widespread consensus that internationalisation is a multifaceted process that occurs over time, rather than a single set of decisions or discrete events (Ruzzier et al., 2006; Welch & Paavilainen-Mäntymäki, 2014). A strong structuration analysis incorporates many different aspects of the internationalisation process, dealing with both multiple inputs to the process (as external structures within the agents' context analysis), and accounting for multiple outcomes of the process (as change or reproduction of internal and/or external structures and events). This generates an in-depth, nuanced, and holistic understanding of the firms' internationalisation process. In this way, a strong structuration analysis captures critical events, and their inter-relationships, in the firms' international development as well as the key factors that affect the firms' international behaviour. Strong structuration explains as well as describes firm internationalisation with a level of insight, which eludes alternative process models.

Using a structuration lens to analyse firm internationalisation incorporates and explicates recursive cycles and episodes of structuration unfolding within the process. This occurs, as a strong structuration analysis is not confined to just focusing on the decision made or the outcome; instead, it considers the continued production and reproduction of the process (Coad et al., 2106) and the patterns which emerge (Caffrey & McDonagh, 2015). In a similar way to the Uppsala model (Johanson & Vahlne, 2009) a strong structuration analysis captures the dynamic and iterative process of firm internationalisation, where the outcome of one decision, or one cycle of events, constitutes the starting point of the next (Johanson & Vahlne, 1977; Welch & Paavilainen-Mäntymäki, 2014). However, in contrast to Uppsala the recursive process of firm internationalisation investigated through a structurational lens is not tied to the

behavioural theory of the firm and its' deterministic orientation, as is the case with the Uppsala model (Coviello & McAuley, 1999).

It is important to be able to consider the recursive relationships between the individual manager (agent), the external structures they inhabit, and the active agency through which they confront and negotiate their external context or environment (Greenhalgh et al., 2013). Empirical studies of internationalisation, presented within the six cases, illustrate the analytical value of the quadripartite framework in exploring how ongoing structuration processes within the firms coalesce into internationalisation practices. The potential also exists to investigate multiple structuration processes (Moore & McPhail, 2016). The recursive nature of the analysis unveils tensions and contradictions which exist between agents' internationalisation priorities. Agents are more or less aware of these tensions depending on their particular positions, viewpoints, and connections at that time (Arnall, 2015; Stones, 2005). A structuration perspective facilitates understanding how agents' priorities might change after a negative or positive effect, and how this affects subsequent cycles of internationalisation within the firm.

A structuration perspective contributes to deepening understanding of SME internationalisation activities and behaviour by highlighting and exploring the importance of agential power within the process. A structuration analysis investigates the communications, actions and therefore power which managers use in embedding internationalisation practices within the firm. In particular, it highlights the role and influence of the soft power capacities of the agent-in-focus (MD or CEO). Soft power, or persuasive communication, is the ability of an agent to persuade others to do what they want without the use of force or coercion, without resorting to the use of hard power. A strong structuration analysis opens pathways to research the source and influence of soft power within SME internationalisation, which is an area in need of further development (Moore & McPhail, 2016).

Pursuing a process approach, this research answers the call for researchers to put 'process back into process research' and to address the retreat from process within internationalisation research. This research contributes to remedying the acknowledged paucity of process studies in the international field, where although process approaches are agreed to be needed they have remained scarce (Coviello & McAuley, 1999;

McAuley, 2010; Piekkari & Welch, 2004; Welch & Paavilainen-Mäntymäki, 2014). Welch and Paavilainen-Mäntymäki (2014) suggest that considerable opportunities remain to conceptualise and research internationalisation as a process. They also suggest that broadening the research agenda to encourage more process based studies will require new research questions and theories. This research contributes to stimulating this process research agenda by proposing strong structuration theory (Stones, 2005) as one potential theory to encourage more process based studies.

This research makes a contribution to understanding the internationalisation process of the firm from a micro perspective. By investigating routines as micro processes within the firm (Prashantham & Floyd, 2012) this research moves towards a micro level explanation of internationalisation. Analysing routines as micro processes supporting internationalisation activities produces insights into the internal changes taking place within the firm as it develops internationally. It enables insights into the practical activities needed to make the internationalisation process happen. As the routines ontology incorporates ostensive and performative dimensions, analysing the internal dynamics of routines adds to understanding of the dialectical relationship between structure (ostensive dimension) and agency (performative dimension) within the context of the routine itself. Analysing routines as micro processes addresses the ongoing need to understand the internationalisation of SMEs from a micro process perspective and contributes to an under researched area within the international domain (Nummela et al., 2006; Welch & Paavilainen-Mäntymäki, 2014).

This research makes a contribution to existing routines scholarship by demonstrating the analytical value of strong structuration theory (Stones, 2005) as an alternative empirically robust framework for researching routines. den Hond et al. (2012) posit that any method used to analyse the duality of structure must allow researchers to observe its constitution and reconstitution through the modalities of structuration. Stones' (2005) strong structuration theory offers a new perspective through which to examine the duality of structure within routines. This research also contributes to routines scholarship by purporting the existence of internationalisation routines within SMEs. This represents an unexplored avenue of enquiry within routines research.

This research operationalises Stones' (2005) strong structuration theory to investigate the process of internationalisation. By advancing an interpretative research framework, rooted in an alternative theoretical and philosophical foundation, as well as applying this framework empirically, this research contributes to process theory development in the international domain. Adopting this theoretical framework represents a novel approach within internationalisation process research, but also one founded on the strong theoretical platform of Giddens' (1984) structuration theory. This research builds on existing work of Sydow et al. (2010) and Dutta et al. (2016) who have used structuration theory (Giddens, 1984) as the theoretical foundation for their studies. However, it also expands this vein of research by both introducing and demonstrating the analytical value of strong structuration theory (Stones, 2005) which is positioned as a strengthened version of original structuration theory offering more robust empirical guidelines (Coad et al., 2015; Jack & Kholief, 2007; Parker, 2006). This research introduces Stones' (2005) quadripartite structure to researchers seeking alternative and novel ways of researching the internationalisation process. It offers an alternative to the variance approaches to process research which emanate from the positivist view of process, and which tend to dominate the research landscape (Piekkari & Welch, 2004; Welch & Paavilainen-Mäntymäki, 2014).

The quadripartite structure (Stones, 2005) incorporates external structures into its analysis. By incorporating contextual and environmental factors affecting the firms' internationalisation process, the approach adopted within this research addresses calls for increased levels of contextualisation in international research (Birkinshaw et al., 2011; Welch at al., 2009). Context matters and strong structuration theory offers a nuanced understanding of the interplay of contextual external structures between each other and with the internal structures of the agent-in-focus.

An additional contribution of the research approach adopted is its ability to accommodate time. It is important to consider internationalisation as a process unfolding over time and to take the time-based nature of internationalisation seriously (Hewerdine & Welch, 2013; McAuley, 2010). Stones' (2005) ontology-in-situ allows for time to be a central feature of a strong structuration analysis. By recognising the centrality of time, process conceptualisations such as Stones' (2005) strong structuration theory, offer essential knowledge to businesses and management that is not available

from most variance based generalisations (Langley, 2009; Langley et al., 2013; Pettigrew, 1997).

Scholars have highlighted that one of the challenging issues within qualitative research in the international domain is the gap which exists between macro level studies providing 'a birds eye view' of issues and the micro level or more grounded perspective of individual level studies (Birkinshaw et al., 2011). This research contributes to bridging the gap between these two levels through the use of Stones' (2005) ontological sliding scale which operates as a meso-level concept. This meso-level concept allows agency and structure to be analysed in relative terms by providing a sliding scale on which to locate a study (Coad et al., 2015; Stones, 2005). In this way, strong structuration theory proposes a form of analysis which helps to bridge the macro (structure) and micro (agency) levels of analysis (Pozzebon, 2004; Pozzebon & Pinsonneault, 2005; Stones, 2005).

8.4.2 Empirical research using strong structuration

This study contributes to the empirical research base by extending strong structuration theory (Stones, 2005) into a new context, the internationalisation process of SMEs. This research may be the first[14] to provide an empirically grounded account of small firm internationalisation using strong structuration theory (Stones, 2005) as an interpretative framework. In providing an alternative account of the process, this research demonstrates the feasibility of applying the methodological research guidelines evident within the quadripartite structure for empirical work.

Within existing research, there has been a tendency for researchers using Stones' (2005) strong structuration theory to simply classify or label data under the quadripartite framework. There is a need to move away from such use of the framework to focus instead on the issue of active agency embedded in ongoing structural relations, as well as understanding the application of the agents' conduct and context analysis (Coad et al., 2016). This research makes a robust contribution to extant empirical research by operationalising the quadripartite model at an advanced level rather than at the simple level of data categorisation. Also whereas some empirical research in the area is the

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[14] No published empirical research using strong structuration theory to analyse the internationalisation process of the firm was identified through an online search of academic sources.

result of using strong structuration theory (Stones, 2005) to reanalyse data already collected for a different purpose (Chan et al., 2010; Harris et al., 2016; Jack & Kholief, 2007, 2008) the value of this research emanates from its design and execution as a strong structuration study from the beginning.

As this research is positioned at the intersection of sociology and internationalisation literatures, it makes a contribution to scholarship by demonstrating the value of interdisciplinary research in advancing knowledge of firm processes. Drawing recent sociological research into the internationalisation domain may ignite interest amongst researchers to consider the use of strong structuration theory (Stones, 2005) within their studies and encourage additional empirical work.

8.5 LIMITATIONS OF THE RESEARCH

There are a number of research limitations within this study. This research is purposely positioned within the interpretive tradition where 'particularisation' is the goal of case studies and the focus is firmly on understanding the uniqueness of the case in its entirety (Stake, 1995, 2005; Welch et al., 2011). Such positioning implies that the extent to which generalisations can be drawn from the research is limited.

In addition to this, there is a generally accepted researcher bias within qualitative research where researchers interpret data based on their own experiences and training, which can influence research conclusions and this limitation is acknowledged (Bluhm et al., 2011; Golafshani, 2003; Tracy, 2010).

The interview methodology employed within this study is based largely on retrospective interviewing which has acknowledged limitations. As a result the data collected is dependent on the recall and accuracy of the interviewees accessed (Hewerdine & Welch, 2013). The analysis within this research also faces the challenge of what Giddens (1984) terms the double hermeneutic, where the research is an interpretation of an already interpreted world (Welch et al., 2011). Though steps have been taken to ensure data validity these limitations remain.

Though Stones' (2005) strong structuration theory is being used within a growing research community, it is still in a development phase and co-evolving with ongoing

empirical research applications. Room for further refinements within the theoretical framework have been identified with Moore and Mc Phail (2016) commenting that strong structuration theory needs to incorporate further theoretical developments, specifically on the nature of active agency.

8.6 DIRECTIONS FOR FUTURE RESEARCH

This study has provided an empirical context for exploring the interaction and interrelationships of structure and agency within a reciprocal relationship during the internationalisation process of SMEs. These insights can be further explored by repeating this research design and structuration approach. Such replication would serve three purposes, firstly to see if similar insights emerge from additional qualitative research, and secondly to see if there are any noticeable patterns across sectors of activity or types of managers involved. Thirdly, strong structuration theory may facilitate theorising from case studies at the meso-level (Harris et al., 2016). However, to test this proposition requires additional case studies that provide rich and detailed research evidence of the interaction of structure and agency at the ontic level.

Longitudinal research designs following the firms' internationalisation process would contribute further insights into the subtle interplay between structure and agency over time. Strong structuration theory (Stones, 2005) could also be used as a theoretical lens to explore the micro processes of internationalisation; specifically the internal changes which occur within firms as they internationalise. These can include changes in personnel as well as changes to organisational designs supporting internationalisation. This is currently an under researched aspect of firm internationalisation (Nummela et al., 2006; Vanninen & Kuivalainen, 2015; Welch & Paavilainen-Mäntymäki, 2014).

Scholars could use strong structuration theory as a conceptual foundation for empirical work investigating organisational routines underpinning internationalisation activities within SMEs. Giddens' (1984) original structuration theory has been used within the practice perspective to unravel routines. However, strong structuration theory, with its methodological and ontological developments, can also be applied to explore the internal dynamics of routines, including how routines are formed and operated, as people enact them day-to-day within the firms' internationalisation activities. This would build on and expand the work of Neville (2014) who examined the routines of

financial analysts using Stones' (2005) strong structuration theory. Exploring the internal dynamics of routines would also address the lack of research examining the internal development of the firm as it internationalises (Lamb et al., 2011; McAuley, 2010; Nummela et al., 2006; Vanninen & Kuivalainen, 2015). It would also expand the foundational routines research by scholars such as Feldman (2000, 2003, 2005) by adding a new context for research, that of internationalisation. The notion of internationalisation routines supporting firm activities has not been addressed by researchers with the notable exception of Dutta et al. (2016) and Prashantham and Floyd (2012).

The strong structuration perspective could also be used to advance research on firm internationalisation through networks. Sydow et al. (2010) use Giddens' (1984) original structuration theory to conceptualise foreign market entry as a process driven by the recursive interplay of knowledgeable agents and social structures of organizational networks. Their prior work also adopted a structuration perspective on network processes and effectiveness (Sydow & Windeler, 1998; Windeler & Sydow, 2001). Refining and expanding this research base using the theoretical lens of strong structuration theory could generate valuable theoretical and empirical contributions.

8.7 IMPLICATIONS FOR PRACTICE

8.7.1 Position-practices

The empirical findings highlight the role and importance of managers' position-practice relations when managing firm internationalisation. Managers' social and professional relationships and networks within the industry emerged as valuable assets facilitating access to strategic advice, social capital and managerial resources for internationalisation. The implication for practice is that managers' need to consciously and proactively cultivate and manage these position-practice relations. A managers' strategic position within social and professional networks needs to be monitored and managed as an intangible firm asset.

8.7.2 Reflexive monitoring

Within the process of internationalisation, the agents' reflexive capabilities have emerged as central to the process. Reflexive monitoring of actions and decisions taken are crucial to successful firm outcomes. The implication for practice is that managers need time to reflect on themselves, on other agents-in-context, and on their firm's

international strategy. Within firms, such dedicated time for self-monitoring and reflection must be carved out of busy schedules. The case findings illustrate that managers' have engaged in critical reflection of firm strategy and tactics when engaging with educational programmes and gaining some critical distance from operations. Whether through such educational vehicles or through alternative in-house mechanisms, managers need to have access to dedicated time for reflexive monitoring.

8.7.3 Managing micro processes

The findings from this research suggest that routines exist as micro processes within companies to support internationalisation activities. These established patterns of behaviour can support efficiencies within SMEs and can help managers to function effectively within dynamic international environments, and while dealing with critical firm incidents. Where possible managers need to identify these routines and resource and manage them as practices contributing to, and enabling, successful firm internationalisation. Routines research suggests that routinised behaviour is often uncodified and goes unnoticed within firms, yet these routines if identified and managed can be leveraged for positive firm outcomes.

8.7.4 Agents' knowledgeability

The need to have knowledgeable, well informed and experienced managers within SMEs is not a new idea. However, the case findings suggest that it is important to distinguish analytically between general and transposable (dispositional) knowledge that a CEO or MD may have and their particular (conjunctural) knowledge of internationalisation. This is particularly important to parties such as state agencies charged with providing appropriate training and education to SMEs. The cases illustrate the critical impact of the managers' attitudes, motivations, and confidence in the transposable set of management skills they have accumulated. These attributes or dispositions calibrate and condition managerial responses to, and interactions with, the external structures they encounter. When lacking particular (conjunctural) knowledge of internationalisation managers can lean on their management team members, but if the CEO lacks management skills and dispositional knowledge this deficit is not easily remedied. An implication for practice is the need to educate managers to manage strategically for leadership and to also provide resources for agents-in-contexts for

particular, context specific (conjunctural) knowledge needed for successful firm internationalisation.

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APPENDICES

Appendix A: Interview Guide/Theme Sheet

1. Role, position, title within the company[15]
2. Description of your role
3. Previous professional roles/other roles within this company, career progression
4. Ownership of the company, family, equity, owner/manager, shareholder
5. Current state of internationalisation within the company (how many products, how many international markets, percentage of international sales)
6. When and where did the company's internationalisation begin?
7. Evolution and growth issues around international business to date
8. Prospecting, lead generation and customer selection strategies
9. How is international business organised, structured, monitored?
10. Steps involved in getting international business
11. Members of the management team/organisational structure
12. Who do you deal with most often on a day-to-day basis?
13. Can you tell me about how you got account X, contract Y, entered market Z [16]?
14. Internationalisation patterns, critical events impacting international activities
15. Formal strategic planning for international activities and KPIs
16. How would you describe the company's internationalisation to date?
17. How would you assess competition within the sector?
18. How would you describe the current international environment for the firm?
19. What is enabling the firms' international activity at the moment?
20. What is constraining firm activity at the moment?
21. Market selection and expansion process
22. Company vision for international activities
23. Key issues/challenges currently for firms' international development.
24. Future international growth plans/Company priorities going forward.
25. Member of professional networks
26. Interactions with state agencies
27. Education relevant to internationalisation

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[15] Each theme sheet was revised based on the sequencing of the three of four interviews conducted within the company.

[16] The theme sheet incorporated as much company specific knowledge as possible, sourced from secondary information sources, to customise questions to the firm and interviewee involved.

Appendix B: Illustration of coding case data

Sample data excerpts from Caretech case transcripts:	Indicative of :
"when we were getting started there it wasn't long before we were in tune with how they (local authorities) do things" (in the UK).	Conjuncturally specific knowledge
"in the early days (in the UK) we weren't able to qualify for some tenders based on our turnover ... but the kind of turnover levels that they were talking about for the kind of business we do were low so once we got anywhere near say £1m turnover then that wasn't an issue" (Group MD).	Well informed stocks of task specific knowledge
"It (the tendering process) looks very similar, you know they go through a formal procurement process, they put up statement of requirements documents, they go through reasonably lengthy cycles, but actually the way they buy in the States is a lot more ... they seem to buy more easily, quicker, they make decisions" (Group MD).	Well informed stocks of conjunctural knowledge based on the familiarity of the tendering processes within both markets
"it's the same ... it's the same business, the same behaviour, the same thing (as the UK)". (referring to tendering process within the US)	Conjunctural knowledge is deemed to be transferable across geographic markets
"when we started doing the platform based approach we ended up getting into more conversations with Microsoft teams who work across countries and those people would have been based in the States ... so they would be saying things to us like look what you're doing can work in the US, you should come to the US, that kind of thing" (Group MD).	Position-practices; value of professional relationships and networks for business development Valuable external structure in Microsoft as a partner organisation

"I met NH at a conference in 2009 and said would you be interested in doing a six month study or a three month study and we would pay him to see if it would come to something ... so we did a (US) market entry study at the back end of 2009 and we looked at the whole market from top to bottom ... the first trick for us was to understand where is the best place for our experience to land in the states" (Group MD).	Value of position-practices via professional network and conference participation
"they (Microsoft) actually introduced us to the lady who is now our CEO. The introductions came through Microsoft human services people who knew them and who knew us" (Group MD).	Value of position-practices in connecting with a potentially new member of the management team/country manager for the US
"I had left my own company ... which is pretty similar to Caretech. We were also a Microsoft partner so Microsoft knew that I wasn't working anymore and so they kept encouraging me to meet them (Caretech). I think I took about a year to do that and so finally when we met things really clicked ... so that's how it started" (US Country Manager)	Value of position-practices and the professional network of Microsoft which the agent-in-focus can access
"now the US is a much smaller operation because we are only getting started but there are similarities there between when we were starting into the UK market. It's the same tendering and procurement" (Director Programme Management).	Position-practices; ability of the agent-in -focus to draw on the conjunctural knowledge of an agent-in-context Function of signification; shared understanding of how the external structure operates within differing markets
"from my involvement (in the company) it was always tenders, it was constantly demos you know a lot of prequalification stuff, so a lot of customers do prequalification as well, it's more where they come and ask questions if they are looking for a product and you have a product that	Well informed stocks of conjunctural knowledge of networked others and agents-in –context within the firm

will do X. And they prequalify people so they know the people that they would like to respond to the tender" (Director Programme Management).	
"the speed of it (process) might be slightly quicker (in US as opposed to the UK). I find on a lot of the procurements that they (American clients) will make a decision very quickly. In the UK they tend to spend a lot of time thinking about it, you could be waiting a year for them to decide on it. And sometimes in the UK they will actually cancel them as well which means you can put quite a lot of work into them and then it's cancelled. In the US they are more inclined when they decide they are going to do something, they'll stick with it and follow it through" (Director Programme Management).	Well informed stocks of conjunctural knowledge of agent-in –context
"every one that we have won (US customer) has gone through that process (tendering) (US CEO).	Legitimising the use of the same approach in the US
"I think that in the earlier time I was doing more of the work, I was writing a lot more of it (tender information) and before we did tender qualification reviews with the whole team it was less formal and so I was making more decisions. Although it helped us win the business what I've learned is that ... you have to get buy in from everybody so that they are aware of what you're signing up for and are willing to do the work that needs to get done and in the timeframe that we promised the customer. So it takes a lot of coordination with everybody to make sure that they are all on the same page" (US CEO).	Stocks of conjuncturally specific knowledge of the agent-in-focus increased through linkage to the US CEO Value of position-practices Reciprocity within relationships. Agent-in-context can exercise power by shaping and influencing the process

"her previous company was a much bigger company than this and I would say for certain it would take us longer to get to where we are now (in the US) without her"(Group MD discussing the US CEO).	Access to conjunctural knowledge of agent-in-context through position-practices
"when you've got more senior people joining in then you've got to harness that. If you look at somebody like PH, he has run much bigger software businesses than this. He has the bigger picture probably the bigger company perspective. He can take something very loose and put a structure around it ... it's an amazing attribute" (Group MD discussing the UK Country Manager).	Access to conjunctural knowledge of agent-in-context through position-practices
"there were tendering processes but the values of those contracts were about £25,000 There is a kind of a threshold in the UK of about £50,000 if you're going over £50,000 you're almost into open tendering. If it's under that, it tends to be more restrictive, there might be only two or three companies tendering. We tend to be against two or three others and would have won some and lost some, you know the way" (Group MD).	Agent-in-focus drawing on structures of signification to avoid unfamiliar open tendering process[17]
"we bid on a project (with a large management consultancy firm) that wasn't in the end awarded, but that project was a much bigger project than we would normally have been part of. It comprised a fairly big business change as well with the person coming in having to take some business risk. It was setting up a new entity with the council to deliver service and IT at the same time; so they would be the kind of things we	Drawing on external structure as a function of signification Clear structures of signification for the type of contracts the company can handle on its own

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[17] Open tendering is a unique bidding process with only one stage where the process is open to all qualified bids; anyone can put a tender in.

would partner on. And if people want to buy what we offer and implement it in a fairly normal way then we will typically want to go direct on those kinds of projects" (Group MD).	
"*we got approached for a deal in Malta, we got approached for a deal in Russia, every so often these things come out of the woodwork. If you had a really good partner on the ground that you could work with you could probably go after some of those things but it takes so long to get one (a partner) and it takes time to build that working arrangement with somebody, it would need to be for more than just for one transaction*" (Group MD).	Tendering process serves a function of legitimation for the agent when excluding international markets where partners would be needed to be effective Legitimises excluding options that "*would be a new way of operating for us*" (Group MD)
"*we did have a think about some European markets ... what we probably picked up without doing an awful lot of research on it was that country to country in Europe is quite different ... and you're not going to find a country with the scale of the US whose requirements are all broadly similar. You could say that in Scandinavia they are going to do it (buy software) a particular way but then in some countries you have only one shot in that market, so we're not really going to look at those, probably not at this stage*" (Group MD).	Agent draws on the tendering process a function of legitimation when excluding certain international markets
"*we looked at child welfare and then we stopped and the reason that we stopped was because the procurement regulations around child welfare were quite restrictive*" (Group MD discussing the US market niches).	Agent draws on tendering process as an internal structure of legitimation to exclude certain market niches/business opportunities within the US

"basically if I sell you a system and you are a (US) State, you buy that system with federal money ... then you have to own what you've bought. That means I can't sell it to you and then take it and sell it to another State because the federal government owns it now" (Group MD).	Agent draws on external structure as a function of legitimation in excluding business tied to federal funding as this would represent a new way of operating for the firm and involves a change in supplier obligations contractually Also draws on external structure as function of signification helping to make sense of organisational activities
"what was happening was that the product that we originally brought into the UK had come to or was coming to its natural end but we just hadn't realised it. So we were getting outcompeted quite a lot say 2006 and 2007. We weren't winning the kind of contracts we had been winning before, and so you try harder, you work harder you knock yourself out until you actually realise that it is the thing you hoped it wasn't, the product" (Group MD discussing when tenders became unsuccessful).	Agent-in-focus draws on the tendering process as an internal structure of signification to interpret these failed tenders as they occurred and to make sense of why they were happening Agent-in-focus draws on the tendering process as a structure of legitimation, justifying the company's move away from the customised product to a web based platform solution
"Microsoft is very initiative driven so if you can hit that moment that you're doing what they want to do, even if you're pretty small, they get very interested. You could be in the right place at the right time. We have been fortunate in that sense, we were prepared to do something on a	Value of the Microsoft relationship as part of the web of position-practices of the agent-in-focus

platform that maybe others of their partners weren't prepared to do ... and they like to support the things that support their strategy" (Group MD discussing value of professional relationship when it came to new product development).	
"*there were different views, one view was that it was too soon to go into the States and that view was because we were having some difficulties in the UK market, and the view was that we should focus on that (UK) and sort it out and that we should not take on anything else*" (Group MD discussing views of the management team on the initial decision to enter the US market).	Position-practice perspective of the Group MD as part of a management team of six Encountering resistance
"*each of us (management team) took a pay cut for the US CEO to come on board ... so that was a little bit of personal risk ... each took a personal hit for something that we thought we could have a go at*" (Group MD).	Demonstrates the power capacity of the agent in convincing the team and mobilising action Power of communication of the agent Ability to make things happen Dependence on networked others
"*we (the company) have a decent appetite for risk. I think I wouldn't be that great on risk myself but we do have ... I mean we can't afford to take huge risk decisions because most of the decisions that we make have to come off to some extent*" (Group MD).	Normative expectations of the agent-in-focus as Group MD Pressure to deliver positive firm outcomes

"it takes some effort to re-gear the company to focus on a brand new country and especially one that's further away. I think the Group MD is doing a really good job of slowly turning the ship in the US direction" (US CEO).	View of agent-in-context of the Group MD within sets of position-practices Source of power and credibility for the Group MD
"I would say that if the US and the UK markets are similar and if we are on a platform that means that there might be a wider platform opportunity. We have seen the exact same ones (opportunities) across the two markets so it would be a pity to have a platform that would be international and not to have a look at least to see where else that could bring you" (Group MD).	Agents view of external and strategic terrain is positive
"we can begin to think about the other business areas that we've worked in in the past ... and do we want to take them on the road in the US? do we want to do a market entry for that capability? ... and I'd say we would, yes" (Group MD).	Agents' dispositional frame infers a positive and optimistic view of the US
"the important thing is that it [the US market] is not the be all and end all of things. There might be something else whether that's another market within the US or a European country market "(Group MD).	Agents' positive view of the strategic terrain
"there would be ones that you would say no to that there are not big enough to be bothered with but mainly things qualify out. They qualify out on the basis of competitive position, so if we are not positioned for	Active agency

this let's not waste our time; let's not put the time in to bid it because we believe we are not positioned to ultimately to win it" (Group MD).	Agents motivation to act is direct and purposeful
"the bid process is controlled essentially by the Sales Person or the Country Manager depending on the size of it. We put it through a formal business approval process so before you are allowed to commit the company's resources to bids, you have to do business approval, and before the bid is submitted there is a second approval which basically says do we agree with the risk we are taking on" (Group MD discussing the business approval process which he oversees for all outgoing tender bids).	Active agency Agent draws on the tendering process as an internal structure of domination Demonstrates the power capacity of the agent over authoritative resources (over people within the company) and also allocative resources (over all other company resources)
"I think we are getting it (programme participation) at a good time for us, we're getting a chance to be mentored and coached and helped through the work… so for me I'm learning things I didn't know before and I get to think about things in a slightly different way. So those things are nice opportunities to just step back and think" (Group MD discussing his involvement with an executive management programme).	Active agency Reflexive monitoring Gaining critical distance
"we (US and UK team) are working on bids jointly. We are working on a bid in Canada at the moment that is resourced from the UK but it's led from the US sales team; equally we are working on a bid in Wisconsin which again is using UK resource to support a US sale" (US CEO discussing pressure on resourcing which is emerging as joint bids become the norm).	Reflexive monitoring Active agency (agent-in-focus) informed by conjunctural knowledge of networked others

"there are some UK people operating in a mentoring capacity for the US team, the US do some online training for the UK. The US team did help with the development of a tender for a Canadian company, they (US) are waiting for the outcome of that bid now; the teams did work together on that. The tenders are usually done by mixed teams with the sales in the UK; pre-sales UK and then the team in Dublin as well" (UK MD).	UK MD reflects on the procedure for joint bids Active agency (agent-in-focus) informed by conjunctural knowledge of networked others
"there is pressure on resourcing tenders because every time you want the teams to cooperate there is always a ... I mean the UK MD is pressing me to come up with ... in principle this is how we work together and this is how we do things ... are we going to be saying that the US is our market and that the UK is fine?" (Group MD).	Active agency – reflexive monitoring Possible unintended outcome of management tensions around resourcing tenders within a mixed team approach
"if three or four tenders occur at the same time then from a resource point of view the company can't bid for all of them simultaneously. The process in the company that they go through for tendering is an interesting one that the company is looking at to increase efficiencies across teams and "trying to get ahead of the game" (UK MD).	UK country manager reflects on the process Active agency (agent-in-focus) informed by conjunctural knowledge of networked others
"we (US and UK country managers) have just started in the last couple of months and what we are trying to do is trying to get our teams to start communicating, so for example trying to establish a training department and sharing documentation and the way that we implement projects more ... so its slowly getting off the ground" (US CEO).	US CEO drawing on conjunctural and dispositional knowledge structures to encourage a change in the structuring of resources Active agency (agent-in-focus) informed by conjunctural knowledge of networked others

"I'll give you an example, a mid-ranking opportunity in the UK might be worth £400,000 but a mid-ranking opportunity in the US might be worth 10 times that and there are more of them. So the issue is are we going to resource a sales campaign against an opportunity that is going to generate that for the group (£400,000) or are we going to resource campaigns that are going to generate multiples of that for the group?" (Group MD discussing how to manage business opportunities).	Active agency Reflexive monitoring of action Ordering of concerns Sorting out priorities
"the question will be whether to expend resources on small companies and contracts in the UK or to target larger companies in the US. For example there may be contention; more so on the allocation of company resources; if there is a large bid in the US that may need help from the UK team and a large US option (customer) this may be preferable to pursuing a number of small UK contracts"? (UK MD).	Ordering of priorities Active agency (agent-in-focus) informed by conjunctural knowledge of networked others
"one of the things we have to decide now is how do we want to be organise? How do we want to see the opportunity, do we want to see the opportunity based on countries or do we want to see it in a different way and I don't know yet ... it evolves as it goes along" (Group MD).	Active agency Reflexive monitoring and flexibility Possible unintended outcome is need to change internal organisation
"we have got a leader in the UK and we have a very strong leader in the US but maybe we shouldn't be putting them in boxes ... maybe we should be doing something that says that those people can lead more than they are currently leading or lead in a different way" (Group MD).	Active agency Reflexive monitoring