

# Characteristics and influences of multinational subsidiary entrepreneurial culture: The case of the advertising sector

Dev Kumar Boojihawon<sup>a</sup>, Pavlos Dimitratos<sup>b,c</sup>, Stephen Young<sup>c,\*</sup>

<sup>a</sup>Centre for Marketing and Strategy, Open University Business School, Milton Keynes MK7 6AA, UK

<sup>b</sup>Department of Management Science and Technology, Athens University of Economics and Business (AUEB)  
Patission 76, 10434, Athens, Greece

<sup>c</sup>Department of Management, University of Glasgow, Gilbert Scott Building, West Quad, University Avenue,  
Glasgow G12 8QQ, Scotland, UK

Received 7 July 2005; received in revised form 18 July 2006, 26 March 2007, 29 May 2007; accepted 7 June 2007

---

## Abstract

This paper undertakes an exploratory study into the characteristics of entrepreneurial culture of the multinational subsidiary; and, into the associated influences and manifestations linked to multinational corporation (MNC) and environmental contexts. The theme of multinational subsidiary entrepreneurial culture is an unexplored theme in the literature, and has considerable research and managerial significance. This qualitative research is based on eight multinational subsidiaries in the advertising sector in the UK. The evidence suggests that the constituents of multinational subsidiary entrepreneurial culture include global vision, entrepreneurial orientation and entrepreneurial MNC network management. The related influences and manifestations refer to subsidiary autonomy, target market servicing and responsiveness to local environmental conditions. In addition, the findings show that while entrepreneurial behaviour was evident in all investigated subsidiaries, its locus varied significantly. Specifically, entrepreneurship in multinational subsidiaries can be subsidiary-, headquarters-, or jointly-driven.

© 2007 Elsevier Ltd. All rights reserved.

*Keywords:* Advertising; Entrepreneurial culture; Locus of entrepreneurship; Multinational subsidiary

---

---

\*Corresponding author. Tel.: +44 141 330 2508; fax: 44 141 330 5669.

*E-mail addresses:* [d.k.boojihawon@open.ac.uk](mailto:d.k.boojihawon@open.ac.uk) (D.K. Boojihawon), [pdimitr@aub.gr](mailto:pdimitr@aub.gr) (P. Dimitratos), [s.young@lbss.gla.ac.uk](mailto:s.young@lbss.gla.ac.uk) (S. Young).

## 1. Introduction

The aim of this paper is to enhance our understanding of entrepreneurship in the subsidiary of the multinational corporation (MNC) through a qualitative, exploratory research in the advertising and marketing communications (hereafter “advertising”) UK sector. Such a research has significant theoretical interest. Analytically, the study of entrepreneurship in the multinational subsidiary is at a relatively early stage of development. The literature on international entrepreneurship, on the one hand; and, that approaching the MNC as an enterprise comprising an interorganizational network of dispersed and differentiated relationships, on the other, have been offering useful insights for some time. Both these research streams can be very valuable to the investigated issue of entrepreneurship in multinational subsidiaries, which can be viewed as lying on the interface of the two areas.

In the international entrepreneurship field, it is found that global vision of the entrepreneur and the entrepreneurial team in independently owned firms is key to enhanced performance of the firm in the international market (Autio, 2005; Madsen & Servais, 1997). These entrepreneurial firms often employ alliances in order to overcome resource constraints when they internationalize (Brush, 1995; Oviatt & McDougall, 1995). In the MNC field, it is recognized that subsidiaries may not be merely subordinate elements of their parent MNCs. Instead they can be examined as networks of autonomous and differentiated units (Bartlett & Ghoshal, 1989; Harzing, 1999; O’Donnell, 2000). Therefore, combining these ideas from the two areas, one can argue that multinational subsidiaries, when managed by individuals possessing a global vision and an ability to efficiently network with other MNC units, may achieve success through their entrepreneurial behaviour. Such an idea is to some extent examined primarily in the work of Birkinshaw and his colleagues (Birkinshaw, 1997, 2000; Birkinshaw, Hood, & Jonsson, 1998; Birkinshaw, Hood, & Young, 2005), who note that subsidiaries can contribute to innovative and entrepreneurial activities in MNCs.

However, an idea that Birkinshaw in his 1997 work introduces is that of “entrepreneurial culture” in multinational subsidiaries. In this article he suggests that further research should be undertaken on what exactly constitutes entrepreneurial culture in multinational subsidiaries. Although subsequent work in MNCs provides insights into multinational subsidiary entrepreneurial behaviour in general, the notion of multinational subsidiary entrepreneurial *culture*, its influences and manifestations is still essentially unexplored. This point has again been picked up by Birkinshaw et al. in their recent 2005 contribution, in which they argue that future research should investigate how multinational subsidiary entrepreneurship can be best captured. This is especially true given that many MNCs and their subsidiaries experiment with novel organizational designs in order to become more innovative and entrepreneurial (Brock & Birkinshaw, 2004).

We claim that the idea of multinational subsidiary entrepreneurial culture may provide comprehensive insights into understanding the entrepreneurship phenomenon in multinational subsidiaries. This is because culture provides the overall organizational context in which entrepreneurship is embedded. Further, culture is a significant contextual factor affecting the response of the firm to international entrepreneurial motives (cf. Liesch & Knight, 1999). In this study we provide some evidence on this unexplored theme of multinational subsidiary entrepreneurial culture. To elaborate, drawing from the aforementioned research streams, we suggest constituents of multinational subsidiary

متن کامل مقاله

دریافت فوری ←

**ISI**Articles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات