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# **Knowledge Transfer within an International Consultancy Company**

## **A case study in a Scandinavian context**

Master's thesis in the Master's Programme Design and Construction Project Management

**SUSANNE MONTELIUS**



MASTER'S THESIS ACEX30-18-63

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## **ABSTRACT**

Knowledge is the primary resource for consultancy companies and most knowledge is in the possession of a company's employees. The main *purpose* of this thesis is to investigate how knowledge and resources can be transferred between employees working in different countries within an organization. The *aim* is to explore this transfer of knowledge and collaboration within an international consultancy firm, Niras, by looking at a case regarding the transfer of knowledge within the area of construction of health care facilities and hospitals between Denmark and Sweden. Furthermore, possible challenges and barriers that might exist to implementing this will be explored. The study has an exploratory approach and the methods used for data collection is primarily semi-structured interviews. The *literature* presents strategies for transferring knowledge; codification and personalization. Furthermore, there are different processes and methods used for the transfer of knowledge. Organizations can use different ICT-tools, for example emails, skype and intranets. Knowledge can also be transferred through meetings, networks and on-the-job training as well as by transfer of employees. The main challenges found for intra-organizational transfer of knowledge across the borders were connected to the knowledge transfer strategy including financial aspects, organizational and national cultures as well as language. The *results* from the interviews showed that the consultancy company mainly used a personalization strategy, where face-to-face methods were regarded as the best way to transfer knowledge. In addition to this, different ICT tools were used such as skype and intranet. Furthermore, experienced potential barriers to transferring knowledge and collaboration across the borders were: language barriers, differences in organizational culture and financial barriers. The *analysis* shows that data from the interviews correlates to what was found in the literature. The use of a personalization strategy as the main strategy fits well with a consultancy company and one of the main methods for transferring knowledge across the borders is to transfer employees. Furthermore, the use of networks can also facilitate the transfer of knowledge as well as using ICT tools. The barriers found in literature correlated to the ones discovered from the interviews, however the language and culture barriers are not considered as major barriers in the Scandinavian context due to similarity in between the countries. The *conclusions* of this study is that by using different forms of knowledge transfer processes that enables interaction among employees, knowledge transfer across the borders can be facilitated. It is concluded that there are barriers which must be taken into consideration and that the case company should develop a more clear strategy for their knowledge transfer.

**Key words:** Knowledge Transfer, Knowledge Sharing, Barriers of Knowledge Transfer, International Knowledge Transfer, Knowledge Management

# Kunskapsöverföring inom ett internationellt konsultföretag

En fallstudie i ett skandinaviskt sammanhang

Examensarbete inom masterprogrammet Organisering och ledning i bygg- och fastighetssektorn

SUSANNE MONTELIUS

Institutionen för arkitektur och samhällsbyggnadsteknik

Avdelningen för Construction Management

Chalmers tekniska högskola

## SAMMANFATTNING

Kunskap är den primära resursen för konsultföretag och det mesta av kunskapen ägs av företagets anställda. *Syftet* med denna studie är att undersöka hur kunskap och resurser kan överföras mellan länder inom en organisation. Syftet är också att undersöka denna kunskapsöverföring och detta samarbete inom ett internationellt konsultföretag, Niras, genom att se på ett fall rörande kunskapsöverföring gällande sjukvårdsbyggnader mellan Danmark och Sverige. Dessutom ska potentiella utmaningar och barriärer för implementering av kunskapsöverföringen undersökas. Studien tar en explorativ ansats och semi-strukturerade intervjuer har använts som den primära metoden för datainsamling. Inom *litteraturen* beskrivs i huvudsak två strategier för kunskapsöverföring: kodifiering och personifiering. Dessutom finns det olika processer och metoder som används för kunskapsöverföring. Organisationer kan använda olika informations- och kommunikationstekniker, som till exempel email, skype och intranät. Kunskap kan även överföras genom möten, nätverk och genom att anställda flyttar inom organisationen. De största utmaningar som hittats för intraorganisatorisk kunskapsöverföring mellan länder var relaterade till strategi för kunskapsöverföring vilket inkluderar finansiella utmaningar, organisatoriska och nationella kulturer samt språkliga barriärer. *Resultatet* från intervjuerna visar att konsultföretaget främst använde sig av en personifieringsstrategi, där ”ansikte-mot-ansikte”-metoder sågs som det bästa sättet att överföra kunskap. Därutöver användes olika informations- och kommunikationstekniker som skype och intranät. Upplevda potentiella barriärer för kunskapsöverföring och samarbete över gränserna var: språkbarriärer, skillnader i organisatorisk kultur och finansiella barriärer. *Analysen* visar att data från intervjuerna överensstämmer med det som framgår av litteraturen. Användandet av en personifieringsstrategi som den primära strategin passar bra för ett konsultföretag och en av de primära metoderna för att överföra kunskap mellan länderna är att överföra personal. Därutöver kan användandet av nätverk och informations- och kommunikationsteknik underlätta kunskapsöverföringen. Barriärer som togs upp i litteraturen överensstämde med de som upptäcktes från intervjuerna, dock ansågs inte språkliga och kulturella barriärer vara stora barriärer i det skandinaviska sammanhanget på grund av likheter mellan de två länderna. Slutsatsen är att genom att använda olika former av kunskapsöverföringsprocesser som möjliggör interaktion mellan personal så kan kunskapsöverföring mellan länder underlättas. Det finns barriärer som måste tas i beaktande och konsultföretaget kan vinna på att utveckla en tydligare strategi för deras kunskapsöverföring.

Nyckelord: Kunskapsöverföring, Utmaningar för kunskapsöverföring, Knowledge Management, Internationell kunskapsöverföring, kunskapsdelning



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This master thesis has been the final part of the education at Chalmers University of Technology, ending a period of five years. This study has provided me with knowledge within the subject of knowledge management and knowledge transfer as well as increasing my ability of conducting research within my field of study.

Göteborg, June 2018

Susanne Montelius

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# 1 Introduction

*In this section, the background and problem definition of the thesis is presented. This is followed by the purpose and research questions. Furthermore, the chapter includes the limitations of the thesis and its outline.*

## 1.1 Background

Many organizations' most valuable assets are their employees and the knowledge which they possess (Mas-Machuca & Costa, 2012). The utmost challenge for many companies is to ensure that knowledge stays within the organization (Newell, 2009 & Jonsson, 2012). This is particularly true for consultancy companies, where the main resources are the employees and knowledge is what they are competing with. Therefore, it is important for consultancy companies to have an established knowledge management system (Ambos & Schlegelmilch, 2009). It is of importance to retain the knowledge that exists and to manage the knowledge and the sharing and transfer of that knowledge within the organization (Newell, 2009 & Jonsson, 2012).

According to Sparggon and Bodolica (2012), companies who are able to manage their transfer of knowledge within the organization in an efficient way can gain a competitive advantage. For companies operating internationally, this means that they not only can and should take advantage of knowledge within the company on a national level, but that there also are opportunities for managing knowledge across the borders in an international perspective. According to Bender and Fish (2000) businesses are not restricted by national boundaries and for organizations to be successful, the management of knowledge and the transfer of competence, knowledge and expertise in an effective way is of importance within the organization on both a national and an international level.

To be able to develop an effective knowledge transfer within a company, a company needs to know what kind of knowledge they wish to transfer and where it exists. As will be explained in the theoretical framework, *Chapter 3*, knowledge can be of both tacit and explicit type and this effects how it is shared and transferred between people (Nonaka & Takeuchi, 1995). When the company has mapped what type of knowledge is to be transferred and where it exists, the company can decide on an approach to their knowledge transfer processes and system and analyze how this can work.

### 1.1.1 Introducing the Case Study and Problem Definition

There is currently what one can call a building boom within health care facilities in Sweden (SKL, 2014). In between the years 2014-2020 a yearly amount of 10-14 billion SEK is being invested by the county councils in Sweden, which can be compared to yearly investments being around 7 billion during the preceding five year period. This level of investment within health care facilities has not been done in over 40-50 years. A reason for the high level of investments are that a significant part of the dwelling stock originates from the 60s and 70s and are in need of change in order to be adjusted to new needs and be in line with the development within healthcare.

The company, at which the case study is performed at, Niras, is a consultancy company operating in many different countries, with the head quarter in Denmark (more information on the company is provided in *Chapter 4*). Niras Denmark has

experience and expertise competence within consulting of the whole planning of projects concerning hospitals and health care facilities. According to the company, they are currently involved in the largest projects concerning hospitals in Denmark. Taking advantage of the competence and knowledge that exists in Niras Denmark could contribute to the development of this area of expertise within Niras Sweden, both by transferring the knowledge but also by sharing resources in between the countries. Due to the great investments in Sweden in the healthcare facilities, the company sees an opportunity to compete in this market. The goal for Niras Sweden is to transfer this knowledge from Denmark and to become an established consultant within planning of hospitals and health care facilities. A group consisting of people with different competences and backgrounds has been appointed within Niras Sweden with the purpose to build up and to cover the healthcare market within Niras Sweden. The strategy behind this group is divided into three main points; specialists, local knowledge and differentiation, which are explained more in *Chapter 4*. A particular focus is furthermore on the use of resources across the borders.

Furthermore, the purpose for this strategic focus group is to exchange knowledge on for example market demands and what kind of specialists Niras needs to be attractive for their clients within the fields that they want to be strong within. Being able to develop competence within the health care facilities area in Sweden could contribute to a competitive advantage for Niras and increase the company's profits and is therefore of interest from a business perspective. Besides the financial aspects it is an opportunity to increase their attractiveness to both customers and employees. It is not only about transferring knowledge, but also to investigate the local markets in Sweden when it comes to health care facilities. This thesis however focuses on the transfer of knowledge and expertise from Denmark to Sweden, and not on how to best establish on the local market.

## **1.2 Purpose and Research Questions**

The main *purpose* of this thesis is to investigate how knowledge and resources can be transferred between countries within an organization and how a company in this way can take advantage of existing knowledge. The *aim* is to explore this transfer of knowledge and collaboration within an international consultancy firm, Niras, by looking at a case regarding the transfer of knowledge within the area of health care facilities and hospitals. Furthermore, the goal is to look at what possible challenges and barriers that might exist to implementing this. This will be done by looking at what methods are planned to be used for the knowledge transfer and what the problems they are facing are. To reach the purpose of the study, the aim is broken down in the following three research questions:

- What methods could be used to facilitate a transfer of knowledge within a consultancy company with different national locations?
- What are the possible barriers in regards to transferring knowledge and resources for a consultancy company with different national locations?
- How can a consultancy company develop and manage their knowledge transfer based on the theory and findings that are presented in this study?

## **1.3 Delimitations**

The thesis is limited to knowledge transfer within the specific area of planning of hospitals and health care facilities in the consultancy company Niras. It is also limited

geographically by the international collaboration between the two Nordic countries Sweden and Denmark, not looking at collaboration between other countries. Additionally, it is limited to looking at this particular consultancy company. In the thesis, specific projects are not analyzed but rather knowledge transfer is looked at on an organizational level. As mentioned above, in this thesis, the question of how to enter into the Swedish market will not be looked into.

The thesis is further limited by excluding going into legislation and investigating the actual costs associated with the knowledge transfer. The outcome of the thesis is aimed at being used as a foundation for Niras to analyze their knowledge transfer methods, and it is not tested during the course of the study. Further limitations are done throughout the study, in decisions regarding what focus to take both within the choice of theory as well as empirical data.

## 1.4 Thesis Outline

The structure of the thesis is aligned with the directions for master thesis writing as provided by Chalmers University and in accordance with what Bryman and Bell (2015) believes should be included in a thesis. The methodology chapter follows the introduction chapter in order for the reader to understand how the research was conducted. Hereafter follows the theoretical framework, the findings of the case study, the analysis and lastly the conclusion. In *Table 1* below a list of the chapters together with a short description of the content is presented.

**Table 1: This table presents an overview of the chapters of the thesis and their contents**

Chapter	Description
<b>Chapter 1 – Introduction</b>	This chapter is meant to introduce the reader to the subject and problem definition of the thesis, as well as provide a background for the case study. It also presents the purpose and research questions, as well as the limitations of the thesis.
<b>Chapter 2 – Methodology</b>	This chapter presents the research design and explains the methods used and the different steps taken during the study. It also presents argumentation for the methods chosen, as well as ethical aspects and the quality of the study.
<b>Chapter 3 – Theoretical Framework</b>	This chapter gives a background on the subject, and the research that exist within the field. It also provides information about barriers of knowledge transfer. The aim of this chapter is to provide a basis for analyzation and to be able to put the empirical data in context.
<b>Chapter 4 – The Case Study</b>	This chapter describes the company and the case study as well as presents the empirical data gathered from the interviews.
<b>Chapter 5 – Analysis and Discussion</b>	This chapter presents a discussion and analysis of the findings in relation to the theory is presented. This chapter is aimed at bridging the theory and data.
<b>Chapter 6 – Conclusion and Recommendations</b>	This chapter provides a conclusion in which the research questions are answered and reflections of the study are presented.

## **2 Methodology**

*The methodology of this master thesis is explained, elaborated and argued for in this chapter. This thesis is performed using an exploratory approach and a qualitative methodology which contains a literature study as well as a case study where the data is collected through interviews, observation and documents from the organization. Data is also obtained through conversations with the supervisor. Below follows a detailed description of how the research was conducted both for the theoretical framework and the empirical study.*

### **2.1 Research Strategy**

For this thesis, a qualitative research strategy was chosen. The qualitative approach was chosen as the author considered it most appropriate for answering the research questions and fulfilling the purpose. A qualitative research approach enables the researcher to explore and interpret the theory and empirical data (Bryman & Bell, 2015), which is crucial in order to reach the objective of a research project such as this thesis. In comparison to a quantitative approach, research conducted through a qualitative approach is not as easy to generalize as it is more focused on data based on words rather than on numbers and measurements (Bryman & Bell, 2015). However, it enables a research method which is more process oriented and also adaptable over time. A quantitative research approach would not have provided the in depth data of interest for this study.

### **2.2 Research Design**

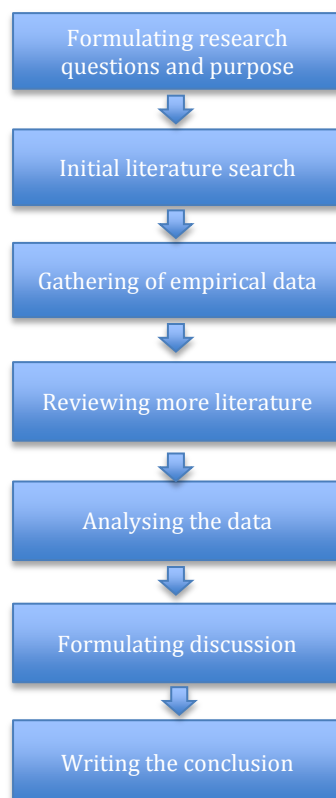
The research is carried out as an exploratory study with the aim of exploring the research questions within the case study. The researcher does not aim at testing a hypothesis or to develop a solution to an existing problem, but rather to explore and analyze the subject of matter. Therefore the exploratory research approach is suitable (Saunders, Lewis & Thornhill, 2016). Furthermore, this study is being conducted as a single case study. The disadvantages with having only a single case study might be that it gives a limited perspective and is difficult to generalize. By instead conducting a multiple case study the perspective would have been broader, enabling a greater possibility to generalization. However, by choosing one case study instead of having a multiple case study provides a more in depth study and another reason for choosing this was due to the limited time of the master thesis. The particular case was chosen because of several reasons. It is an international consultancy company with offices in Sweden, but having most percentage of their staff and therefore a lot of knowledge in Denmark. Besides this the company is currently looking at the possibility of transferring knowledge and resources within a Scandinavian context.

### **2.3 Research Process**

The researcher first contacted the company in August 2017, with an initial idea of a research subject for a master thesis. After a meeting in September 2017, where the company's interest and work with knowledge transfer between Denmark and Sweden within the area of healthcare facilities was first introduced, a decision was made to conduct the thesis at the company. Following this, a supervisor at Chalmers was



decided and a first proposal was accepted by Chalmers. Hereafter, the study has followed the steps displayed in *Figure 1*. Firstly, a research proposal was developed, and then the researcher with the help from the supervisors formulated the purpose and questions of the study. An initial literature search was performed and the methodology was decided, which is explained in this chapter. Interviews were conducted during March 2017 with the addition of one interview in May, and after this the data was analyzed and a discussion was written. However, the research process was conducted in a more iterative way than what the figure shows, with collection of theory being conducted simultaneously as collection of data at times. The methods used are explained in detail below.



**Figure 1: Process of the thesis**

The research is as mentioned above of qualitative type and is based on a case study where semi-structured interviews have been the primary source of empirical data. Besides this, an observation of a meeting has been conducted and empirical data have also been retrieved from organizational documents as well as from emails and conversations with the supervisor at the company. In addition, a literature study has been performed as a base for the theoretical background. Below follows a description of the different research methods used.

### **2.3.1 Interviews**

The empirical data gathered in this study is foremost from interviews. According to Bryman and Bell (2015), interviews are among the most common methods used in qualitative research. Conducting interviews as the main method was chosen because it

provides in depth data of the case and is achievable within the set time limits of the thesis. Performing an ethnographic method could have given more depth to the study, but this would require more time which was not available for this thesis. The interviews performed in this study have been semi-structured. The semi-structured interview style was preferable due to that it gives a structure for the interviews but at the same time provides flexibility (Bryman & Bell, 2015). The questions can in this type of interview be adapted during the course of the interview in order to get the most out of the interviews (Saunders et al., 2016). The interviewer can ask questions as responses to other questions during the interviews rather than strictly following the questions prepared as well as change the order of the questions.

An interview guide with questions was prepared beforehand and was based on an initial study on the research area as well as the organization. One day prior to the interviews, a short presentation of the content and aim of the thesis as well as the main content of the topics to be covered was sent out to the respondents. This was done to ensure that the topics of interest were to be covered during the interviews. The questions in the interview guide facilitates in getting the information in search for, while at the same time providing flexibility (Bryman & Bell, 2015). When preparing the interview guide, considerations were given to avoid leading questions and to be articulated in a way that ensures that the respondents understand them which is advised by Bryman and Bell (2015). The interviews were conducted via skype and were around 30 min long. The decision to conduct the interviews via skype was based on two reasons. Firstly, the interviewees were geographically spread and had busy schedules which in combination with the limited time of the author resulted in that it would be easier to organize the interviews via skype. Secondly, conducting interviews via skype was a way for the author to try one of the media and methods used for knowledge transfer within the company. The interviews were recorded with a phone which was agreed upon by the respondents before the interviews. By recording the interviews, it allows the researcher to focus on the interview and not be distracted by taking notes. Qualitative interviews also allows for a follow-up questions afterwards, in case the researcher realize that there was some additional questions that needed answers.

The interviews were transcribed continuously during the course of the study, to facilitate the work of transcribing. This also gives the possibility to quickly get an overview and see if there is anything that needs follow-up and if there are certain questions or subjects that should be put in more focus in the remaining interviews.

The respondents were chosen in dialogue with the supervisor at Niras. There were in total nine interviewees, each participating at one interview. They interviewees were chosen based on their positions within the organization and/or knowledge within the area of knowledge management or within the area of hospital projects to get the people most capable in answering the questions. The interviewees are positioned on different managerial levels and in both Sweden and Denmark which gives different perspectives on the subjects, as displayed in *Table 3*.

### **2.3.2 Observation**

During the course of the study, the author participated as an observer in one of the meetings with the strategic focus group which has been formed to facilitate the

establishment on the healthcare facilities market in Sweden. These meetings have been held with a couple months apart, and there was only one meeting held during the period of which this study was conducted. The author joined the meeting via skype, as did other participants due to that they are spread out geographically in Sweden. The role of the researcher is probably best described as observer-as-participant according to Bryman and Bell's (2015) definition, as the author did not participate in the meeting to any extent more than presenting herself and the thesis as well as answered one or two questions that were asked. Participating in the meeting gave the author a better understanding of the focus group's work and how these meetings are conducted. However, because the author only had opportunity to join one meeting the data from observations has not been retrieved to any great extent.

In addition to the observation of the meeting, the author spent several days of the week at the office of the company. However, there were not many encounters and observations that were related to the topic of the thesis that took place during this time and therefore this is not included in the thesis. The author did get access to a limited version of the company's intranet and had a company email address, which meant that she could take part of some of the emails that were aimed at the staff.

### **2.3.3 Literature Review**

A literature review was performed to create a theoretical framework and to map knowledge transfer, specifically within international organizations. It is a crucial part of the research process as it provides an understanding of previous research and concepts within the field (Bryman & Bell, 2015). The literature for the review consists of both scientific articles and books. The following key words were among others used in the literature search: *knowledge transfer*, *intra-organizational knowledge transfer*, *international knowledge transfer*, *knowledge sharing*, *barriers of knowledge transfer*, and the literature was searched for in scientific search engines such as google scholar and science direct. The literature research followed primarily two steps. Firstly, in order to quickly judge the relevance of the literature, the abstract, keywords and conclusions of the articles was looked at. Literature related to the research questions was selected. Factors such as place of publication, number of citations and number of references used was also considered when choosing the literature. Secondly, the selected literature was read through with a more critical lens for a second selection of the most relevant literature. Besides the literature which was found in scientific databases, books from Chalmers library were also used for the literature review. It should be mentioned that even though the case study is limited in a Scandinavian context, this is not the case for the literature. To be able to get a more general base of literature in the beginning, the broad topic of knowledge management and in particular transfer was looked at. An iterative process was used in the search for literature, where more literature could be added later in the process depending on the outcome of the empirical study.

### **2.3.4 Data Analysis**

Transcript records and notes from the observation of the meeting as well as through conversations with the supervisor were organized and structured and afterwards reviewed in order to discover the themes in data obtained from the interviews and observations. The themes found were: strategy and background behind investment,

challenges with transferring knowledge across the borders, methods and processes used for knowledge transfer and competences in Denmark. From the themes found, the data was structured by coding in the form of different keywords, such as: *barriers*, *strategy*, *methods*, *language*, *culture* and *costs*. This coding was performed continuously from the time of the first interview to the last one. Afterwards, the transcripts and notes from meetings were once more read through to ensure no theme of importance was missing. Following this, the information gathered was written down and summarized. After this it was analyzed based on the literature study, and this analyze can be found in *Chapter 4*.

## 2.4 Research Quality

*This section aims at discussing the quality of the thesis, in terms of validity and reliability, chosen methodology and ethical consideration. The choice of research design and methodology has been argued for to some extent above, and is further discussed in this section.*

### 2.4.1 Validity and Reliability

Validity and reliability is important criteria for judging the quality of a research of quantitative type (Bryman & Bell, 2015). However, researchers have been discussing whether these are actually applicable within qualitative research. Some researchers therefore suggest an adaption of the criteria to fit with qualitative research, while others suggest slightly different criteria. Alternative criteria which can be used instead of validity and reliability are: Credibility, Transferability, Dependability and Confirmability, and these are the criteria on which the quality of this thesis is judged on below.

**Credibility:** The credibility refers to questions about whether or not the observations made by the researcher and the theoretical ideas that have been developed match up (Bryman & Bell, 2015). The credibility of a research is therefore increased by making the process of how it has been carried out explicit and accessible. By providing a detailed description of the research process and the analysis, the credibility is strengthened. The way in which the interviewees were chosen has also been explained above, which further improves the credibility.

**Transferability:** Transferability refers to having provided enough detail on the case so that a reader can understand the context well enough to judge how transferable it is to another environment (Bryman & Bell, 2015). In this case, information has been provided about the organization and the part of the organization which is involved in the area studied. The transferability of the study has been ensured by having explained the context in which the study takes place, in what kind of organization and within which area. This has been made in both the text about Niras as well as from the interviews, in *Chapter 4*. It is clear in what kind of environment and where the study is conducted, which facilitates for the readers judgement of the transferability.

**Dependability:** Dependability parallels reliability according to Bryman and Bell (2015). There should be complete and available description of all phases of the research process and how the study has been conducted in order to ensure dependability. According to Bryman and Bell (2015), an auditing approach is

proposed, having peers ensuring that the research procedures are being followed. There is a peer review conducted during the course of the thesis, which can have increased the dependability somewhat.

**Confirmability:** Confirmability is quite difficult to judge, as it refers to ensuring that the researcher has not on purpose let subjective opinions reflect the result and conclusions. The author aimed at being as objective as possible, and not being a part of the organization facilitated this. However, there will always be some subjectivity involved. This also goes for the interviewees; they might not answer all questions within bias since they are employees of the organization. From interviews, it is therefore difficult to get the full and true perspective. By performing an observation and taking part of documents produced by the organization the confirmability is strengthened.

## **2.4.2 Discussion of Chosen Methodology**

The choice of having one case study and not multiple has both advantages and disadvantages. One reason for choosing this was because of that the researcher was doing the thesis at the company in question and their case fit well with the research questions. Having multiple case studies could have contributed to a more general and broad perspective of the research questions, however having one can provide a more in-depth study as explained above (Bryman & Bell, 2015). With having multiple case studies, there are further complexities with finding case studies that are easily compared. Conducting semi-structured interviews as the primary source of empirical data was considered the best choice by the researcher. Interviews provide more qualitative and in-depth answers to a problem than does surveys and other quantitative methods. The interviewees had opportunity to speak more freely of the subject of matter. The respondents were as have been mentioned above chosen together with the supervisor at the company and the spectrum of the respondents gave different perspectives on the subject. The respondents could maybe have been chosen differently to add more perspective to the study, for example having more people of prior experience in the subjects and more project managers.

The literature used has been found through scientific databases, for example: google scholar, summon and science direct. However, the authors search strings might have affected the searches and therefore the result of them. The author had limited knowledge in the particular subject beforehand, and this might have had an effect on the quality of the searches. Even so, during the course of the study the author gained more knowledge in the subject and could therefore search for more precise literature. Furthermore, the decisions about which literature is relevant might have been affected by the author's bias,

## **2.4.3 Ethical Conduct**

When conducting research, it is important to consider the ethical principles involved (Bryman & Bell, 2015). The ethical aspects most relevant in this study have to do with informed consent. An interview guide which was given to the respondent prior to the interviews included a description of the purpose and method of the thesis in order to ensure that the respondents had understood in what kind of study they were participating in. They were also informed about how the data would be used and the findings reported. They gave consent to be recorded before the interview. To keep the

anonymity of the interviewees, the names and titles of the respondents are not presented. The author has however divided the interviewees in three groups, depending on managerial level of the respondents. This is done to be able to analyze answers depending on what position the interviewee holds. A table of this is presented in *Chapter 4 (Table 3)*. The company was in an early stage informed about that the paper would be published in the end, where the author explained that they could keep a dialogue during the course of the study if there was anything that the company did not want to be published. In this ways, ethical considerations regarding consent have been made during the study.

### 3 Theoretical Framework

*In this chapter, the theoretical framework is presented. The purpose of this is to provide a background for the analysis of the empirical data in order to answer the research questions. The chapter begins with explaining the concept of knowledge, continuing into knowledge management and knowledge transfer. Knowledge and the different types and understandings of knowledge are presented both to show that the researcher has understood the theory behind the subject which is under investigation and to give the reader a basis for the following theory. After presenting the reader to the area of knowledge transfer and its processes, possible challenges and barriers for international knowledge transfer are presented.*

#### 3.1 Knowledge

Knowledge is as mentioned in the introduction chapter an important resource for organizations in order to stay competitive. However, there is no clear definition as to what knowledge is, and discussions regarding a definition of knowledge have been ongoing ever since the ancient Greeks (Nonaka & Takeuchi, 1995). Jonsson (2012) said that this discussion has been neglected within research and has been criticized for this. In connection to this, the relationships and differences between data, information and knowledge have not always been clear according to Davenport and Prusak (2000). The authors explain data as objective facts, whereas information is described as a message which has a sender and a receiver. In contrast to data, information includes a meaning or value and is meant to inform the receiver of the information. By adding value to data in different ways, it is altered into information. When it comes to knowledge, Davenport and Prusak (2000) offers an often cited definition of knowledge: *“Knowledge is a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices, and norms.”* (p. 5). Alavi and Leidner (2001) have a similar description of knowledge as information which is embedded in the individual, which is personal and related to for example facts, activities and observations. Davenport and Prusak’s (2000) definition relates both to the individual and the organization, where Alavi and Leidner’s (2001) definition mostly refers to the individual. Davenport and Prusak (2000) further stretches that knowledge is developed over time and through experience, practice and by taking in information. Furthermore, there is a difference between knowledge and expertise which relates to the depth of the knowledge an individual possess in a particular subject. Expertise means having a specialized knowledge and understanding in a certain area, which has been developed through experience and education (Argote & Ingram, 2000).

##### *Knowledge Types*

Knowledge is often divided into tacit and explicit knowledge (Jonsson, 2012). This distinction was, according to Nonaka (1994) and Clegg, Kornberger and Pitsis (2016), first made by Polanyi (1958) who believed that we know more than what we are able to articulate. Tacit knowledge is knowledge which is difficult to articulate and communicate to other people. This knowledge is developed through own experiences and is context specific and individual, and often linked to an activity (Jonsson, 2012).

Practical skills are an example of tacit knowledge which is linked to knowing how to do something (Newell, 2009 & Hislop, 2013). Explicit knowledge on the other hand is linked to knowing what, a knowledge which is easier to articulate and therefore easier to codify and communicate to others. The explicit knowledge is according to Newell (2009) more valuable for an organization because this is the knowledge that can be communicated to others in the organization. Tacit knowledge is on the other hand more difficult to transfer and must be converted to explicit knowledge before it can be shared (Hislop, 2013). However, tacit knowledge is knowledge that is used to interpret the explicit knowledge. Alavi and Leidner (2001) describes how tacit knowledge of an individual affects the way that individual understands and interprets the explicit knowledge. If two individuals have similar tacit knowledge, it is more likely that they understand the explicit knowledge in a similar way. Therefore, the extent of the tacit knowledge two individuals share have an effect on how much of the explicit knowledge that can be used. These two types or dimensions of knowledge were, according to Clegg et al. (2016), adapted by Nonaka and Takeuchi (1995) for management practice, in which the explicit knowledge is described as the knowledge which can easily be communicated and shared in an organization, whereas the tacit knowledge is more difficult to share.

#### *Individual and Organizational Knowledge*

A distinction between individual and organizational knowledge is also sometimes made according to Jonsson (2012). Newell (2009) explains organizational knowledge as knowledge which is embedded in for example values, norms and processes within an organization. This knowledge moreover effects how knowledge within the organization is understood and can be used. According to Nonaka and Takeuchi (1995), all knowledge is personal and connected to the individual, i.e. individual knowledge, but can be shared with other individuals within an organization through different processes which are explained in the SECI model (see *Figure 3*). De Long and Fahey (2000) divide knowledge into human, social and structured knowledge. In this division, human knowledge is what the individuals know or know how to do and can include both explicit and tacit knowledge. The social knowledge exists in the relationships between individuals or within groups of individuals, and this knowledge is primarily tacit. The structured knowledge is embedded in an organizations processes and systems, rules and routines. De Long and Fahey (2000) states that the structured knowledge is explicit and can exist independently of the individuals. Despite the different views of individual versus organizational or collective knowledge, most research shares the view of the individual and networks of individuals as being in possession of knowledge.

### **3.2 Knowledge Management**

The view of knowledge as a valuable asset and resource for companies which can contribute to competitive advantage means that it is important to manage the knowledge which exists in the company. There are different definitions of knowledge management, but according to Alavi and Leidner (2000) the differences in the literature of what knowledge management encompasses are small, and mostly relates to the number of processes involved and names of processes used than the actual underlying concepts. After reading several articles on the subject, it is decided that in this paper, knowledge management is seen as a term including processes concerning the creation, transfer, using and managing of knowledge to meet both existing as well



as future needs (Clegg et al, 2016 & Hislop, 2013). In this thesis, the focus will be on the transfer and sharing of knowledge within an organization which is a part of knowledge management.

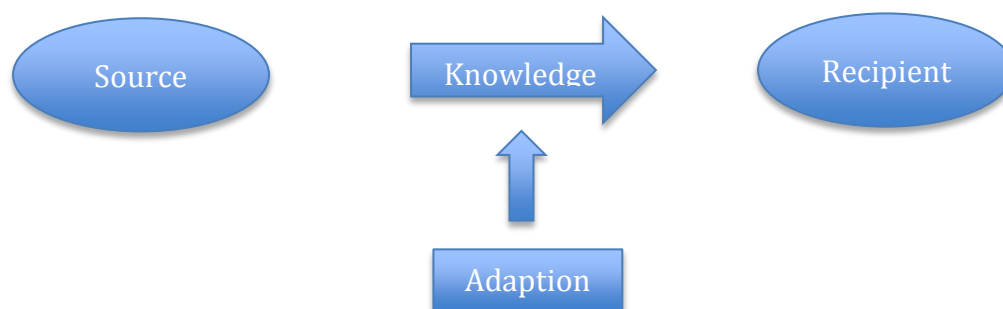
### 3.3 Knowledge Transfer

Different knowledge can exist in different parts of an organization, and therefore knowledge transfer is a central part of knowledge management (Lahti & Beyerlein, 2000). According to Spraggon and Bodolica (2012), intra-organizational transfer of knowledge is important for the competitiveness of the company. Argote and Ingram (2000), define knowledge transfer as “...*the process through which one unit is affected by the experience of another*” (p. 151). According to the authors, knowledge transfer can take place both at an individual level and on a group, department and division level within an organization. Furthermore, they argue that knowledge transfer can occur both explicitly and implicitly. An explicit transfer of knowledge can for example be in the form of communication in between two units about something which has been found to improve the performance. Implicit transfer of knowledge can be an individual using a tool which has been adjusted to improve its performance which the individual can benefit from without having to understand why this adjustment has been performed and how it improved the tool. According to Argote and Ingram (2000), knowledge can exist within people, tools and technology, as well as within tasks and within the relations between these things. This is also supported by Leyland (2006). Tools, which are the technological element, include both hardware and software (Argote & Ingram, 2000). Tasks reflect the goals and purpose of the organization. Knowledge can also be found within the networks that are formed by combining these things. The authors describe how knowledge can be transferred by moving a knowledge source from one unit to another or by altering a knowledge source at a receiver. This can be in the form of people moving between units or technology and routines that are transferred from one place in the organization to another. Furthermore, the knowledge that the employees at the receiving part possess can also be changed through training and communication.

An important part of the knowledge which a company obtains is knowledge that is embedded in the individual employees (Argote & Ingram, 2000). This is especially true for companies such as consultancy companies (Argote & Ingram, 2000 & Lahti & Beyerlein, 2000). Besides this, knowledge can be embedded in tools and technology as mentioned above. Two often mixed up concepts within knowledge management research are knowledge transfer and knowledge sharing which have not always been separated in a clear way according to Tangaraja, Mohd Rasdi, Abu Samah & Ismail (2016). These authors states that knowledge transfer is the more comprehensive term of the two where knowledge sharing is a part of knowledge transfer itself. Knowledge sharing is seen as a process between individuals whereas knowledge transfer can involve processes that refer to more of a group or division level than on the individual level (Tangaraja et al., 2016). In this thesis, knowledge sharing is explained as an underlying concept of knowledge transfer in accordance with these authors.

Both Argote and Ingram (2000) and Lahti and Beyerlein (2000) speak about the transfer of knowledge as something moved from one place (a source) to another (a recipient), see *Figure 2*. However, the transfer is more complicated than this. Argote

and Ingram (2000) stretch the importance of adaption of the knowledge to the new context, which is also suggested by Szulanski (1996). Leyland (2006) likewise explains how knowledge must be adapted to the new context and transformed after being acquired. Foss and Pedersen (2002) further states that the extent to which the knowledge is linked to the context in which it exists can have an effect on how much of it that is transferrable. Argote and Ingram (2000) also stretch how the compatibility between people, tools and activities can be an issue. For the knowledge or competence which is transferred to be effective at the new place, it might have to be adapted to the new context. They argue that this becomes more difficult when moving a network compared to moving only people, tools or activities. People can adapt the knowledge to apply to new contexts and are able to transfer both tacit and explicit knowledge. Transfer of knowledge by transferring tools instead of employees means that the transfer can be larger in scale, however it is less flexible than when transfer is done by individuals. Tasks can also be transferred but people are usually required to perform the tasks. Lahti and Beyerlein (2000) on their part describes how explicit and tacit knowledge can be transferred through different means. According to them, explicit knowledge can be transferred by for example databases and documents whereas the tacit knowledge involves the movement of employees and interaction and collaboration of employees. This can for instance be in the form of on-the-job-training and job rotation.



**Figure 2: Simplification of how knowledge transferring from a source to a recipient needs to adapt to the new context**

### 3.3.1 Knowledge Transfer Strategies

Hansen, Nohria and Tierney's (1999) strategies of knowledge transfer is according to Hislop (2013) one of the most cited in the knowledge management research. They differentiated between two main strategies within knowledge transfer: codification and personalization (Hansen et al., 1999). The codification strategy means that searchable libraries are created to enable storage and retrieval of codified knowledge, and this strategy includes technical processes to transfer knowledge. Knowledge is codified and stored and can be easily accessed when needed. In the personalization strategy, knowledge is instead transferred through the integration of people and face-to-face processes. According to Hislop (2013), the personalization strategy is best suited for companies who compete on knowledge creation and customized services or products. In this strategy, the main knowledge being transferred is tacit which means it cannot easily be codified, thus the focus on face-to-face sharing. The personalization strategy can use information and communication technology as an enabler but not as a primary method in comparison to the codification strategy. According to Jonsson (2012) there has been a change within knowledge management

from having a focus on codification to personalization. Hansen et al. (1999), states that most consultancy companies use both strategies, although with a greater focus on one of the two. Explicit knowledge, which is best transferred through the codification strategy, can be transferred through media as for example databases, whereas tacit knowledge is best transferred through the personalization strategy such as transfer or rotation of staff and the collaboration and interaction of individuals (Lahti & Beyerlein, 2000). This could be in the form of for example job rotation, mentoring, training and formal and informal meetings as well as in both formal and informal networks. Even if these two strategies are treated as separate strategies in the literature, there are also arguments brought forward that organizations usually adopt a combination of the two and not a single approach (Ambos & Schlegelmilch, 2009). This will enable a transfer of both explicit as well as tacit knowledge (Lahti & Beyerlein, 2000). According to Powell and Ambrosini (2012), the different strategies could furthermore be integrated and combined together with the addition of social networks. While the personalization strategy is often viewed as an approach which relates to knowledge which is not codified and documented and the codification strategy to codified and documented knowledge, the approaches are not as independent as they appear according to the authors. A colleague identified via the personalization strategy (or via social networks) can provide knowledge in both face-to-face interactions (personalization) and through more documented forms (codification). Similarly, documented knowledge (codification) can identify colleagues to be contacted for more knowledge.

### 3.3.2 Knowledge Conversion

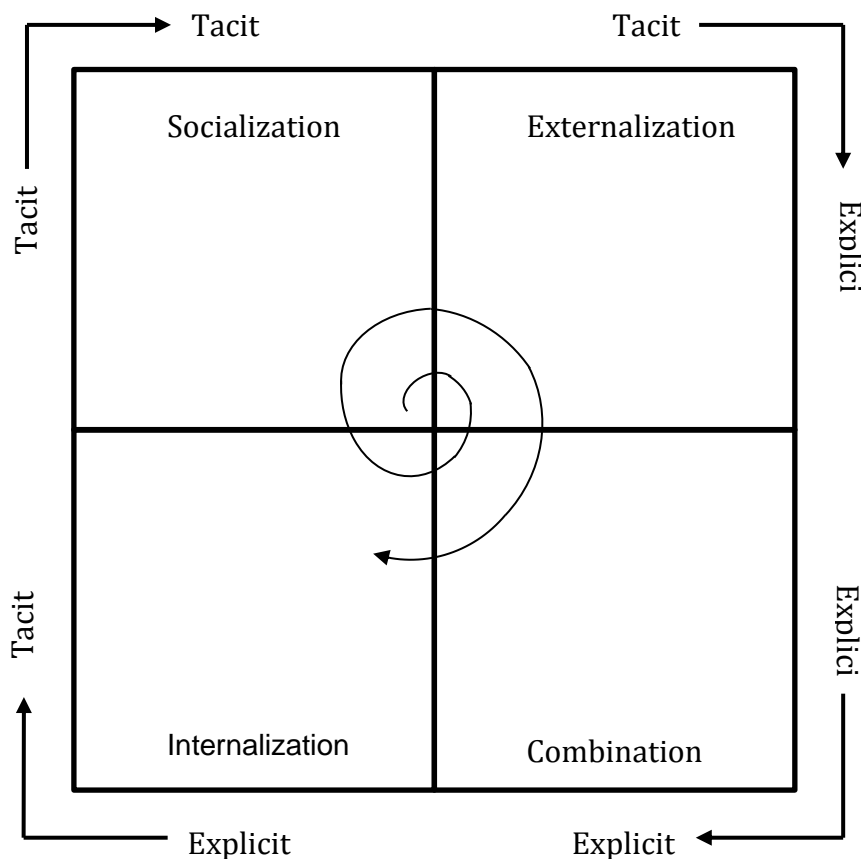
Nonaka's model of knowledge conversion, the SECI model (Nonaka & Takeuchi, 1995), is widespread within knowledge research and in this model there are four different types of knowledge conversion processes identified (Hislop, 2013 & Jonsson, 2012). The SECI-model aims at explaining how organizational knowledge is created, with knowledge originated from individuals and tacit and explicit knowledge converted into each other (Nonaka & Takeuchi, 1995). Besides this, according to Jonsson (2012), it can also be seen as a model for knowledge transfer as it explains the conversion of knowledge between individual and organizational knowledge. The different conversion processes explained in the model are presented below (Nonaka & Takeuchi, 1995):

- *Socialization*: This is the process where tacit knowledge is transferred to tacit knowledge in between individuals. This conversion is mostly done through interaction and shared experiences, because of the difficulties of articulating tacit knowledge. It can be conducted through observation and imitation and without shared experiences; it is difficult to share each other's thinking processes.
- *Externalization*: This is the process of making tacit knowledge explicit, to put words on and articulate the knowledge so that it can be shared throughout the organization. It can be conducted through example databases of best practices.
- *Combination*: This is the process of converting explicit knowledge to new explicit knowledge. The explicit knowledge is combined with other explicit

knowledge into new knowledge after being externalized. This can be conducted through meetings and phone calls.

- *Internalization*: This is the process of turning explicit knowledge into tacit. This happens when the employees use explicit knowledge which leads to that it becomes tacit knowledge for those individuals. By taking part of explicit knowledge and interpret it, it can become tacit.

Tacit knowledge is mobilized through the different modes of knowledge conversion in a process referred to as a spiral model of knowledge creation, as illustrated in *Figure 3*. As explained by Nonaka and Takeuchi (1995), the interactions between tacit knowledge and explicit knowledge will likely extend the interactions will occur faster as more actors in and around the organization becomes involved. Thus, organizational knowledge creation can be viewed as an upward spiral process, starting at the individual level moving up to the collective (group level), and then to the organizational level, sometimes also out to the inter-organizational level.



**Figure 3: The SECI-model of knowledge conversion, based on Nonaka's model**

Where Hansen et al.'s (1999) codification and personalization approaches explain ways of transferring knowledge; the SECI-model explains the actual conversion in the moment of sharing the knowledge.

### 3.3.3 Processes and Methods of Knowledge Transfer

According to Spraggon and Bodolica (2012), appropriate processes for knowledge transfer and/or sharing should be chosen by the management in agreement with the organization and its strategy. Face-to-face processes are often seen as the primary method for the transfer of tacit knowledge (Nonaka & Takeuchi, 1995), and this transfer is best accomplished through interaction among people. Through interaction, the risk of making wrong interpretations of the knowledge is reduced. Spraggon and Bodolica (2012) mentions that there are many different processes within the research of knowledge transfer such as communities of practice, virtual communities, meetings and instant messaging and divides the different processes into face-to-face processes and virtual processes based on different streams of research. The face-to-face processes are further divided by the authors into canonical and non-canonical and the virtual into dynamic and static. The canonical face-to-face processes are more formally established and planned processes like meetings, where the non-canonical refer to more relaxed and informal interactions. These unplanned processes are spontaneous and voluntary, like in-person mentoring and informal encounters. Both of the face-to-face processes depend on people for the knowledge to be shared.

The static virtual processes include the use of databases and evaluation forms, information which is easy to interpret by someone who receives the information (Spraggon & Bodolica, 2012). The dynamic virtual processes include more interactive and integrative work between the source and receiver of knowledge, and consist of for example: emails, phone calls and skype. With this perspective, both types of face-to-face processes as well as the dynamic virtual processes can be included within the personalization strategy. Using face-to-face processes enables employees to learn, internalize and transfer team knowledge by giving access to each other's experiences.

#### *Information and Communication Technology (ICT)*

As mentioned above, Spraggon and Bodolica (2012) divide the virtual knowledge transfer processes into two categories: static and dynamic. The static processes involve things like databases and reports. These codification processes demands time to produce, but on the other hand they are always accessible to employees and can for example include information of best practice. However, these will need to be updated not to become outdated (Spraggon & Bodolica, 2012 & Goh, 2002). The dynamic processes, on the contrary, involve things like personal intranets, wikis, and emails – more personalized processes facilitated by interactive technology.

One type of virtual knowledge sharing which includes a high level of interaction among employees is to work and have meetings via skype or other type of video conference tool. According to Kauppila, Rajala and Jyrämä (2011), cross-cultural virtual teams foster knowledge sharing across different borders and lower the barriers to knowledge transfer in companies operating internationally, enabling interaction among employees in different geographical locations. Nevertheless, face-to-face meetings are still of importance for building trust between the employees. According to Bosch-Sijtsema, Fruchter, Vartiainen and Ruohomäki (2011), working together when being geographically distanced requires an alignment at organizational level when it comes to workplace, organization policy and ICT infrastructure needed for the employees to collaborate. ICT can be used in different ways to connect employees who are geographically distanced from each other. For example, organizations can have tools which enable employees to find other employees who are experts or have

experience in different areas and to interact via instant messaging, emails and virtual meetings. According to Goh (2002), information technology is an important part of transferring knowledge on an intra-organizational level.

#### *Networks and Communities of Practice*

According to Argote and Ingram (2000) and Powell and Ambrosini (2012), social networks are an important part of knowledge transfer and these can enable organizational units to get access to new sources of knowledge and help to understand the new knowledge. Communities of practice, CoP, are social networks which are created by collaboration among people with shared interests or problems (Jeon, Kim & Koh, 2011). Davenport and Prusak (2000) also describes CoP as being created by employees who share work, interest or aims and that these types of networks should be looked upon as assets by companies. According to Hasanali, Leavitt and Henderson (2002), the purpose of a CoP is to create and share information, experiences and best practices. At consultancy companies such networks are often referred to as knowledge networks which can range from being very formal to informal. According to Verburg and Andriessen (2011), knowledge sharing networks can be found within and across many organizations. Even though these networks are beneficial for the sharing of knowledge, they are limited to those involved in the networks. According to Verburg and Andriessen (2011), knowledge networks can both facilitate the interaction and learning of employees as well as work as a bridge between experience-sharing employees and the organization. By participating in CoP, employees will share their tacit knowledge through interacting and socializing with the other members (Spraggon & Bodolica, 2012).

#### *Transfer of Employees*

As mentioned above, knowledge within an organization is often embedded in the individuals of the organization (Bender & Fish, 2000 & Argote & Ingram, 2000). One way to transfer knowledge across borders in international companies is therefore to transfer employees across borders (Bender & Fish, 2000). Employee rotation can be seen as a useful and effective mean for the transfer of knowledge and for retaining expertise. As Nonaka and Takeuchi (1995) mentioned, face-to-face processes are the primary method of knowledge transfer within an organization. According to Argote and Ingram (2000), the transfer of expertise within an organization therefore implies a transfer of the employee who possesses the expertise. As these authors argued, individual employees are a good source of knowledge transfer because of the fact that the knowledge which they can transfer can be of both tacit as well as explicit type. Argote and Fahrenkopf (2016) also claim that research have confirmed the transfer of employees being an effective tool for transferring knowledge within organizations. Important to bear in mind is that the transfer of knowledge within the context of multinational organizations means that the knowledge which is transferred must be adapted and institutionalized in the new context and environment in order for this to be achieved. Argote and Ingram (2000) states that it is of importance to know who knows what in an organization and von Krogh, Ichijo and Nonaka (2000) mentions how knowledge activists can be used to facilitate a knowledge transfer, where the activist is someone who is flexible and with a broad network of contacts.

### **3.3.4 Organizational Knowledge Transfer**

In previous sections, knowledge and how the knowledge can be transferred through different processes and systems has been explained. For an organization, this has

implications on how to transfer the knowledge within an organization. As mentioned above, knowledge is believed to be possessed by the individuals within an organization but the creation and transfer/sharing of knowledge is performed in the interactions in between the individuals (Nonaka & Takeuchi, 1995). When an employee is transferred or knowledge in another way is transferred between individuals or units within the organization, organizational knowledge transfer is performed. Argote and Ingram (2000) explained how the transfer is moved from a source to a recipient, which can be a group or unit within an organization. In this way, the transfer affects more than only the individuals. This knowledge becomes not only embedded in the individuals, but knowledge also becomes embedded in different routines and practices within the organization. As Yeh, Lai and Ho (2006) describes, it is important to ensure that individuals share knowledge in between them within an organization – this will allow the knowledge to be converted from individual knowledge to knowledge of the organization. Lahti and Beyerlein (2000) describes how a constant interaction between tacit and explicit knowledge will enable the learning performed by individual employees to contribute to group learning and this facilitates the development of an organizational knowledge.

### 3.4 Barriers of Knowledge Transfer

According to Yeh et al. (2006), enablers for knowledge management can be divided into four categories: strategy and leadership, corporate culture, people and information technology. Mas-Machuca and Costa (2012) instead, based on a thorough review of literature, divides the enablers in three categories: strategic, cultural and technological. In this division the category of culture encompasses both corporate culture and the people enabler, because the organizational culture affects the way people act with their knowledge within an organization. For a successful knowledge management system, including transfer, the abovementioned factors are important which means that the same factors can also be regarded as barriers for a successful knowledge management.

According to Duan, Nie and Coakes (2010), knowledge transfer in an international setting is more challenging because of the fact that there are differences in culture, politics, economics and also the geographical distance. However, since the knowledge transfer in this particular case is being performed between two Scandinavian countries, the language barrier and cultural differences are not that great (Havaleschka, 2002 & Gooskens, van Heuven, Bezooijen & Pacilly, 2010). As this case study is on an organizations intra-organizational knowledge transfer, but is still acting in an international environment, the author focused both at barriers for knowledge transfer itself and specifically for international knowledge transfer. Riege (2005) speaks of different barriers for knowledge transfer; individual, organizational and technological and believes that the identification of barriers of knowledge transfer is of great importance for the result of a knowledge transfer strategy. In this thesis, the main focus is on organizational barriers. The organizational barriers suggested by Riege (2005) are: *no clear connection between knowledge transfer strategy and the organization's overall strategy, lack of leadership in the form of clear communication of the benefits with knowledge transfer, lack of reward system, and organizational culture in the way of knowledge transfer*. After reading through several scientific articles, and by also taking in consideration that this transfer of knowledge consists of a change in work methods, the author believes that the foremost factors for an

organizations success and/or hindrance for having a successful knowledge transfer between two countries are connected to the strategy of knowledge transfer and the organizational culture. After looking through the literature, it is decided to focus on culture (organizational and national) and strategy and management as the foremost factors to consider in the transfer of knowledge within the Scandinavian context. Besides this, the language barrier is also considered. The possible barriers are discussed below and displayed in *Table 2*.

**Table 2: Overview of the main barriers found in the literature**

Possible barrier	Comments
<b>Strategy and Management</b>	<ul style="list-style-type: none"> <li>• Connection to overall strategy</li> <li>• Support from management</li> <li>• Financial issues</li> </ul>
<b>Organizational and National Culture</b>	<ul style="list-style-type: none"> <li>• Organizational culture</li> <li>• Differences of organizational culture between countries</li> </ul>
<b>Language Barrier</b>	<ul style="list-style-type: none"> <li>• Difficulties in understanding each other</li> <li>• Being held back in English</li> </ul>

### *Strategy and Management*

Having a knowledge management strategy which is connected to the organization's overall strategy is of importance and according to Yeh et al. (2006), there is research suggesting the introduction of knowledge management as an organizational change and therefore it is important to have the top management support of these changes. Besides that the strategy should be connected with the overall strategy, it should also be made clear what the strategy actually is. Kotter (1996) describes how organizational changes need strong leadership and that a group can be established with experts and people with management competences to lead the change. Furthermore, Kotter also stretches the importance of a clear vision and guidelines to increase motivation and to see to the long term goal. Riege (2005) says that one of the most probable reasons for an organization not to live up to their goals within knowledge transfer is that there is no clear connection between the knowledge transfer strategy and the overarching goals of the organization. A reason for this can according to Riege (2005) be that knowledge transfer is looked at as a separate activity instead of something which should be integrated in the organization's daily routines. Davenport and Prusak (2000) also said that senior management support is of importance for having a successful knowledge management project, and this include providing both the financial resources and other resources that are needed. Similar to Riege (2005), Easterby-Smith, Lyles and Tsang (2008) states that a knowledge transfer strategy should mirror the company's overarching business strategy.

As emphasized by Davenport and Prusak (2000), financial commitment to knowledge management practice is important. Resources should, in their meaning, be allocated to support the knowledge transfer and collaboration. There are high costs associated with



sending employees and their families to work in another country, especially in contrast to using information technology (Bender & Fish, 2000). Costs can also be associated with international travels and staying at hotels as well as differences in salaries. There are in addition to this costs associated with identifying the needs and opportunities, as well as meetings and travelling (von Krogh et al., 2000).

### *Organizational and National Culture*

For organizations to effectively manage their knowledge, the organizational culture should support knowledge management. The organizational culture is made up of values, norms and principles that affect the way things are performed within an organization and how people within an organization act (Clegg et al., 2016 & Yeh et al., 2006). According to De Long and Fahey (2000) there is a link between knowledge management and organizational culture. The culture affects how individuals within the organization communicate and what knowledge is important to share (De Long & Fahey, 2000). An important aspect within organizational culture is that it has an effect on trust and trust affects the willingness for individuals to share knowledge and therefore the organization's ability to retain knowledge within the organization. Possessing knowledge means possessing power for the employees, and it is therefore important to establish a culture in which sharing of knowledge is appreciated. Jonsson (2012) states that having a culture of knowledge transfer is important, and that this must be supported by techniques which can facilitate communication in the organization. According to Yeh et al. (2006), organizational culture is believed to be an important enabler for knowledge sharing. According to Mas-Machuca and Costa (2012), culture that supports knowledge sharing should be created to ensure that employees are comfortable sharing their knowledge and that this is important in particular for sharing tacit knowledge among consultants. The authors state that an ideal culture for sharing knowledge is when there is communication and coordination between groups and when there is an effective exchange of knowledge at all levels. De Long & Fahey (2000) describes how an organization has an overarching organizational culture, but that there are also subcultures within. This is supported by Alavi, Kayworth and Leidner (2006) who believes there might be various cultures existing within the organization. In an international organization operating in similar national cultures - this could be linked to the different countries in which the company is active.

Research within international knowledge transfer recognizes the importance of managing cultural differences between the countries in question, as for example Leyland (2006) and Bhagat, Kedia, Harveston and Triandis (2002). Differences in national cultures within an international company can have an effect on the transfer of knowledge in between these countries (Leyland, 2006). The underlying values and norms could affect the tacit knowledge that individuals possess, making them interpret the explicit knowledge differently (Alavi et al., 2006). Therefore, the relationships between different offices are important for the effectiveness of the knowledge transfer (Leyland, 2006). Knowledge which is transferred needs to be adapted for the new conditions in which it will be applied. Organizations must figure out what of the knowledge that can be used and how it can be integrated in the already existing routines and practices without too much disruption. Moreover it is of importance that what has been acquired is actually being used. Multinational companies are seen as networks of resources which operate in culturally and geographically diverse regions. The quality of relationship between subsidiaries and

with the home office has major implications for knowledge transfer. It is important to note that inter-subsidiary knowledge transfers are likely to be most effective when they involve subsidiaries that are located in similar cultural contexts.

The two countries of focus of in this thesis, Denmark and Sweden, have the same political system, the stage of economic development is the same and the languages of the two countries are similar (Havaleschka, 2002). Besides this, they have a shared history and similar culture. Despite being geographically and culturally close, there are differences in work cultures. In a study performed by Havaleschka (2002), the differences in management styles between the two countries were studied. This study concluded that Danish managers require more order, structure and working discipline. They are willing to take quick decisions, are not afraid to take risks and seek complexity. Swedes can mistake their willingness to take risks with being impulsive. Swedish managers on the other hand are more focused on social factors; social contact, showing understanding, being more supportive and open towards their employees. They spend more time reaching agreements and consensus. The Danes have a more individual management style, where the Swedes have a more group style. Danes are more direct, competitive and confronting, where Swedes on the contrary can hold back opinions and are less direct.

#### *Language Barrier*

Another possible barrier mentioned in literature is the differences in a shared language when working across borders (Welch & Welch, 2008 & Duan et al., 2010). When transferring knowledge between individuals with different languages, translation can cause difficulties in transferring this knowledge. According to Welch and Welch (2008) companies working internationally have moved towards using a common corporate language (often English) to achieve effective modes of knowledge transfer. Although this might enable a better knowledge transfer, it can also introduce new types of barriers - seeing as the employees have different levels of English and that they might also be affected by their mother tongue when using English which means that they use the same language in different ways (Duan et al., 2010).

The Swedish and Danish languages are mutually intelligible, meaning that the speakers can understand each other without having to switch to a common language (Gooskens et al., 2010). There is research saying Danes more easily understand Swedes, and that the written language is easier to understand. Nevertheless, the languages share similarities and therefore communication could occur on the different employees' mother tongue.

### **3.5 Summary of Theoretical Framework**

The theory presented above has provided the author with a basis on which to analyse the empirical findings. Knowledge is crucial for organizations, and much of this knowledge exists in the individuals that form the organization. The knowledge can be of both tacit and explicit form, where the explicit can easily be communicated to others and the tacit being more difficult to communicate and therefore transfer. The SECI model presents ideas on how conversion between the two types of knowledge can occur; socialization, externalization, combination and internalization. The management of knowledge is important for organizations in order to stay competitive, and an important part of the management of knowledge is the transfer of it.

Knowledge transfer occurs when knowledge is transferred from one place to another. The literature suggests different strategies of transferring knowledge – codification and personalization. Within the codification strategy, the knowledge which is transferred is foremost explicit due to being easy to codify and share. The personalization strategy refers to the interaction and communication among individuals, and the tacit knowledge is better transferred by this strategy. Furthermore, there are different processes and methods used for the transfer and sharing of knowledge within an organization. Organizations can use different ICT-tools, for example emails, instant messaging, skype and intranets. Knowledge can also be transferred through meetings, networks, mentoring and on-the-job training as well as transfer of employees (working together).

Knowledge is complex, and thus barriers and challenges to knowledge transfer and sharing exists. For this case study, based on the literature, the most relevant challenges are connected to the organization's strategy for knowledge transfer (financial barriers are also connected to this factor), the organizational and national cultures and the differences between these as well as language. These challenges/barriers are displayed in *Table 2*. It is important for a company to have a strategy for knowledge transfer which is aligned with the overall strategy of the company. The organizational culture as well as the differences in this in between countries can also be a challenge when transferring knowledge across the borders. The organizational culture should moreover support knowledge sharing and transfer, and when collaborating across the borders there should be attention given to the possible differences in cultures and tacit knowledge. Furthermore, the challenges in connection with language should not be overlooked as there might be difficulties in regards to this.

## **4 The Case Study**

*This chapter presents the case study, starting with introducing the organization and its history. This is followed by an explanation of the company's overall strategy, moving on to the strategy behind the investment in the healthcare facilities sector in Sweden and how the company is planning to conduct this. The information presented here is derived from conversations and email correspondence with the supervisor at Niras, as well as from internal organizational documents.*

### **4.1 Niras**

Niras is an international consultancy company operating in 21 different countries, with a total of 2,100 employees in 42 offices and with the head quarter located in Denmark. The company was first founded in Denmark in 1956, with the main focus on water supply and environmental technical solutions on Greenland, Africa and the Far East. Through organic growth and strategic acquisitions the organization has grown to include competences within building, infrastructure, energy and planning and development aid. In April 2017, Niras merged with the Danish company Alectia. Alectia, founded in 1912, started as a company operating within building hospitals and houses but has later through organic growth and acquisitions gained competences within process industry and health and safety. By acquisitions in Sweden, the company has gained competences within for example architecture and facilities management.

#### **4.1.1 Company Strategy**

Niras has an overall strategy of improving their market positions, having significant growth and cost synergies and maintaining financial strength. Niras has three levels of strategies; Corporate, Sectors & Markets and Business Units. The company adopts a flat, agile organization and has a dedication to work across business units, disciplines and geography. According to the company, they have got an opportunity for a cross border Scandinavian merger of equals. However, their brand is strong in Denmark, but less strong in Sweden and Norway. For the year of 2025, the company has a vision of becoming a Scandinavian excellence brand.

#### **4.1.2 Strategy for the Knowledge Transfer**

As mentioned in the introduction, Niras Denmark has experience and expertise competence within consulting of the whole planning of projects concerning hospitals and health care facilities. According to Niras Denmark, they are currently involved in the largest projects concerning hospitals in Denmark. Taking advantage of the competence and knowledge that exists in Niras Denmark is believed to contribute to the development of this area of expertise within Niras Sweden, both by transferring the knowledge but also by sharing resources in between the countries. The goal for Niras Sweden is to become an established consultant within planning of hospitals and health care facilities by the transfer of the knowledge which exists in Denmark.

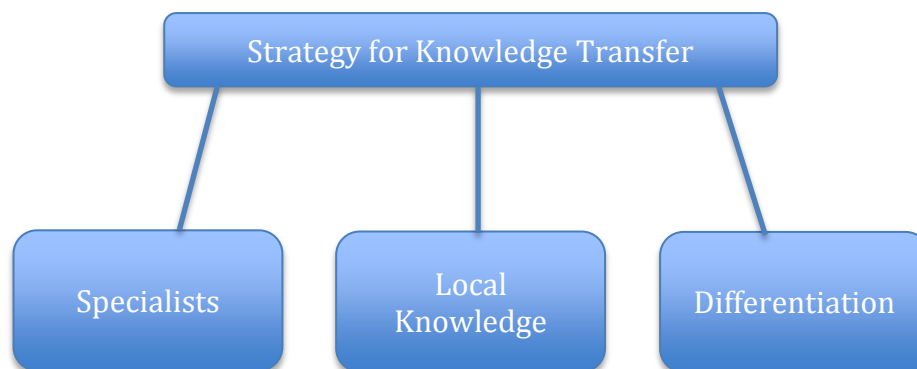
In Denmark they are working with construction client advisory and design (including design management, project management, construction management, working environment management/health and safety etc.) as the larger services offered in

Niras. They also have expert services in for example logistics, person flow analyses (programs which analyses how people move inside facilities) and construction of facilities with high demands on hygiene such as hospitals and laboratories. In Sweden, Niras is primarily working with project management, design management, construction management, installation coordination and medical technical engineers.

Services that are offered both in Denmark and Sweden are the services which Niras wish to develop across the borders. The company has a goal of differentiating itself on the Swedish market to get ahead and become a recognized consultancy firm on the market. Niras is among other things working with getting expert services that are currently existing within the organization in Denmark to something that is sought after in Sweden and that others do not have as high competence within. In this way they will try to make themselves attractive by using their competence across the borders.

#### *The Strategic Focus Group*

A group consisting of people with different competences and backgrounds has been appointed within Niras Sweden with the purpose to build up and to cover the healthcare market within Niras Sweden. The strategy developed by this group for their work is divided into three main points; specialists, local knowledge and differentiation, as illustrated in *Figure 3*. Niras believes that specialists in the different business units can complement each other cross the border, which is already done within the national boundaries. They believe it is important to have a strong local knowledge at the regional level, which they wish to increase. Moreover, they believe in that differentiating them from their competitors by offering something else, new competences with which they wish to create interest from clients.



**Figure 4: The different parts included in the strategy for knowledge transfer from Denmark to Sweden within hospitals**

An important part of the strategy is on using resources across the borders. Furthermore, the purpose for this group is to exchange knowledge on for example what the market is demanding and how Niras can develop their corporation with their key clients as well as what kind of specialists Niras are in need of to be attractive for their clients. The group aims at mapping and analyzing the hospital market in Sweden, and to develop contacts and win framework agreements or to try to get work as sub-consultants for the companies who have framework agreements. To win

projects, Niras plan on using the reference projects from Denmark and CV:s from Danish consultants with experiences on the projects. In addition to this, Niras has hired employees who have experience working in projects concerning hospitals, some of which are represented in the strategic focus group. Being able to develop this competence in Sweden could contribute to a competitive advantage for Niras and increase the company's profits and is therefore of interest from a business perspective. Besides the financial aspects it is an opportunity to increase their attractiveness to both customers and employees. Niras have plans on establishing a cluster or a cross border network, with people from Sweden and Denmark in a common group – similar to the focus group in place in Sweden currently.

## 4.2 Findings from Interviews

*In this section, the data from the interviews is presented after having been coded and categorized. Firstly, the interviewees are presented in a table where the division within levels of management can be viewed. Thereafter, the different categories of data retrieved from the interviews is presented; background of strategy and this investment, processes for knowledge transfer and barriers/challenges for working across the borders.*

The interviewees are divided into three groups, to keep the anonymity of the participants. The three groups are: Senior Management, Business Unit Directors and Project Managers. *Table 2* explains the different groups and how many interviews have been conducted with representatives from each group in order to provide the reader with an overview of the perspective of the interviewees. One of the business unit directors and both of the project managers are members of the strategic focus group.

**Table 3: This table divides the interviews into groups depending on the level of management in order to provide an overview of the interviewees**

Group of Interviewees	Explanation	Interviewees
Senior Management	This group consists of the International Director, the Corporate Group Director and the CEO of Niras Sweden.	3
Business Unit Directors	This group consists of different Business Unit Directors, both from Sweden and Denmark.	4
Project Managers	This group consists of Project Managers from Sweden.	2

### 4.2.1 Background of the Overall Strategy

One of the interviewees, a Senior Manager, described how Niras has their roots in Denmark, but that they during the last 10 years have had a more distinct Scandinavian focus. He describes that this focus started with Niras internationalization around 2004 when they stepped outside of Denmark and made the first acquisition in Sweden, and further explains that they since have established even more. It is in Niras overall

strategy to create a Scandinavian organization and brand according to him. In addition to this he mentions how that work has been intensified and that they are working actively with becoming a bigger actor on the market in their neighboring countries (Sweden & Norway). Parallel to this growth, the need and interest to collaborate between countries has also grown and according to him there has been an active investment in Niras to work across the borders. A reason as to why Niras wants to invest in this is in his opinion as a Senior Manager that if they can make the competence which they possess in Denmark, Norway etc. available in Sweden as well, they can create more value for the customer. Another reason is that through a well-working collaboration the employees will get access to a broader spectrum of knowledge and competence which contribute to the employees' development. Therefore he has a positive view on job rotation (collaboration across the borders). He believes that the incentive for development comes from the employees out in the organization and therefore they need access to all the knowledge that is within the organization to be able to view all possibilities. He says that if Niras can make knowledge, competence and resources available then it will be easier for the individual to contact the colleagues they are in need of and not experience any boundaries between countries and business units. Furthermore he says that Niras is convinced that collaboration across countries is the way forward and something that should characterize their organization.

#### **4.2.2 Background and Experiences from Denmark**

One of the interviewees, a Business Unit Director from Denmark, explains that Niras has been involved in many of the large hospital projects in Denmark and through this gained a lot of experience which she thinks can be used in the Swedish market. Four of the interviewees mention how Niras is a major actor within hospital projects in Denmark and according to two of the interviewees they are currently involved (in some way) in all large hospital projects in Denmark. This has, according to one of the interviewees, contributed to that Niras has developed a large knowledge base related to different areas connected to hospital projects. Another interviewee also mentions how they have worked a lot with hospitals in Denmark and because of this reason Niras is big within this area and says that they are strong within design, installation and construction client advisory as well as project management. Two of the interviewees mentioned that in the whole of Europe there are large investments within health care facilities because there is a need of upgrading hospitals and to build new hospitals due to an increase of population. As a result of this, they believe that there is a market within health care facilities. And one of them says that they believe that there is room for them as well on the market even though there are more established actors on the market already. Furthermore, one of them says that he believes that the knowledge existing in Denmark can be used in Sweden and Norway as well.

#### **4.2.3 The Investment within Health Care Facilities**

One of the interviewees describes how funding and financial support was applied for three years ago (2015) to start up the work with hospitals and healthcare facilities in Sweden, which unfortunately developed slowly. They used a recruitment consultant to find a person who could be responsible for the investment, and in the end the person they had found chose another job which resulted in a lack of faith in the project at the time. He explains that by this time, they had spent a lot of money on the recruitment

process and they felt that it was not the right time. About one to two years after that, they got in contact with someone in Denmark who had an interest of coming to work in Sweden for a while. This person had according to the interviewee worked quite a lot within hospital projects in Denmark, and therefore they saw an opportunity to start up the project again. Once again they applied for funding which they got and they applied for support from the corporate group as a part of building up the new business area involving hospital and healthcare facilities projects in Sweden. The interviewee shared some of what was written on the application, which was that they were applying for funds for establishment on the Swedish market in line with the corporate group strategy to grow within the healthcare sector in the Nordic region. They also stretched the fact that there is a need for a larger investment and that the local knowledge within Sweden was in need of strengthening to create a closer collaboration with the ownership from Denmark.

A part of the strategy has according to the interviewee been that they have actively looked for people with the right competence and experience of construction project management within hospital projects to hire in Sweden. Another one of the interviewees also mentions how they have hired people with background within hospitals. The person who has moved to Sweden from Denmark has been pushing this and today they have employed five people within the hospital sector, and besides this there are employees who possess connected competences that can be used in these projects. One of the interviewees, a Project Manager, says that he thinks that they need to hire more people who have experience working with hospital projects. According to another interviewee they have come a bit on the way. Some of the interviewees were not completely familiar with the strategy and how it is supposed to play out. The ones higher up in senior management, especially within Sweden, had a greater knowledge of this.

#### **4.2.4 Processes and Methods of Knowledge Transfer**

##### *The Strategic Focus Group and its Purpose*

One of the interviewees described how the strategic focus group will map customers and what type of knowledge that should be prioritized. They should map what they can offer in competence and what is being asked for by clients, and also how they can use their current framework agreements according to him. A question which needs answers is how they are going to win projects on their current framework agreements. According to him they need the right resources and to be able to offer the correct service at the right moment. He further states that these are the things which they are planning to spend energy on. They want to learn and use the experiences from Denmark and are trying to come up with a plan on how they can work across the borders and also how to get expertise employees coming over from Denmark. It is something that he means can be used to sell Niras and to show the current framework agreement clients that there is an expertise within these areas and what the benefits of this can be. He goes on to say that there is a need to spend time on selling and marketing Niras which will cost money, which is also supported by another one of the interviewees, and because of this reason the strategic focus group has been created and financial support has been applied for. Another of the interviewees likewise stretches the importance of showing the market that Niras is there and that they are interested in the projects, and to explore ways of entering the market.



In the meeting which the author was able to join, the agenda was sent out the same day as the meeting was held. During the meeting, the members went through what they were working with at the time, how the establishment on their local market was developing and different projects and framework agreements were discussed. Problems which the members were facing were also brought up, and how they could collaborate in between offices within Sweden to facilitate this. The participants of the focus group had a chance to air their thoughts and discuss matters with the others. However, one of the interviewees mentioned how it had been a long time since the last meeting and that there was no notes sent out after one meeting which the interviewee was unable to attend. He further states how he experiences it as going a bit slow at the moment.

The strategic work involves localizing public and private hospitals in Sweden, but also to localize real estate owners to the properties which the hospitals are placed in. One of the interviewees believes that it might be simpler to start with projects concerning district health care centers which officially does not have the same high demands as hospitals, and to take it step wise from here to establish within healthcare projects. The interviewee points out the importance of taking different perspectives into consideration to be able to break into the market, public as well as private. Another of the interviewees says that it is important to know what it is that makes Niras unique, and to use this to position them in the market. He says that it is all about relations, and that is why they have got a person from Denmark stationed in Stockholm. The reason behind this is, according to him, partly to secure some sort of knowledge transfer and partly to secure a bridge between the countries. One of the interviewees, a Project Manager, states that there might be a setback in that it was not as easy as the management thought from the start to establish on the market. This might be because of that most work within construction of health care facilities goes on framework agreements in Sweden as opposed to in Denmark where it is more direct, as is supported by several of the interviewees. Especially one of the interviewees, a Project Manager, expressed a lack of understanding how the actual transfer of knowledge is planned to be conducted and furthermore said that they focus mostly on establishing on the market and winning projects at the moment.

### *Transfer of Employees*

When it comes to which methods and processes that will be used for transfer of knowledge the interviewees have different ways of looking at it. Some of them have previous experiences when it comes to exchanging and sharing knowledge, while some do not consider themselves having any particular experience of it. Moreover, some of the interviewees have a positive view of the current system of knowledge sharing methods within the company, while some do not think that there are that many systems and methods being used. One of the participants with the most to say about methods was one of the Senior Managers. In relation to this investment he believes that the first part of the knowledge transfer should be about mobilizing people with experience from projects in Denmark and to map success factors and problems in earlier projects. According to him there is a need to see who is available when you are about to bid on projects, and to use these people and reference projects from Denmark to win projects. He says that they have tried to win a few health care projects and that they have won some smaller projects with in Stockholm. He believes that there is a lot of knowledge within the individuals who have been involved and

gained experience, and therefore it is about getting some of these people with this competence to join together with colleagues in Sweden. In this way he says that the Swedish employees get experience by being on projects. A lot of the knowledge transfer and sharing within Niras is, as stated by the interviewee, being conducted within projects, in which someone with experience is working together with someone with less experience within such a project to learn from them and gain experience. According to him, the bidding process is about being decisive and making sure to mobilize the resources which are needed. The people with high competence and experience are often wanted in their own market, which puts you in a priority question where decisions have to be made regarding if the person in question should be on projects in Denmark or try to win projects in Sweden. He says that it is about writing the bids together and making sure that consultants are working together.

Several of the interviewed shared the opinion that working together across the borders contributes to exchange of experience and knowledge. One of the interviewees says that exchange of employees between countries can be performed virtually as well but that relationships are important and should therefore not be undervalued - clients expects to meet the specialists/experts. Another of the interviewees states that working virtually can be used for parts of the work and also believes that having consultants coming over from Denmark can help to get started with the investment, if this is a possibility. The interviewee, together with another of the interviewees, also believes that it is possible to do some work from another country, like design projects, as long as there is clear management and leadership. One of the interviewees says that he believes in an increased exchange of employees, from periods of six months up to two years. He believes that experiences can be exchanged in this way and that the employees by doing this can learn about how things work in the other country. Besides this the person can bring a network to the country in which the person is stationed in and likewise bring a network back home afterwards. The coordinator for the focus group is an example of this, when he is met by a challenge in Sweden he knows exactly who in Denmark he can ask for advice and in this way get some of that competence. On this note, one of the Project Managers mentions how right now all the contacts with employees in Denmark are going through this person, but that he wishes to have a direct connection to different people in the organization and to know who knows what. In addition to this, he does not feel that he knows enough of what type of knowledge they possess in Denmark to be able to speak about it, and stretches that they (in Sweden) need to know more of what knowledge there is to be able to transfer it. One of the other interviewees also mentions how he sees the opportunity with exchanging experience, with someone moving to the other country. According to one of the interviewees, they have plans of sending someone from Sweden to the head office in Denmark to work every now and then, someone who can be taught in the Danish system. In his opinion, this is the main method, to teach and exchange employees who bring knowledge with them. According to another one of the interviewees, Niras is far from good enough on transferring knowledge and competence in between the countries.

According to one of the participants the expertise from Denmark can be used at the first projects (of health care facilities). They can use the total knowledge and competence in the organization to create interest and then build the organization around that in Sweden. But if there is not anyone who can imagine moving to Sweden then, in his opinion, you are limited by the distance. He mentions that there is a need

of a local force in the market to work through and coordinate and to start building a team that can implement it, and that the expertise can be collected when needed. According to him they have arrived at that stage now, when they last year hired some people with a background within construction and development of health care facilities in Sweden, and they can see that projects are beginning to arrive. According to one of the Project Managers, they have gotten some material and videos which describes flow analyzes performed in Denmark but due to the fact that they are building bigger in Denmark than in Sweden, it was not completely compatible in his opinion.

### *Networks and Communities of Practice*

According to one of the interviewees, there is a network among employees involved in hospital projects in Denmark. Besides this, there is a CV database which can be used quite a lot according to her. She does not believe that they generally are very good at using methods and processes for knowledge management. Within this hospital network they are trying to transfer and share knowledge with each other on the projects which they have. She believes that the fact that the coordinator for the strategic focus group is stationed in Sweden contributes a lot to a knowledge transfer that otherwise would not happen, because in her opinion this knowledge transfer is dependent on people. Moreover, she mentions that the business units' managers have meetings together where they have good ideas about how to work together but that between these meetings, the focus is still being put in their own specific business units and this is only within Denmark. She believes that it will be even more difficult when the knowledge transfer and collaboration is to be performed across the borders. Because of this, she believes that having someone move for a longer period of time makes a great difference. Another of the interviewees said that he believes that a lot of this is about getting experts moving, and believes that travelling/commuting across the borders works better as a specialist (in comparison to a non-specialist consultant). If you are designing you need to sit closely together with the people who you are working with, which means that it is more difficult having these people commuting across the borders.

One of the interviewees thinks that Niras Sweden primarily should develop the business area through own competences and resources, but that the company in shorter periods can have someone working across the borders. In some occasions you can also have employees moving for years but similar to what one of the other interviewees mentioned, he believes that there are difficulties with this because it also means that people's families should move. He believes more in that you are working on things and then meet across the borders every now and then. One interviewee said that they have had four so called synergy meetings a year when they meet between Norway, Sweden and Denmark. At these meetings they have tried to figure out whether there are any areas within which they can collaborate. According to him some people had the opinion that these meetings did not contribute to anything and therefore was a waste of time. But he still believes that it is important to have these meetings, only the fact that they get to know each other and gain knowledge in what the others are doing is important even if it does not lead to actual projects. Through knowing what the others are doing he means that they can exchange references, which they did to win framework agreements in Stockholm. He and another of the interviewees mentioned the hospital network they have got in Denmark. This has existed the last seven to nine years, and in this network the different project managers

who are on the different projects share experiences with each other. This has led to both exchanges in experiences and development of competences according to him.

### *Information and Communication Technology*

Niras use their intranet, emails, skype and instant messaging to communicate within and across offices. As observed by the author, the intranet is global which means that information can be spread globally through the use of the intranet. Another observation by the author is that there are several emails from the head office in Denmark being sent out to employees in Sweden. One of the interviewees mentioned that they are working with different networks, for example one which they call expert network where there are different web based competence networks. To share expertise with others you can go in and be a part of these networks. He also mentions that they have got a traditional CV database and database for project references in which you can look up employees with different competences and what type of projects Niras has been involved in. According to him they are leaning more towards knowledge transfer in real time. He says that they want to have chat-functions where people are connected and can respond quickly when questions arise. He further explains that they in some parts of their international organization are completely dependent on digital networks because they are placed at around 30 different locations around the world. They have built up a network called CVPT, which allows you to work in real time with the market possibilities that exists and share knowledge. One of the Senior Managers compared this to some sort of social media tool, connecting employees involved in the company's international consultancy group NIC (Niras International Consulting). This network allows you to share the resources available in internal as well as external networks. According to him it is also a tool to share knowledge and experiences for concrete market possibilities which is conducted through an interactive network in real time. The networks allows the individuals with experience to share their knowledge through a chat function, which according to him is very efficient when having an organization which is spread out geographically.

According to one of the interviewees the transfer of knowledge at the office takes place by sending out questions or problems (via email), asking if anyone has experiences from something similar and then they have a quick brainstorming session. He believes that this can also be used between offices. According to him you could have international knowledge transfer using skype and virtual methods. This interviewee, a Business Unit Manager, mentions that he is relatively new within the organization and that he finds it a bit difficult to know who to talk to, but on the other hand he feels that the employees are quick at helping each other: "You can quickly get an answer or be sent to someone who can help you when you send out questions". According to him there has been a lot of knowledge sharing through emails, but if you want to take advantage of the knowledge within projects you are in need of other methods. For example a good skype room where you can share several computer screens. The author noticed a frequent use of skype for meetings during the stay at their office, especially for meetings on a national level.

One of the interviewees also mentioned the importance of feedback and to discuss problems which occur along the way, gathering across the borders to discuss the projects. One participant mentioned how knowledge transfer through sharing earlier experiences from Denmark to project managers in Sweden can be performed. This is

done in order to create a better understanding and knowledge when meeting the client in regards to how the organization might need to look like for a project.

When it comes to having databases for best practices, this was not something that was brought up by the majority of participants as a way of transferring knowledge and the ones that did bring it up did not seem to believe that it is a good method for sharing knowledge. According to one of the interviewees in order to have use of these, they need to be constantly updated and he believes more in networking and interacting among employees.

#### **4.2.5 Earlier Experiences**

One of the interviewees talked about earlier experience of transfer between the countries in other areas. One example is within the area of environment in Malmö, where they have collaborated with colleagues in Denmark. This collaboration has resulted in that they today are almost 40 people working with polluted soil. Within this area they had a very conscious investment where they used the unique competence within Denmark. Firstly they recruited some people in Sweden who had some competence in this area. In addition to this, they had some seminars in addressing this subject in Sweden together with clients where they introduced new methods which they had knowledge within. Some of these seminars had good fallout, resulting in that when procurements came from clients who had participated at the seminars; these were written in a way that gave Niras an advantage because they were interested in the new methods that had been introduced during the seminars. This approach took some time but according to him it was an efficient way that led to them winning bids which they then made sure to staff with colleagues from Denmark together with colleagues from Sweden. This was ongoing during some years and it has developed into an integrated collaboration between Sweden and Denmark with these projects and that there is expertise in Sweden within this area.

According to one of the interviewees, a Senior Manager, it does not matter if someone sits in Sweden and helps Denmark in a project and that the money earned might end up in Denmark and not in Sweden. It is the whole organization that should be moving forward. He says that they are really convinced about this because they have seen that it works. He speaks about NIC, Niras International Consulting, which is an organization working globally, one of the biggest in Europe. According to him an important part of the success is the collaboration and the common base line and he says that NIC is a very good example of working across borders in the organization.

In *Table 4* below, what has been found about which processes the company is planning to use for the transfer of knowledge (focus group, physical movement, working together across borders and international networks) is summarized to provide an overview.

**Table 4: This table displays through which means the company according to the interviews wants to transfer knowledge**

Processes and Methods	Comments
Use of ICT	<ul style="list-style-type: none"> <li>• Use technology to connect</li> <li>• Use interactive technology to work across borders</li> </ul>
Transfer of Employees	<ul style="list-style-type: none"> <li>• Experts coming over</li> </ul>
Working across borders	<ul style="list-style-type: none"> <li>• Learning by working with those with experience</li> <li>• Knowledge sharing</li> <li>• Getting expertise</li> </ul>
International and National Networks	<ul style="list-style-type: none"> <li>• To share knowledge</li> <li>• To connect with experts</li> <li>• To collaborate to establish on the market</li> <li>• Share experiences and thoughts</li> </ul>

## 4.2.6 Barriers of Knowledge Transfer

### *Barrier of Travelling Across Borders*

One of the interviewees mentioned that there can be barriers with moving physically, but that experts are more used to this than other staff. Another one of the interviewees shares the view that it is a challenge to get people to cross the borders for work. He would have wanted to have at least two people every six months going over to Denmark to learn about the capabilities of the organization. But it is difficult to find people who are in a phase of their life where they have this possibility, and at the same time enough experience.

### *Organizational and National Culture*

Three of the participants believe that cultural difference is one of the foremost barriers for collaboration and transfer of knowledge and competence. One of the interviewees says that even if the technical differences are not significant, there can be different expectations as to how things are meant to be performed which are affected by cultural differences and contexts. This he believes is an important part of the knowledge transfer. He says that a person can have a superior technical competence, but that someone else holds the local knowledge and the market knowledge. The technical solution can be correct, but because of a difference in context it is not the right fit. Another of the interviewees also said that it is primarily cultural differences and not technical issues that are the challenge. There can however be concrete technical differences as well, and it is important to see the bigger picture and to take in the context in which you are working in. One of the interviewees stretches the importance of having a dialogue and that listening is what can make or break a project. One said that there can be differences in work life balance, and what expectations on employees are from management. There can for example be differences in how architects and engineers work together. The other interviewee stretches the importance of collaborating between the borders and the impact of culture in that collaboration, he believes that it is important to be aware of whom you are working with. One of the participants believes that there are distinctive differences between how we work in Sweden in comparison to Denmark. He mentions how they on their synergy meetings between Sweden, Denmark and Norway are trying to

understand the differences. One of the interviewees said that Niras has a welcoming and forward thinking culture and that the company has a flat organization. He believes that the dialogue with Denmark is transparent and forward leaning and that the overall company strategy is for the whole of Niras to move forward, and not just one department or area of the organization. This strategy he believes creates good conditions for collaboration. When it comes to cultural aspects one of the interviewees said that he believes that it is important to learn from each other and to be humble to the fact that we do things differently and to look at it as a pleasure to learn from each other. One of the interviewees from Denmark said that she has heard that there is a big difference in work culture between Denmark and Sweden. She means that it seems that for example decisions are being made quicker in Denmark, and that the differences in work culture can be a challenge for the individual.

One of the interviewees believes there are differences in ways of working, and policies and regulations about how consultants should act in the market. However, he does not believe that these differences effect the collaboration to any great extent but nevertheless they exist. Furthermore, he mentions that they can see that clients are starting to collaborate across the borders. For example, municipalities and county councils in Sweden were in Copenhagen in January to see what they have learnt in Denmark considering the construction of schools. One of the other interviewees also thinks that there are organizational differences, for example in Denmark you have the design managers and project managers at the same place while in Sweden we are primarily working as the project manager and the design team is in another place. She says that there can be other things that might differ when you are working across the borders, but that the biggest challenge is to try it the first time, the second and third, and the fourth time it is probably much easier. Similar to the others, another interviewee mentions that project management is a separate competence in Sweden but that it is more common in Denmark for the same company to do both the project management and the design. Furthermore, he has heard that there are differences when it comes to documentation, where in Sweden it is important to document almost everything that is done but that this is not as important in Denmark and is not done to the same degree as in Sweden. Another of the interviewees does not think that there are difficulties regarding different systems, but depending on what kind of assignment one have there might be a need to know how it works locally, for example when it comes to the bidding process.

### *Financial Barrier*

Another possible barrier mentioned during the interviews is the financial barrier. One of the interviewees stated that in the long run you cannot have a more expensive solution than the market prices by letting Danish consultants work in Sweden. However, he further stated that during an implementation phase this is a decision that can be made as part of the strategy. In that case it is an investment being done, where more expensive Danish consultants are being used to develop the competence in Sweden to grow into becoming competitive in the long run. One of the interviewee means that it has to be a conscious investment and that he believes that it is sometimes difficult to see things in the long perspective. In the single case it is easier to use the Danish consultant in Denmark instead of mobilizing the consultant for a bid in Sweden. It easily becomes sub optimization and they rather look at the long perspective. He says that they put the project in focus and staffs it with the best available resources no matter what unit they are from and that it is a sort of culture

that is meant to promote knowledge sharing. Another one of the interviewees also mentions costs as a possible challenge and questions whether people are willing to share experiences to Swedish hourly prices. A third participant however looks at it differently and states that one should be aware of where you create value. He says that people with a lot of experience can give advice that is quick for that person to produce, whereas consultants with less experience will spend more time solving the same problem and the advice/solution might end up being of less good quality. The differences in time can contribute to it being more expensive using someone who is less experienced and therefore using an experienced consultant which is more expensive might cost less in the end. In his opinion, experts are characterized by that they come and know exactly what they are talking about; they should preferably come flying in. But if projects are too simple then experts are not needed in the same way and then the transaction costs can become too expensive. Another of the interviewees agrees with other interviewees that the different hourly prices can affect when you want to bid on something across the borders. Travel costs and accommodation also costs, and he thinks that it can be difficult to make it financially beneficial when travelling across the borders. That is why there needs to be something else that drives it, as for example a development goal in Sweden or Denmark similar to what was mentioned above by one of the interviewees about having a strategy behind. Another of the interviewees had similar ideas as this person that there should be a willingness to invest and to see the long term strategic goal. There is not money enough to just look at it in the short perspective and therefore it will only give meaning being connected to a long term strategy. One of the interviewees said that it is important that enough financial resources are put into the investment. One of the interviewees also mentions the different hourly prices and means that it from the management side needs to be made clear that it is ok to work for less money in Sweden because they are implementing a new market area and for the bigger picture it is better to make these decisions now. Another interviewee also mentions how costs can be a challenge, partly because of costs for stationing people and partly because of differences in salary and hourly prizes between the countries. She believes that it must add something to Sweden's organization because they do not earn money on it from Denmark. She means, in a similar way to two of the other interviewees, that there is decisions to spend money on this investment.

### *Language Barrier*

Language barriers are also mentioned by the participants. According to one of the interviewees, Niras is a very open company and he believes that the challenges that exist in transferring knowledge are connected to language barriers. The language can be a barrier, because it is not completely easy for everyone to understand the other language. He says that you have to learn to write and count a bit in Swedish and Danish to make it easier for clients to understand them. Another interviewee also mentions language as a barrier, but says that the internal language barrier can be overlooked - older generations can more easily understand each other according to him, and if employees cannot understand each other they switch over to English. Employees having Swedish or Danish as their second language, find it more difficult to understand the other Scandinavian languages according to him which is also supported by another of the interviewees. When it comes to the external communication it is often demanded that the reports are written in Swedish according to him which is something that can create more work having people working in the other country. However, he does not consider this to be a major problem. One of the



Danish business unit managers also sees language as a possible barrier when working across borders. She experiences that you quickly switch over to English, and this can hold you back a bit - communicating in a second language. She believes that the Danes are less good at English than Swedes are. One of the interviewees mentioned that there are words and concepts that can sound similar in the both languages, but can have different meaning and therefore create challenges and miscommunication. This is also mentioned by another interviewee, who says that different concepts and titles and their meaning can differ, but that these differences not should affect the possibility to reach success in Sweden because there is already an established organization in Sweden with knowledge about concepts and roles. One of the interviewees do not believe that language is a particular challenge for working across border and another one says that he does not see it as a barrier either.

**Table 5: Overview of the barriers of knowledge transfer according to the interviewees. The barriers, how many of the interviewees that mentioned the particular barrier and some comments of the main thoughts are displayed**

Possible Barrier	N. of interviewees	Comments
Difficulties of physical move	2	<ul style="list-style-type: none"> <li>• Family situation affects</li> <li>• Finding the person with the right qualification</li> </ul>
Cultural differences	4	<ul style="list-style-type: none"> <li>• Importance of context</li> <li>• Work life balance</li> <li>• Different management styles</li> </ul>
Financial	6	<ul style="list-style-type: none"> <li>• Travelling and accommodation</li> <li>• Transaction costs</li> <li>• Short term vs. long term perspective</li> </ul>
Language	4	<ul style="list-style-type: none"> <li>• Difficulties understanding the other language</li> <li>• Limitations using English</li> <li>• Concepts/words sounds similar but have different meaning</li> </ul>

## 5 Analysis

*The aim of this chapter is to summarize the major themes from the study and highlight the connections and relations to other researchers' findings. An analysis of the results is given in relation to the research questions.*

### 5.1 Knowledge Transfer Approach

Knowledge transfer is according to the literature important for companies (Spraggon & Bodolica, 2012 & Bender & Fish, 2000), and the company appears to share this view of knowledge as a main asset. The literature suggests two main strategies for knowledge transfer system, codification and personalization (Hansen et al., 1999). The personalization strategy is furthermore connected to Nonaka's (1994) socialization and combination conversion processes. Hislop (2013) says that the personalization method is best suited for company's who compete with customized service and knowledge. Since Niras is a consultancy company, their main asset being human capital and knowledge, this approach seems most fitting to their company. The company, although not explicitly stating this, is primarily using a personalization strategy. Based on the interviews, they seem less inclined to use codification tools and rather have face-to-face sharing or dynamic virtual methods like internet-based networks. Niras is foremost focused on the interaction among employees and not so much on the codification of knowledge and best practice. The personalization approach can also include looking up the employees with the right knowledge, which can be performed via ICT – this is also done by Niras which different forms of ICT such as skype, intranet and instant messaging. As Jonsson (2012) mentions there has been a shift in knowledge management from a focus on codification to personalization, so it seems natural that Niras would have this as the main approach. Some of the knowledge that Niras wishes to be able to transfer has to do with the use of programs, where some of this knowledge may be explicit. But to be able to use the different tools, tacit knowledge and experience is also needed. Niras also uses ICT to look up who has experience in different areas, as explained by Powell and Ambrosini (2012) as a combination of using codification and personalization.

In Niras main strategy as an international company, they address a will for a cross border Scandinavian merger of equals. One of the interviewees also mentioned this, that they as a company have developed a more Scandinavian focus. As mentioned in the literature (Riege, 2005), this connection to the overall strategy is of importance for a knowledge transfer system to work. They are interested in the collaboration across borders because of competitive reasons, but also to increase the spectrum of knowledge to the employees to enable development. Which type of knowledge, as well as how this knowledge should be transferred, is not always clear. Some of the participants expressed lack of insight into the investment and do not themselves collaborate with the Danish colleagues. One of the participants expressed the need of himself knowing the network of people in Denmark who holds knowledge and expertise – not having to have to go through the coordinator every time. As mentioned in the literature (Leyland, 2006), a good relationship between the offices can facilitate the transfer of knowledge. There might be a need to establish a more clear strategy and process, as well as connecting the Swedish consultants with the Danish consultants.

The company's overall strategy of working for a merger of equals and increase the Scandinavian collaboration is well connected to the strategy of the investment. ... Yeh et al. (2006) stretched the importance of such a connection, and this should thus facilitate the implementation of the knowledge transfer. The way in which the strategy was going to be implemented was however less clear. The interviewees did not all have the same understanding of how Niras Sweden was going to take advantage of the competence and experience existing within the company in Denmark.

#### *Information and Communication Technology*

Niras technological infrastructure includes an intranet, the use of emails, instant messaging, skype meetings, phone calls, CV database etc. The intranet is a cross border intranet, which means that they get information concerning the whole corporate group and not just national news. They are already using skype and phone meetings, which is a mean to collaborate across borders. When it comes to the use of ICT for codification of knowledge, this is not used as much. The interviewees seemed to share a view of this being difficult to maintain, as supported by Spraggon and Bodolica (2012), and that it is not the most effective way to transfer knowledge. They seem to prefer interaction when sharing knowledge. They did see the benefits of finding people through ICT, as Powell and Ambrosini (2012) also mentioned as a part of a personalization strategy.

#### *Transfer of Employees*

Most participants viewed the moving of employees across the borders as an efficient method for transferring and sharing knowledge. The interviewees acknowledge the fact that the individuals are in possession of a lot of the knowledge, as suggested by Bender and Fish (2000). Having someone from Denmark either placed in Sweden for a while, or working there for a shorter period of time, the interviewees believed would be beneficial for the collaboration and sharing of the knowledge. Bender and Fish (2000) supports this notion of transferring employees across borders as efficient for knowledge transfer and Argote and Ingram (2000) stated that by moving people, both tacit and explicit knowledge can be transferred. The interviewees seemed more convinced having someone for a longer period of time, than for shorter assignments. One of the participants mentioned how Danish consultants can come and work together with Swedish consultants on projects in Sweden in order for the Swedish consultants to gain experience and learn from the Danish consultants – mentoring. This would mean that tacit knowledge can be shared between employees through the socialization process, through interaction and observation (Nonaka & Takeuchi, 1995). It would also be an opportunity for internalization of what can be communicated from the more experienced to the less experienced employees. For this to work - the consultants must be available for the projects and it must be prioritized having them work in Sweden. Some believed, in alignment with what Argote and Ingram (2000) states, that for the transfer of expertise a transfer of the employee in possession of this expertise should be performed. Several of the interviewed shared the opinion that working together across the borders contributes to exchange of experience and knowledge. As theory suggests, face-to-face processes are the primary method of knowledge transfer for organizations (Nonaka & Takeuchi, 1995). Some of them seemed to believe a longer period of time working abroad would be beneficial. The person would learn the other culture, and also gain networks across borders. One interviewee however mentioned that there needs to be someone with the willingness to move. As Argote and Ingram (2000) argued, individual employees are powerful

mechanisms for transferring knowledge because of the fact that the knowledge which they can transfer can be of both tacit as well as explicit type. Some of the interviewees stressed the importance of looking at what knowledge is compatible and needed in the Swedish market, and theory also supports that the transfer of knowledge within the context of multinational organizations means that the knowledge which is transferred must be adapted and institutionalized in order for this to be achieved (Argote & Fahrenkopf, 2016).

#### *Networks and Communities of Practice*

Niras are using different networks connecting their employees. Besides having a CV database in where the employees can look up other employees, they have other types of networks. In Denmark, for instance, they have got a network for employees involved in hospital projects in which they share their experiences with each other, as supported by literature (Spraggon & Bodolica, 2012). The network in Denmark had according to one of the interviewees led to exchanges of experience and development of competences, where they always had check on what is happening and people can easily connect with others. Networks connecting different business unit managers were also mentioned. However in between the meetings which these networks have there is not much collaboration and synergy in between the different business units. This participant came across as a bit skeptical to the efficiency of collaboration across the borders if there is not anyone stationed in the other country. Another one of the participant had an opposed meaning and thought that having occasional meetings was at least more realistic and doable. They have meetings four times a year when they meet between Norway, Sweden and Denmark – in which they get to know each other and gain knowledge about what the others are doing.

For this particular investment in establishing on the Swedish market, they have a network in the form of the strategic focus group where people in different locations in Sweden are connected. The coordinator in this group brings his network with him from Denmark, and as Argote and Ingram (2000) states, it is important to know who knows what. According to one of the interviewees, however, this network is not so active and he experiences it as it has been put on ice a bit. In light of this, there might be a need to make the strategy more clear for the employees. The company is thinking of forming a network consisting of members from both Sweden and Denmark. A lot of the participants had the opinion that knowledge transfer is something that happens in the interaction of people and that having networks facilitates the knowledge transfer. These ideas are supported by theory (Argote & Ingram, 2000 & Powell & Ambrosini, 2012). In the interviews, formally established networks are mostly brought up. As Verburg and Andriessen (2011) mentioned, the networks can be limited to those involved. This might be a reason as to why there is an experienced lack of action between some of these meetings. It might not be reaching out to others in the organization. But networks can, as supported by the literature (Verburg & Andriessen, 2011), work as bridging the gap between experience-sharing individuals and the organization. The network connecting the individuals working with NIC was also brought up as an example of a method of sharing knowledge and connecting which Niras think works well.

## 5.2 Barriers of Knowledge Transfer

The barriers that the interviewees mentioned could have an effect on the collaboration and sharing of knowledge between the countries were in alignment with what the literature suggests. The main barriers mentioned by the interviewees were differences in organizational and national culture and language barrier.

### *Differences in Organizational and National Culture*

The interviewees all thought the organizational culture and the differences of those between countries could affect the possibility of effective knowledge transfer. It is important to recognize the differences in order to understand how to work together and across the borders. If employees are to work in the other country, there needs to be an understanding of what differs. According to the participants and the literature (Havaleschka, 2002), the Scandinavian countries share a similar culture. However, there are still differences in the way things are managed and how people act in a work environment (Haveleschka, 2002). Overall, the theory stretches the importance of an organizational culture of support of sharing of knowledge. The culture affects how employees communicate. As De Long and Fahey (2000) mentions, possessing of knowledge is possessing power – and therefore the whole organization of Niras should be supportive of sharing knowledge. One of the interviewees described the culture as welcoming and forward-thinking. The strategy of moving the whole of Niras forward, and not just the different countries, is in this interviewee's opinion creating good conditions for collaboration.

It did not seem that the participants experienced any challenge in that employees did not want to share their knowledge, neither in Denmark nor in Sweden. As De Long and Fahey (2000) described, an organization can consist of subcultures and this is probably the case in Niras seeing as it is one organization operating in different countries which means that even though there is an overall culture of Niras and how they work and communicate, there are still national cultures (i.e. subcultures within the whole organization) which might have an effect on how things operate in the two countries. Several of the participants thought that there are some ways in which the work style differs. Many of the participants, as mentioned above, believe that transfer of people is important for transfer of knowledge across the border. And this is also supported by Bender and Fish (2000). Some of the participants mentioned how employees should be understanding of the other culture and that knowledge needs to be adapted to the new context in which it is going to be used, which is supported by Leyland (2006). As the literature suggests, knowledge transfer between offices that are culturally similar are more effective which is to the benefit of this international knowledge transfer as it is between two culturally similar countries. Denmark and Sweden are similar countries, and so there is not that major differences between the two countries. Even so, differences in work culture and management styles exist according to both the participants and Havaleschka (2002). Some of the participants mentioned how Danes are quicker at making decisions, where Swedes seek consensus. This is supported by the study done by Havaleschka (2002). Danes are more direct, according to both literature and some of the participants. Even though the cultural differences are believed to be one of the foremost barriers for transfer of knowledge by three of the participants, it does seem that this is something which they cannot overcome. They mostly stress that you need to understand that it might differ and be open to that. Two of the interviewees says that it is usually not the technical

issues that are the challenge, but the cultural context. They stress the importance of taking in the context in which you are working. One interviewee mentions the difference in work life balance and expectations from management on employees. The differences between Sweden and Denmark are also in focus during synergy meeting held with employees from the different countries according to one of the interviewees.

### *Language Barrier*

The possible barrier of the differences in language between the two countries was brought up by several of the participants. The participants mention both difficulties in understanding the other language, as well as limitations when using English as a common language to communicate in because of not being as fluent and therefore restricted. These arguments are supported by the literature (Welch & Welch, 2008), where language is mentioned as a barrier to knowledge transfer. Using a common corporate language was viewed in literature as generally being a good way to overcome the language barrier (Duan et al., 2010 & Welch & Welch, 2008). It was however mentioned that the use of a common language introduces new barriers in that there are different levels of English and the use of it might be affected by the mother tongue of the speaker. With two languages that are as similar as Swedish and Danish, this might not be optimal and instead they can communicate through their own languages. According to one of the interviewees, the internal language barrier can be overlooked - older generations can more easily understand each other according to him, and if employees cannot understand each other they switch over to English. Employees having Swedish or Danish as their second language, find it more difficult to understand the other Scandinavian languages according to him. However, despite the fact that it was recognized as a possible barrier by the participants, most thought that this was not a major barrier and some of the participants did not believe that it would be a barrier at all. As mentioned in the literature (Gooskens et al. 2010), Danish and Swedish are similar languages and there are therefore possibilities of communicating in your own language to an employee from the other country. They explained that they use English if they cannot understand each other, and therefore it seems that they have got some sort of system for it which is working. However, it is important to keep these things in mind and not take for granted that it will not cause any challenges. One of the participants said that she experiences Danes as being less good in English as well. Another interviewee moreover mentioned how concepts and words can sound similar in the both languages, but can have different meaning which can cause confusion.

### *Financial Barrier*

Another barrier which could have an impact is the costs of different knowledge transfer systems and methods. Having people working across the borders will demand financial resources, and there are differences in salaries between Denmark and Sweden. The management has provided money for the purpose of implementing this, and according to Davenport and Prusak (2000) it is important with financial commitment to knowledge management practices. As mentioned in the literature, there are high costs associated with sending employees to another country (Bender & Fish, 2000). Costs can also be associated with international travels for travelling and staying at hotels as well as the fact that the Danish salaries are higher than the Swedish. There are costs associated with identifying the needs and opportunities, as well as meetings and travelling (von Krogh et al., XXXX). As mentioned by one of the interviewers, you cannot have a more expensive solution than the market by

letting Danish consultants work in Sweden but that during an implementation phase this is a decision that can be made as part of the strategy. In that case it is an investment being done, where more expensive Danish consultants are being used to develop the competence in Sweden to grow into becoming competitive in the long run. The company has to be aware that it will cost a bit more in the start when transferring the knowledge, but as one interviewee said the organization should be aware of what makes value in the long perspective.

## 6 Conclusion and Recommendations

*This chapter is aimed at providing conclusions of answers to the research questions. The contributions of this study for Niras are presented, and challenges that have occurred during the course of the study which might have had an effect on the outcome are brought up. Besides this, reflections are offered for how to continue working with this issue and for future research.*

The main purpose of this thesis, as stated in the introduction, has been to investigate how knowledge and resources can be transferred internationally within a consultancy company as well as the possible barriers to this. In the introduction chapter of this thesis, *Chapter 1*, three research questions were presented. These questions have acted as guidelines for the data collection and literature review, as well as the analysis. The questions are the following:

- What methods could be used to facilitate a transfer of knowledge within a consultancy company with different national locations?
- What are the possible challenges/barriers in regards to transferring knowledge and resources for a consultancy company with different national locations?
- How can a consultancy company develop and manage their knowledge transfer based on the theory and findings that are presented in this study?

Based on the data collected and the literature found, the author has been able to provide answers to these questions.

### ***What methods could be used to facilitate a transfer of knowledge within a consultancy company with different national locations?***

In the literature, two strategies for knowledge transfer are presented and it is recommended that organizations focus mainly on one. Niras has an overall personalization approach, even if not expressed so themselves, to how they want to transfer knowledge from Denmark to Sweden. This is also supported by literature expressing face-to-face methods as the foremost way of transfer. These methods allows for both tacit and explicit knowledge to be shared among the employees. The company wants to create collaboration across the borders, for example by moving employees and having them work in the other country for a period of time. By transferring employees across the borders, knowledge can be converted through socialization and internalized into the new context. Especially experts can be efficient to move, as experts hold very specific knowledge. People who coordinate and drive a knowledge transfer between the countries can also be of interest to relocate. Different types of networks were also mentioned, both networks with physical meetings as well as virtual networks connecting people with competences in certain areas to reach a broader spectrum of knowledge and expertise. Networks facilitate the transfer of knowledge between employees, as both tacit and explicit knowledge can be transferred in networks through the conversion processes of socialization and combination. The study also shows that virtual means of working can support collaboration across the borders, for instance through skype and instant messaging facilitating the communication as well as using an intranet to identify colleagues with the sought competences and experiences. ICT is therefore also of importance, and can be used to connect and find employees as well as share knowledge online. A network similar to the one the company used for connecting the consultants within NIC (Niras



International Consultants) could be beneficial for this knowledge transfer and collaboration as well. It would allow for a faster connection between consultants in Denmark and Sweden and enable the employees to see in which projects they can be useful in the other country as well as to share experiences and knowledge within the network in an efficient way. In this way, networks could work both globally to connect employees with other employees with experience as well as more locally to coordinate a knowledge transfer within a specific area, such as with the health care facilities sector.

***What are the possible challenges in regards to transferring knowledge and resources for a consultancy company with different national locations?***

With knowledge transfer being complicated, as one is handling both tacit and explicit knowledge, there are of course several challenges. The challenges which occurred both in the literature and in the data collected from the interviews as well as the other empirical data was primarily the challenges of organizational culture, language barriers and challenges connected to the strategy. Furthermore there were experienced difficulties with the transfer of employees, finding employees in position to do such a move as well as it being practically and financially doable. Financial barriers are also connected to strategy, as investments must be done to enable a transfer. Through the data gathered from the interviews, it can be concluded that the company had not spent enough time on communicating the strategy for the knowledge transfer, as it was not clear for all participants. Furthermore, it did seem that they had spent much time investigating what approach they should take on their knowledge transfer and what methods to use. As literature suggests, leadership and having a clear strategy is important for a successful knowledge transfer.

Language was also believed to be a possible barrier. Not all employees understand the other Scandinavian language, and this could additionally be a challenge when communicating to clients and other external parts. One way to overcome this was said to use English as a common language, however this causes other difficulties as not everyone is comfortable enough and can be held back when speaking English. Therefore the management should spend time on figuring out how they can facilitate the knowledge barrier for the employees because it was experienced differently for different employees and not being able to communicate properly will slow down the transfer of knowledge. The differences in organizational and national culture did not appear to be a major barrier for the transfer of knowledge in this case, however it is still an aspect to be taken into account when formulating strategies for knowledge transfer. Even if the Scandinavian countries have similar cultures, there are still differences to be taken into account and these should not be dismissed. It is of importance to respect the differences when working in another country or together with employees from other countries, and also to understand that knowledge can be context-specific.

The senior management seem to agree that moving employees across the border is a good way of transferring knowledge. This was also supported by other employees, however there were also challenges connected to this. It is expensive, and also difficult to find employees with the knowledge needed who are also in a position of being able to relocate to another country. Even if it is effective as it allows for face-to-face communication in which experience-based knowledge can be shared, it is practically difficult and demands financial support.

***How can a consultancy company develop and manage their knowledge transfer based on the theory and findings of this study?***

Transferring of knowledge within an organization but between different countries will always pose a challenge. Based on the theory and findings of this study it seems as though one of the most important things is to establish a strategy for how to perform the knowledge transfer. It needs to be made clear how the transfer of knowledge should be conducted; from what approach/strategy should be in focus to what processes to use and which employees that should be involved. This is especially true in situations as in the case study, where the knowledge transfer is parallel to a change. Niras are trying to establish within the certain area on the Swedish market, and this involves a change for the offices in Sweden. An organizational change like this needs to be supported by the senior management and the long term goal needs to be made clear to increase motivation among employees. Networks should be established early on to facilitate knowledge sharing and connecting the people in possession of the knowledge. Companies should look at the methods for knowledge management which are already in use within the organization and use and develop these to further strengthen the transfer of knowledge. Because of the fact that individuals possess most of the knowledge within organizations, in order to stay competitive organizations operating globally should take advantage and use the knowledge cross the borders. The possible challenges need to be acknowledged and reflected upon. The organizational culture should be supportive of general knowledge sharing in between employees, as the theory and findings states that the culture of an organization is crucial for knowledge transfer to be successful.

***Recommendations for Niras***

Niras has the aim of becoming bigger on the planning of the construction of health care facilities in Sweden. This involves both establishing on the market and using the resources which already exists in the company. The company are at the moment mostly focusing their energy on how to enter the market, in which they have come across some obstacles, which means that some of the knowledge transfer cannot be performed yet. However, to stay competitive they need to be able to offer the knowledge and therefore can benefit of having a more well-established networks and collaboration between the Danish and Swedish consultants on a general level. The company could benefit of developing a more clear strategy, and communicate it well to the employees concerned – especially the members of the strategic focus group. The barriers mentioned above must also be taken into account and be analysed. Niras could also benefit by taking advantage of the existing experience of collaboration between Malmö and Denmark within the environmental area – to understand what they did that made the collaboration work and apply that to this situation to the extent that it can be applied.

**Table 6: Overview of recommendations for Niras**

Recommendations for Niras
Conduct plan for how to deal with the challenges
Have a clear and common strategy across the borders
Have employees work across the borders and develop skills through job rotation and collaborate in cross-border teams
Collaborate and work across the borders for long term goals
Involve the members of the strategic focus group more
Create well-functioning ICT systems that enables and facilitates instant knowledge sharing
Take advantage of the experiences from former successful projects

### ***Contributions and Reflections on the Study***

The contributions of this study is to provide Niras with a new perspective of their knowledge transfer, and to use theoretical terms to explain their existing approach and methods of knowledge transfer. Hopefully, the company can use it as a basis to reflect on their challenges and strategy of knowledge transfer in this particular case. However, the study does not aim at giving any theoretical contribution to research and it cannot be generalized, as it is based on one case study. Even so, it can be used as a guide for other consultancy companies looking to transfer knowledge, providing implications on what challenges to be aware of. As mentioned above, the case company Niras is still putting a lot of energy on entering and establishing on the market, which was not the focus of this study. This might have affected the outcome, seeing as they are still mostly focusing on how to enter the market and not how to transfer the knowledge. The author believes that this should be performed simultaneously. This study did not take organizational structure into account. For future studies, the connection between organizational structure, organizational culture and cross border knowledge transfer could be explored. Furthermore, studies could be performed on the development of ICT in connection with knowledge sharing tools.

The most challenging part during the course of this study has been to stay within the area of focus, and to put limits on the scope of the thesis. It was also challenging to formulate interview questions in a way that contributed to getting the information needed for this study without leading the interviewee in a specific direction. Besides this, only being able to join one meeting with the strategic focus group gave a more limited perspective into how they work and communicate within that group.

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