Exploring differences in the work of owner-managers in small international and non-international firms

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ABSTRACT

The main question raised in this article is whether there are any differences between the work activities of managers in small firms primarily operating on an international market and those managing firms doing business on a domestic market. If so, what are these differences, and what do they tell us about the internationalization of small firms? The comparative method used here is based on direct observation and analysis of about 2400 activities. The conclusions indicate that managers in small international firms are more proactive, delegate operative activities and devote more time to planned strategic activities connected with their international expansion than managers in other small firms.

KEYWORDS

International entrepreneurship, Upper-Echelon Theory, Small Firms, Internationalization, Managerial Work, Direct Observation
The aim of this paper is to add to our understanding of small firms mainly operating on an international market. Small firms are becoming increasingly international, doing business with actors outside their domestic market. Previous research has also shown that small firms seem to get into the international marketplace at a much earlier age than before, and that they are pursuing strategies that involve international activities at an earlier age (McDougall, Shane & Oviatt, 1994; McDougall & Oviatt, 2000; Knight & Cavusgil, 1996). Further, we know from previous research that these firms tend to grow faster than firms which are operating on a primarily domestic market. Although small firms are restricted by resource constraints, technology development within communications and transportation together with a development of fewer constraints in international trade has made it easier for small firms, too, to be internationally active. This has meant that the international activities of small firms are attracting the interest of ever more scholars in internationalization, entrepreneurship and small business growth.

Different explanations are discussed in the literature on business internationalization. The so-called eclectic paradigm explains international business in terms of ownership advantages, location advantages and internalization (Dunning, 1988). The so-called Uppsala school focuses on organizational learning (Johanson & Vahlne, 1977, 1990) in explaining firm internationalization. Common to the majority of extant research is the exclusion of the manager as a strategic actor affecting international performance. The main point of departure of this paper is that our understanding of small-firm internationalization should be enhanced by including the manager in the analysis of the firm’s international development.

The importance of managers’ vision and experience has been highlighted in literature on international new ventures (INV) (Autio, 2005; Oviatt & McDougall, 1994). This strand of research has studied small-firm internationalization from an upper-echelon perspective.
(Hambrick and Mason, 1984) and has shown that managers in some small firms are interested in international growth while some are not, and that the entrepreneur’s or manager’s view of the firm’s international strategy is critical for the firm’s international development (Andersson, 2000; Nummela et al., 2004). Some research has adopted a (typical) entrepreneurship approach focusing on whether it is possible to discriminate successful from less successful managers in international firms by means of their characteristics (Bloodgood, et al., 1996; Kuemmerle, 2002). The results from this research do, however, point in different directions, and some have suggested that an alternative approach would be to explore behavioral similarities and differences.

The ambition of this paper is to add to our understanding of managerial work in international firms by comparing the activities of top managers in small firms pursuing an international strategy and in small firms operating primarily on a domestic market. The main question raised is whether there are any differences between the work activities of managers in small firms primarily operating on an international market and those managing firms doing business on a domestic market. If so, what are these differences, and what do they tell us about the internationalization of small firms?

In order to answer these questions we will adopt both concepts and methods from the field within management theory that during over half a century has studied what managers really do. Research on “executive behavior” (Carlson 1951; Sayles 1964), “managerial work” (Mintzberg 1973; Tengblad 2002), or “managers’ jobs” (Fondas and Stewart 1994; Mintzberg 1994) has furthered our understanding both of what managers do (Hales 1986; Hales 1999) and of how to study top managers in real-life settings.

The disposition of the article is as follows. First we discuss previous research on internationalization in small firms and identify a knowledge gap in how managerial behavior influences small firms’ internationalization. Next, we discuss earlier research on managerial behavior and develop propositions based upon previous research on managerial work and on the
internationalization of small firms. Thereafter we describe and discuss the structured observation method used in this study. The results are presented and analyzed. The article concludes with theoretical and practical implications.

LITERATURE REVIEW

Previous research on internationalization in small firms

Coviello and McAuley (1999) identified three different strands of research on the internationalization of small firms. The first focuses on foreign direct investment and has its basis in Hymer’s seminal work from 1960. Later on, Dunning (1988) elaborated this strand of research and developed the eclectic paradigm that explains foreign direct investment in terms of ownership advantages, location advantages and internalization. This research discusses why firms invest in foreign markets and how small firms, due to the liability of smallness, often do not have the resources to engage in foreign direct investment, but instead use export and middlemen. This strand of research focuses already on large international enterprises and, hence, does not include the development of small international firms. Neither does it include processes or individuals in its analysis.

The second strand of research identified by Coviello & McAuley (1999) is that of establishment chain models of internationalization, or the Process Theory of Internationalization (PTI) (Autio, 2005). Perhaps the best-known model in this area is the so-called Uppsala internationalization model (Johansson & Vahlne, 1977). The model drew on both the behavioral theory of the firm (Cyert & March, 1964) and the theory of the growth of the firm (Penrose, 1959). This model focuses on the process of internationalization and explains commitment on international markets by means of increased organizational experiential learning. This line of research explicitly discusses how small firms grow internationally in a step-by-step way starting with direct export, followed by middlemen, sales subsidiaries and production subsidiaries. Johanson & Vahlne
(1990) further developed their model and included the network perspective (Axelsson & Johanson, 1992), which is the third strand of research discussed by Coviello & McAuley (1999). According to this view, firms are embedded in networks of other actors. The focus is on networks of organizations and not on individuals. Building relationships between organizations is argued to be crucial to international expansion and, since relationship-building is time-consuming and costly, this is a reason why it takes time and financial resources to internationalize (Johanson & Vahlne, 2006).

**Importance of managers in small-firm internationalization**

In the 1990s, it was observed that some new small firms internationalized very fast and were present on many markets very soon after inception (Oviatt & McDougall, 1994). The view of Oviatt and McDougall (1994) on internationalization challenged the PTI view and included entrepreneurship theory in the analysis of firms’ internationalization. A new strand of research, international entrepreneurship, was created in the interface between international business and entrepreneurship (Oviatt & McDougall, 2005). One part of this stream of research emphasizes the importance of entrepreneurship, but the focus in the analysis is still on the firm level, and entrepreneurial and international orientation is not connected to individual entrepreneurs (Knight, 2001; De Clerq et al., 2005).

There are, however, some researchers who argue that it is important to include also the manager in charge of the company in explanations of international development in small firms (Andersson, 2000), and there has been some research focusing on the manager’s characteristics in this kind of firm. This strand of research has shown that the manager within a small firm heavily influences the firm’s international development. Research has, for example, found that some managers adopt an international strategy already from inception, while others focus on their home market (Andersson & Wictor, 2003; Madsen & Servais, 1997). One conclusion from this kind of research is that the orientation of the manager will also affect the orientation of the firm, due to the fact
that the decision power in small firms often is concentrated in the hands of one or a few persons. This connects with the so-called upper-echelon perspective on organizations (Hambrick and Mason, 1984), which has inspired an increasing number of studies and has explored the relationship between management and CEO characteristics and firms’ internationalization (e.g. Cavusgil, 1980; Aaby and Slater, 1989; Zou and Stan, 1998; Westhead et al., 2001).

**Figure 1 goes about here**

Leonidou et al. (2002) in their meta-study identified managerial characteristics as an important factor explaining successful exporting. Bloodgood et al. (1996) found that greater international work experience among top managers was strongly associated with greater internationalization of new high-potential ventures in the USA. Westhead et al. (2001) also ascertained that older founders, having more resources, denser information and contact networks, and considerably management know-how, were significantly more likely to be exporters. Industry-specific knowledge and experience were found to be of importance. These findings receive support by McDougall et al. (1994) and Madsen and Servais (1997) who concluded that the background and experience of the entrepreneurs had a large influence on the appearance of Born Globals. Oviatt and McDougall (1994) pointed out that a global vision dating from a firm’s inception is probably the most important characteristic associated with Born Global entrepreneurs.

The age of the CEO may in this respect reflect the life-long experience and personal network of an individual (Andersson, Gabrielsson & Wictor, 2004). However, Andersson et al. (2004) found that the younger age of CEOs explained why small firms grow their international activities. There might be a younger generation of CEOs who are brought up in a more global world, with international networks from studies and traveling, and thus can more easily see and take advantage of entrepreneurial opportunities in foreign markets. Andersson (2000) distinguished between technical entrepreneurs and marketing entrepreneurs, claiming that marketing entrepreneurs are more proactive in the internationalization process, while technical entrepreneurs
focus on technology development and are not very active in international marketing activities. In a review of 32 empirical studies Leonidou et al. (2007) concluded that management interest had a high impact on stimulation for smaller firms to export, while utilization of a special management talent had a moderate impact and management trips had a very low impact.

To conclude, the importance of the managers and entrepreneurs has been dealt with in many studies which have indicated a positive relationship between managers’ and entrepreneurs’ international attitude, orientation, experience and network and a successful international development (Nummela et al., 2004; Kuemmerle, 2002; Preece et al., 1998; Westhead et al., 2001). However, our literature review shows that the results are sometimes contradictable, and in line with entrepreneurship research (Gartner 1988) it may be more fruitful to ask not who the leader is but what he/she is doing. Earlier research that has focused on individuals has primarily focused on characteristics, such as age, education or experience. Studies that deals with behavior have not, as far as we have found, studied in detail what international mangers really do. Instead the focus has been on an aggregate level and the focus has been on concept such as international orientation. There seems to be no research done so far that explore if activities that managers carry out influence firms’ international development. Consequently there is a knowledge gap in how managerial behavior influences small firms’ internationalization. If it is possible to identify behavior that is connected with successful internationalization, this will not only increase the understanding of firms’ internationalization processes; the results will also yield practical information for managers who want to expand their firms internationally.

**Previous research on managerial behavior/work**

There has been abundant research on what managers do that has revealed that the classical way to describe managerial work – as consisting of activities such as “planning”, “organizing”, “coordinating”, and “controlling” (cf. the approach of Fayol, 1916, to stipulating what management is) – does not fit the actual behavior of individual managers (Hales, 1986). In the
following, we will briefly review the great quantity of research that has contributed a more nuanced understanding of what managers do.

Research on what managers do dates back at least half a century to the study by Carlson (1951). The concern with managerial work is based on an assumption that managers are significant organizational actors having an influence on firm performance, which is in line with the well-established upper-echelon perspective on organizations (Hambrick & Mason, 1984; Cho & Hambrick, 2006). During the 1950s and 1960s scholars argued that the conceptual understanding of management was detached from actual managerial practice (Carlson, 1991/1951; Mintzberg, 1973). In the wake of this critique a series of mostly descriptive studies were conducted, all contributing to our basic understanding of what managers “really do”.

Studies were made on the work of foremen (Kelly, 1964), middle managers (Burns, 1957; Horne & Lupton, 1965), and chief executives (Mintzberg, 1968). During the eighties, these primarily descriptive studies were criticized and it was said that no more descriptive studies were required. The early studies were also said to suffer from being too atheoretical and for being localized accounts failing to connect with earlier research (Hales, 1986; Martinko and Gardner, 1985). In response to this critique, a number of attempts have been made more recently to come to grips with the whole of managerial work (Mintzberg, 1994), and to develop explanatory frameworks that can be used to explain also why managers behave the way they do (Hales, 1999).

Previous research has put forward, both explicitly and implicitly, listings of what are the essence of what managers do. In the mid-1980s, Hales (1986: 95) made an extensive review of previous research and found the following activities to be the core of what managers do: Acting as a figurehead and leader of an organizational unit; Liaison, i.e. the formation and maintenance of contacts; Monitoring, filtering and disseminating information; Allocating resources; Handling disturbances and maintaining work flows; Negotiating; Innovating; Planning; Controlling and directing subordinates. In a later review, Hales (1999: 338) identifies another two activities in
which to varying degrees all managers engage in: human resource management (in the form of recruitment, reelection, training and appraisal) and technical work (relating to the managers’ professional or functional specialization and the work of the unit).

When it comes to the characteristics of managers’ jobs, Hales (1999) summarized the conclusions from earlier research in the following concise way: “[managerial] work is characterized by: short, interrupted and fragmented activities; a need to react to events, problems and requirements of others; a preoccupation with the exigent, ad hoc and unforeseen, rather than the planned; a tendency for activities to be embedded in others rather than undertaken separately; a high level of verbal interaction, often face-to-face; a degree of tension, pressure and conflict in seeking to juggle competing demands; and a degree of choice and negotiation over the nature and boundaries of the managerial job and how it is undertaken” (1999: 338).

As this study is explorative in character, we will focus on the basic features of managerial behavior. Previous research has stressed three main features that are of interest. Based on the work of Whitely (1985) we argue that research on managerial work needs to consider two aspects of what managers do: (i) the content and (ii) the process characteristics of their work. These two aspects correspond to the questions of “what?” and “how?” which are our first and second features. In order to understand what managers do we have to research the content of their work. In order to understand how they go about doing their work we need to pay attention to the process characteristics of their work. In this study we also add a third feature that has to do with whom the manager interacts. The reason is that previous research on firm internationalization has stressed the importance of networks (Coviello, 2006).

When describing what a manager does, many different approaches are conceivable. One way would be to study what they do in terms of the roles the managers uphold. Another way would be to investigate the functions to which they allocate their time. In this study we will approach the question of “what?” from another standpoint. In line with the earlier research from the managerial
work tradition, we will base our comparison of managers in international and in non-international small firms upon an investigation of the basic media through which the managers work.

According to Mintzberg (1973), managers have five basic media at their disposal: deskwork, telephone calls, scheduled meetings, unscheduled meetings, and tours. We will also investigate to which extent the managers engage in operational and strategic activities. The role concept has also been widely used in descriptions of what managers do. Here we will subscribe to the widely dispersed conceptualization of what managers do as inherent in the concept of role as developed by Mintzberg (1973). According to Mintzberg, the work of managers consists of three basic elements. First, they interact with other people. Second, they process information. Third, they make decisions. In an extended conceptualization, another basic element of managerial work has been identified: in addition to these “managerial” activities, all managers – to a different extent – engage in operational work (see Appendix 1 for additional descriptions of the roles).

Figure 2 goes about here

Consequently, there are ten managerial roles and two operational roles that a leader can shoulder. In this study, we will compare the roles that managers in international firms play in their firms with the roles shouldered by managers in non-international firms.

When it comes to the question of how they go about doing their work, we subscribe to the approach often adopted within the managerial work tradition which investigates the brevity, variety, and discontinuity of managerial work (Mintzberg, 1973; Hales, 1986). In accordance with previous research, we also investigate the managers’ orientation towards actions or reflective activities (Mintzberg, 1973; Kurke and Aldrich, 1983; Hales, 1986).

The question of with whom the manager interacts has been central to both the tradition of managerial work (e.g. Mintzberg, 1973) and the tradition of international business (e.g. Coviello, 2006). Also here we subscribe to the managerial work tradition and investigate the interaction with subordinates, clients, suppliers and associates, and others.
RESEARCH PROPOSITIONS

Following our discussion above, a number of propositions based upon previous research on managerial work and on the internationalization of small firms will be delineated in the following section. The proposition will address expectations in relation to three aspects of managers’ work discussed above: What do they do? How do they do it? With whom do they interact?

What does the manager do?

There are different views of planning in the context of small international firms. Some look at international planning as a rational approach that should go through different steps (Yip et al., 2000), while others regard it as an emergent learning process (Johanson & Vahlne, 1977, 1990). Our ambition in this study is not to go into detail about how the strategic planning is carried out but, in line with earlier studies on managerial work, we focus on the time spent in planned or unplanned activities. To begin with, we emphasize that internationalization is an investment that needs resources to succeed (Andersson, 2000). To succeed in international development, you need to travel to meet international partners and customers. You need to create an organization and international distribution system that can handle the more complex international environment. You need to hire persons and work strategically with the human capital (Ruzzier et al., 2007). These activities are long-term decisions that do not generate results directly. For the international manager it is therefore important to plan and devote time to handling these decisions that facilitate international growth. In earlier studies (Florén & Tell, 2004) it has been argued that managers in small firms do not have time for strategic long-term activities because of the consumption of time following the daily operations and unplanned activities of the firm. It is assumed here that the managers have the possibility to engage in strategic decision-making, and that these activities will be planned rather than emergent. Here we therefore assume that managers in domestic firms will spend less time in planned meetings than international managers.
That is, if a manager wants to internationalize the firm, she/he needs to invest part of her/his own time to implementing that decision, and this will make the working day more planned than for domestic firms. Our first proposition is therefore:

**P1:** Managers in small international firms devote less time to unplanned activities and more time to planned activities than managers in other small firms.

There are two dominant perspectives that treat firms’ early internationalization processes (Autio, 2005): The Process Theory of Internationalization (PTI) (Johansson & Vahlne, 1977, 1990) and International New Venture (INV) perspective (Oviatt & McDougall, 1994). The PTI describes internationalization as an incremental gradual development process. The model drew on both the behavioral theory of the firm (Cyert & March, 1964) and the theory of the growth of the firm (Penrose, 1959). In the PTI model the individual decision-maker is not in focus in the analysis, and decision-making and learning on an organizational level are pointed out as main factors explaining the international development (Autio, 2005). This is in line with an emergent view of strategy as an organizational learning process (Mintzberg & Waters, 1985). The INV perspective, on the other hand, highlights the importance of individual strategic choice and knowledge and learning on an individual level (Andersson, 2000; Child, 1972; Oviatt & McDougall, 1994). In line with the INV perspective we argue that it is more complex to compete internationally than to have activities only on the home market. To be able to internationalize, managers must take the strategic decision to internationalize and to implement an international strategy. In comparison with managers in other small firms, it is therefore proposed that:

**P2:** Managers in small international firms devote less time to operational activities and more time to strategic activities than managers in other small firms.
How do the managers do it?

Despite the fact that it has been argued that managerial work is dependent on contingent factors such as organization type and size and environment, there is also research that shows similarities in the nature of managerial work which are argued to be independent of organizational context (Mintzberg, 1990; O’Gorman et al., 2005). A frequent and often proposed generic finding in previous research on what managers do is that managerial work is characterized by brevity, variety, and discontinuity (Mintzberg, 1973; Kurke and Aldrich, 1983; Hales, 1986; Florén, 2006). Since managers in international firms operate in a business context similar to other managers, it should be expected that this will also be the case in the present research. However, as discussed above, since we expect the work of managers in international small firms to be more planned, we also expect to find that the international managers’ activities are longer, that interruptions are less common, and that the managers shift less often between activities before these are completed. Hence, our third proposition is:

P3: The international manager’s activities are to a lesser extent than non-international managers’ activities characterized by brevity, variety, and discontinuity.

Proactiveness relates to “forward-looking, first mover advantage-seeking efforts to shape the environment by introducing new products or processes ahead of competition” (Lyon, Lumpkin and Dess, 2000, p. 1056). According to Lumpkin and Dess (1996), proactiveness is important since it implies a forward-looking stance accompanied by new-venturing activity. According to these authors, the conceptual opposite of proactiveness is passiveness (i.e. an inability to seize opportunities).

Thus, as Lumpkin and Dess (1996) suggest, a proactive firm is a leader rather than a follower, since it has the will and foresight to seize new opportunities. Furthermore, proactive firms often introduce new products ahead of competition (Dess and Lumpkin, 2005). Pla-Barber and Escribá-Esteve (2006), for example, found that a proactive attitude of managers towards international
strategy increased the likelihood that firms would adopt an accelerated internationalization process. Similarly, Andersson (2000) found that an internationally proactive entrepreneur was the most important factor explaining why new firms expanded internationally.

The notion of proactiveness is also addressed in theories on early internationalization. The PTI, as discussed earlier, describes internationalization as an incremental and gradual development process. On the other hand, INV, also discussed earlier, pictures a rapid international growth and focuses on firms’ internal resources and entrepreneurship theory (Autio, 2005). In the PTI model the strategic posture is reactive and internationalization is often viewed as a consequence of unsolicited export orders. In the INV perspective, by contrast, the importance of a proactive and opportunity-seeking strategic posture is highlighted. Proactiveness is an important factor explaining why some firms are international already from inception (Autio, 2005; Oviatt and McDougall, 1994).

Finally, proactiveness is frequently dealt with in the literature on export marketing. Some exporting firms are active and some are passive with regard to their international strategies. Different taxonomies and concepts have been developed and used in the exporting literature: Innate/adoptive (Ganitsky, 1989), active/reactive (Piercy, 1981); proactive/reactive (Johnston and Czinkota, 1982); aggressive/passive (Tesar and Tarleton, 1982) and active/passive (Eshghi, 1992). However, the overall message in this literature is that proactiveness should impact positively on international performance. We therefore propose that:

\[ P4: \text{Managers in small international firms are more proactive than managers in other small firms, especially in relation to external actors.} \]

**With whom do the managers interact?**

Within previous understandings of the internationalization of firms, a distinction has been made between “foreign market knowledge” and “knowledge about how to internationalize” (Autio,
In small firms with limited resources, this knowledge (at least to some extent) should be found with the top manager, i.e. the entrepreneur. In small international firms we therefore expect to find that the activities of the manager to some degree will be focused on gaining and developing knowledge necessary for the firm’s international actions. One reason for this expectation is that previous research has indicated that the size of the managers’ networks and their ability to exploit these networks affect their firms (Coviello, 2006). Networks are recognized as influential in the internationalization process by many researchers (Andersson & Wictor, 2003; Coviello, 2006, Jansson & Sandberg, 2008; Johanson & Vahlne, 1990; Sharma & Blomstermo, 2003). Pla-Barber and Escribá-Esteve (2006), for example, found that networks with clients and competitors increase the likelihood that the firm will adopt an accelerated internationalization process. Hence, it could be expected that managers in small international firms have more highly developed personal networks than their peers in other firms.

Previous research has also suggested that the social capital for resource access and mobilization by the entrepreneur is an important facilitating condition for early (small firm) internationalization (Arenius, 2002, in Autio, 2005, p. 13). It is here expected that international entrepreneurs devote time to developing and sustaining this social capital mainly through their personal networks.

Thus, entrepreneurs in small international firms are expected to devote more time to networking activities in order to get access to foreign market knowledge and knowledge about how to internationalize, and in order to access and mobilize social capital necessary for their firms’ international achievements.

**P5:** Managers in small international firms devote more time to networking than managers in other small firms, and they interact more with persons outside the firm than do managers in other small firms.
METHOD

This article focuses on the behavioral differences and similarities between managers in international and non-international small firms. Three main types of methods can be identified in previous research on what managers do. The first is to ask the manager to estimate how he/she divides his/her time between different activities (using interviews and questionnaires). A second approach is to have the manager keep a record of his/her time and activities (using diaries). The third method is to have a researcher observe and record the manager’s activities (using critical incident observation, activity sampling, unstructured and structured observation) in real time.

As noted earlier, this project draws on the method of structured observation as designed by Henry Mintzberg (1973). The main reason for using direct observation is the explorative ambition of this research. The questions posed here are basic in character, and seek to provide fundamental knowledge about managerial behavior in small international firms in comparison to domestic small firms. Given the nature of the questions, the choice of methodology is directed towards methods that allow closeness to the phenomena at hand. Another argument for choosing direct observation is that previous research has indicated a large discrepancy between what managers espouse and say they do, and what they actually do (Stewart, 1976, in Fondas, 1997, p. 276; Argyris & Schön, 1996).

In line with his critique of other methods in research on managerial work, Mintzberg (1973) developed a method of direct observation that he labeled *structured observation*. An advantage of the method in comparison with the diary method and with interviews is that it allows the observer to be free from rigid classifications in the collection of data (Mintzberg, 1973). The method includes collection of different kinds of data, including both structured data useful for comparative (cross-case) analysis and anecdotal qualitative data that allow the researcher to conduct grounded analysis. Another advantage of this type of method is that the researchers not only get information on the quantity of time which owner-managers spend on different activities,
but also obtain qualitative data regarding their activities. A mix of both qualitative and quantitative data and analysis have been recommended as a fruitful way to enhance the knowledge in international entrepreneurship (Coviello & Jones, 2004).

Guiding the data collection are three records: a chronological record, a mail record, and a contact record. In the chronological record the researcher records activities as they happen according to five main kinds of activities: scheduled and unscheduled meetings, deskwork, telephone calls, and tours. This record also includes a time reference and a reference to one of the two sub-records. When the activity is a deskwork session, the chronological register points towards the mail record. Any of the other four main activities will render the chronological record to point at the contact record. In the sub-records the researcher collects additional data about the activity. In the mail record, data are collected about “form”, “sender/recipient”, “purpose”, “measure” and “action”. In the contact record, data about “Medium”, “Purpose”, “Participants”, “Initiative” and “Place” are collected. Both the contact and mail records include a comment that describes each activity in free text, which also allows the researcher to conduct inductive analysis of the data.

Raw data were collected in each of these records using no *a priori* categories. Whatever words were needed to describe the observation at hand were used. The hand-written raw data were tabulated into a database the same day the observations were made or the following day, in order to ensure the quality of the raw data.

A question that is important to consider when using the method of direct observation is whether or not the presence of the researcher intervenes in the ordinary work of the manager under study. In order to understand the “researcher effect” on the data we asked the managers about how our presence had affected their work after each week of observation. On an overall level the answer to this question was that the effect was minor. The main reason for this was said to be that much of the manager’s work is determined both spatially and temporarily distant from the actual activity. For example, customers who wonder about the late shipping of their delivery will call or
send an e-mail independently of the presence of the researcher. In the same manner, much of the work during the observations is dependent on things that happened in advance. Some of the managers, however, did note that their employees became a bit more reluctant to come into the owner-manager’s office, as they perceived that the manager was occupied with us. Some managers also said that they worked a little more efficiently because of our presence. A reason for this might be that inactivity becomes uncomfortable when one is under observation.

The sample in the study comprised five managers in Swedish small international firms, and six top managers in small firms operating mainly on a domestic market. The managers in the international firms were managing companies having between 3 and 54 employees, while the managers in the domestic firms were managing firms with 17 to 43 employees. The key characteristics of the managers are summarized in Tables 1, 2 and 3.

Table 1 goes about here

Table 2 goes about here

Table 3 goes about here

International firms were defined as firms that have international activities as an important part of their business idea. It was not possible to find companies that would take part in the study in the same industry as the domestic firms. A reason for this is that most small Swedish firms still focus on the home market (Andersson & Wictor, 2003). We checked the results to find out whether background variables such as industry, gender or size affected the results. However, these factors did not give any results that stand out from the others in the group. The managers in the international firms were observed for three days each while the managers in the non-international firms were observed for one week (five days) each. Data were collected in two different rounds. The first round was made during 2002 and focused on managers in domestic firms. The second round was made during 2005 and focused on managers in international firms. The observations
during the first round were conducted by one of the authors and another researcher\textsuperscript{iv}. In the second round, two of the observations were made by the authors, one by the author and two master students, and two of them were made by master students (Berge Hansen & Niska, 2005, Oredsson, 2005). During the observations of the managers, we used Mintzberg’s (1973) chronology, contact and mail records (see Appendix 2). In total, approximately 510 hours of work and over 2350 activities have been observed.

RESULTS AND ANALYSIS

In the following sections, we will present the results from this study. This presentation will include a comparison of the work of managers in international small firms and managers in firms operating mainly on a domestic market. Comparisons will be made in relation to the three aspects of managerial work identified above: (i) what does the manager do (propositions 1 and 2), (ii) how does he/she do it (propositions 3 and 4), and (iii) with whom does he/she interact (proposition 5).

What do they do?

The activity patterns of the managers resulting from the observational studies are summarized in Table 4 below.

Table 4 goes about here

Managers in domestic firms clearly spend almost twice as much time (46 percent) in deskwork as managers in domestic firms (24 percent). The main reason is that the domestic managers spend more time on operative activities such as construction, offer and order preparation, and treatment of complaints, which is mainly deskwork.

Both the number of and the time spent in telephone calls is similar between the two groups, which indicates no differences in how managers in the two groups of firms make use of their telephones.
It seems clear that managers in international small firms devote considerably more time to scheduled meetings when compared to managers in domestic firms. The managers in the international firms schedule 47 percent of their work while small-firm managers in non-international firms only schedule 15 percent, which clearly supports our first proposition. This could be taken as an indication that the international firms are more formalized. The result therefore adds support to the proposition that it is important for managers in international firms to plan and devote time to handling activities that facilitate international growth. This conclusion receives support from the observational study by O’Gorman et al. (2005) in which they studied growth-oriented firms and reported that scheduled meetings were more common than in non-growing firms. It seems logical that international firms are similar to growth-oriented firms when it comes to the degree of planning in the work of the manager, as it can be assumed that growth also makes it important to plan for the changes that are both the driving forces and consequences of firm growth.

When it comes to the number of unscheduled meetings per day, it seems that international firms suffer less from this kind of interruptions in their work. From the results, however, it is difficult to clearly identify any reliable inter-group variance. The difference could, however, be seen as another indication that the degree of formalization is higher in international small firms than in domestic firms. A more developed organizational structure with routines, policies, work instructions and so forth, guiding organizational behavior could be a reason for unplanned meetings being a less common feature of managerial work in such firms.

The difference in the use of tours is less obvious, but still hints at an inter-group variance that exceeds the intra-group variance. Managers in international firms seem to spend less time touring their enterprises than do other small-firm managers. This could be explained by the fact that these managers spend more time in travel and that they therefore, when at their firms, spend more time in the office doing things that cannot be done when they are traveling. It could also be seen as an
indication of their being less operative, since the purposes of most tours taken by non-
international firms were operative ones such as checking inventory levels of a specific detail or
consulting a foreman about a construction issue.

If we turn to another aspect of what they do – i.e. the roles they shoulder in their firms –
additional observations can be made. Firstly and most obviously, in international firms, managers
spend considerably less time in shouldering operational roles (see Table 4), as has already been
indicated above. In domestic firms, the specialist role is one of the most time-consuming roles (38
percent), while this role is one of the least important roles in the international firms (4 percent),
which clearly supports our second proposition in which we expected managers in international
firms to spend less time on operational activities.

Proposition 2 is also supported by the qualitative anecdotal data. As observers we took part in the
meetings of the managers, and could conclude that the meetings of international managers mainly
focused on strategic activities and included appointments with strategically important actors such
as financiers, large customers, and partner companies. This goes in line with the argument that
internationalization is a strategic decision and that the managers have to invest resources, such as
their own time, to succeed – which can be done by planning this time into the agenda. In our
observations we could also notice that the managers worked strategically with HRM to hire and
educate people so that the owner-manager could focus on planned strategic issues and spend less
time on operative matters. This furthers the thesis proposed by Ruzzier et al. (2007) who
concluded that the manager’s human capital is important for a firm’s international development.
Without sufficient human capital the manager might be forced to engage in operative problems
that would have been solved by more skilled workers.

*Table 5 goes about here*

It is also possible to observe a difference when it comes to the interpersonal roles, where
managers in international firms seem to spend more time on especially being a leader and being
the link between people inside and outside the firm. Another observation is that managers in international firms spend twice as much time in informational roles. This probably has to do with their need to process information coming from external/international contacts and information being sent from the firm to these contacts. It could suggest that information is a more important resource for these managers, and that information management is more central. This might be seen from the fact that they spend more time in disseminator and spokesman roles than do domestic managers.

No differences can be observed in time spent on decisional roles, even if our observations indicate that managers in international firms are more proactive in their decision-making (cf. time spent in the entrepreneurial role), while managers in non-international firms spend twice as much time on being the resource allocators in their firms. From the observations we know that these activities in the domestic firms mainly are about day-to-day operational decision-making. This might be taken as an indication that these managers to a greater extent need to engage in the daily resource decisions in their firms.

How do they do it?

The second dimension of managerial work has to do with how the managers go about doing their work.

Our observations do not reveal any differences in the workload on a general level of the two groups of managers (see Table 6). The data on both number of activities per day and working hours per day fail to reveal any differences. Our observations do, however, reveal that international managers to a lesser extent engage in short activities (i.e. activities lasting less than nine minutes). This tells us that their working day is less fragmented and that their work is less divided up into segments, which supports our third proposition. A related result from this study also shows that managers in international firms spend more time in activities lasting over one
hour. This is not surprising since they also spend more time in scheduled meetings, which tend to be long.

**Table 6 goes about here**

An analysis of the managers’ general proactiveness (here measured by the percent of the activities that the manager initiates by him-/herself and how many are initiated by others) does not reveal any large differences.

**Table 7 goes about here**

Only subtle differences (see Table 7) can be observed, indicating that managers in international firms on an overall level initiate more activities by themselves than do other managers, but the difference is not obvious.

**Table 8 goes about here**

Also a closer analysis of proactiveness only reveals indicative results when it comes to differences between the managers in the two groups (see Table 8). We will, however, explore this indicative result more in detail when we discuss with whom the managers interact.

Another aspect of the question of how the managers go about doing their work concerns how they communicate. From the observation (see Table 4 above) that the international managers spent 68 % of their time in verbal communication with other people (11 % by phone, 47 % in scheduled meetings, 10 % in unscheduled meetings) we draw the conclusion that they prefer verbal communication over written communication. Their peers in domestic firms are more balanced in their use of verbal (51%: 17 % by phone, 15 % in scheduled meetings, 19 % in unscheduled meetings) and written communication.
**With whom do they work?**

The results regarding the verbal contacts of managers in international and non-international firms are presented in the tables below.

**Table 9 goes about here**

A description of the interaction pattern of the managers in Table 9 illustrates with whom the managers interrelate. From the table we can see that the international managers greatly differ in the extent to which they interact with their employees (21-87 percent). Even if the within-group variance is large, the data – contrary to our expectations – indicate that the managers in small international firms do not spend significantly more time with persons outside their own firms. Neither do they interact with customers much. Only one manager interacts for more than seven percent of his time in verbal contact with others (i.e. in telephone or in meetings) with clients. The main reason for the low figures is probably that they have sales organizations that deal with the clients, which means that the CEOs do not meet with clients on a regular basis. It could be hypothesized that they instead focus on a small number of new customers and/or important customers.

This study does not support P5 in which we expected that international managers would devote more time to networking and that they would spend more time with external contacts. Contrary to our expectations, the contact pattern on an overall level of managers in international small firms is very similar to that for managers in non-international small firms. The results consequently indicate that the international context has no relation to the time managers devote to networking or to how much time they spend with different actors in their network.

**Table 10 goes about here**

But even if this study fails to identify any differences in how much time they spend with, for example, customers or employees, a more in-depth analysis does show that the managers differ in
how they make use of their networks. International managers seem to be more proactive while other managers show a more reactive stance in which they respond to impulses coming from their network, which gives support to our fourth proposition (see Table 10).

**DISCUSSION**

This study supports previous studies on managerial work which have found that managers’ work is characterized by brevity, variety, and discontinuity, and that they are strongly oriented towards action and verbal communication (see e.g. Mintzberg, 1973; Kurke and Aldrich, 1983; O’Gorman and Bourke, 2005; Florén, 2006). Consequently, this study supports the previous finding that there are similarities in the nature of managerial work that are independent of context (Mintzberg, 1973). Managers’ work is characterized by brevity, variety and discontinuity also in small international firms. This means that the results of this study support the common finding that the nature of the work does not resemble the structured and reflective behavior described in classical views of managerial work.

Above and beyond this general observation, the study also supports the overall idea developed in our theoretical discussion, namely that managerial behavior differs between managers in international and non-international firms. Our observations show that the activities they engage in and the roles they uphold differ between small international firms and small firms mainly operating on a domestic market. More specifically, the study points to two important differences: international managers are less oriented towards operative work, and are more proactive in using their networks.

**Operative orientation**

From our observations it seems particularly clear that international managers are less operative than their peers in domestic firms. This can be seen in the time spent on deskwork, in which managers in domestic firms tend to gravitate towards operative activities, while managers in
international firms tend to focus more on non-operative activities. It can also be seen in the time allocated to operative managerial roles, where international managers spend considerably less time in the specialist and substitute operator roles. The process of internationalization seems to demand that managers focus their attention on certain activities, like building relations with foreign sales offices, international customers and suppliers, which make it difficult for them to deal with operational issues to any great extent. To be able to internationalize, these managers seem to delegate operational activities and focus their time on activities connected with their international expansion.

In order to be able to focus their activities, international managers are evidently also forced to plan their activities more than domestic managers, and to avoid short unplanned meetings. This was in line with our expectation that managers in international firms should plan their work more than managers in domestic firms. As we took part in the planned meetings we could also conclude that these meetings dealt with strategic matters that were important for the firms’ international development. This agrees with Andersson’s (2000) and Noël’s (1989) discussions that different types of managers allocate resources in different strategic directions. A top manager with a strong interest in internationalization is more likely to spend resources (e.g. his/her own time) on activities that promote international expansion and consequently also has a better opportunity to be successful on foreign markets.

**Networking behavior**

The international entrepreneurship literature has pointed out the importance of personal networks (Coviello, 2006). Contrary to our expectations, our observations failed to identify any differences in terms of whom the managers interact with on a general level. No differences were observed in how the managers balance their internal versus external networking activities. One interpretation of this finding is that networks are important for all firms and not just for international firms,
which is consistent with previous small business research that has found that small firms need to adapt and interact with their environment in order to survive.

This study does, however, propose some new insights on the meaning of networking for firm internationalization. A more in-depth analysis shows that the managers make use of their networks in different ways. While managers in domestic firms tend to react frequently to stimuli in their immediate context, managers in international firms are more proactive in their networking behavior – both in their interaction with employees and with customers. The latter attentiveness might be due to the existence of a developed sales organization in firms that have gone international. This finding concurs with previous research that has revealed internationalization to be an entrepreneurial act that requires acting individuals to be implemented in the organization (Andersson, 2000). The same logic is also discussed in the export literature, which has shown that proactiveness is important in order to succeed on international markets (Ganitsky, 1989). This finding is also in line with the emerging literature on international entrepreneurship which has found young, small firms to have a very high degree of international performance (Autio, 2005; Rialp et al., 2005). These firms are often dominated by proactive managers who use their personal networks to expand abroad (Andersson and Wictor, 2003).

Previous research on entrepreneurship suggests that proactiveness is a distinguishing characteristic of entrepreneurial firms/individuals (Covin and Slevin, 1989). This study extends the understanding of how proactiveness affects firm performance. Not only is a proactive stance in relation to market opportunities important, but it seems that a proactive stance in relation to network contacts is also a key element of international performance.

**CONCLUSIONS**

In this study we have tried to add new knowledge to the understanding of the internationalization of small firms. Previous research has emphasized the individual decision-maker in explanations...
of small-firm internationalization. To that approach we contribute a more nuanced view of
differences in managerial behavior in international and non-international small firms. Our
approach has been to compare the behavior of managers in small firms operating on an
international market with that of managers in firms primarily operating on a domestic market.
The results are not, of course, entirely general for the following reasons.

This study shares some limitations with other research in the managerial work tradition. One
limitation is the selection bias in terms of the selected managers and their firms, and in terms of
the days studied. The sample of managers/firms in the two groups is not as homogeneous as one
would hope for. The difficulty was that we could not find firms and managers with the same
background characteristics among the international firms. Most small firms in Sweden are still
focusing on the domestic market, so there are fewer international firms to contact (Andersson &
Wictor, 2003). We needed to contact firms in different industries to reach enough cases. The days
chosen in this study were days when the owner-managers worked at their home office. The
owner-managers studied pointed out that their work included a lot of traveling and that traveling
weeks were very different from the weeks at home. The studied weeks were, in other words, not
representative for their complete work-pattern, but only for weeks when they were at their office.

Another limitation is that the amount of time devoted to an activity is not necessarily a measure
of the importance of the activity (O’Gorman et al., 2005). We do, however, think it is a
satisfactory proxy and that it provides a good opportunity to compare managerial behavior in
different kinds of firms which adds to the understanding of the work of managers in small
international firms.

It is important to note that although this study indicates differences in behavior between managers
in international and in non-international firms, our research approach does not allow any definite
conclusions about whether these differences could be used to explain small-firm
internationalization. It is not certain that the differences in managerial behavior are actually a
consequence of the firm’s internationalization. Neither can we say that the behavior observed in the international firms constitutes “drivers of internationalization”. It could also be that internationalization changes managerial behavior.

Despite these shortcomings, we consider the investigation a source of some new knowledge that sheds light on small-firm internationalization and should help to guide future research on this important area. One clear contribution is the description of the work of owner-managers in small international firms. As this is one of the first studies deploying this kind of method on this type of firm, the description per se is innovative. In so doing, the study supports part of the literature in international entrepreneurship that has stressed the importance of the managers in the firm for the international behavior of firms (Autio, 2005, Oviatt & McDougall, 1994). Managers in small international firms behave differently from managers in small domestic firms: they have a different activity pattern and uphold different roles.

From this it follows that the study also contributes to the debate between the perspectives regarding small firms’ internationalization discussed by Autio (2005). As discussed earlier, there are two dominant perspectives that treat firms’ early internationalization processes: the Process Theory of Internationalization (PTI) (Johansson & Vahlne, 1977, 1990) and the International New Venture (INV) perspective. In the PTI model the individual decision-maker is not in focus in the analysis, and decision-making and learning on an organizational level are seen as main factors explaining the international development (Autio, 2005). The INV perspective, on the other hand, highlights the importance of individual strategic choice, proactiveness, and knowledge and learning on an individual level (Andersson, 2000; Child, 1972; Oviatt & McDougall, 1994). As this study finds behavioral differences in the work of international and non-international managers, its results give tentative support to the INV perspective’s emphasis on individual decision-makers in explanations of firm internationalization. Since differences exist, it seems relevant to pursue this approach and to further explore whether and how managerial behavior
discriminates between firms that are efficient in creating internationalization and those that are not.

The interpretation of the different behavior of managers in international and non-international firms is that managers in international firms have made the strategic decision to grow internationally and, to implement the international strategy, they have devoted time that favored international expansion. The managers in the international firms were willing to accept the risks which are associated with international expansion (Autio, 2005).

**Future research**

Many studies have shown the importance of international networks, on both a personal and an organizational level, for understanding a firm’s international development (e.g. Coviello, 2006; Majkgård & Sharma, 1998). In this study we have refined our insight into how networking behavior may affect firm internationalization by demonstrating that managers in international firms make more proactive use of their networks. More detailed studies of networks and networking are needed to get a better grasp of how networks influence firms’ international development (Coviello, 2006). Future research should acknowledge different types of networks on different levels (e.g. individual/organizational and international/regional), and how the managers’ networking behavior develops over time, in order to clarify how networking affects the internationalization behavior of small firms. Here multiple methods of both qualitative and quantitative nature, including observational studies, are valuable (Coviello & Jones, 2004).

Future research should also include traveling weeks to acquire a more representative picture of the work of leaders in small international firms, perhaps using diary methods.
Managerial implications

According to this study, owner-managers in small international firms spend more time on planned activities than owner-managers in other small firms. A practical implication for managers who want to internationalize is consequently that it is important for them to devote time to international strategic activities. Due to the demanding management situation in small firms, it seems that one way of achieving this is to plan how time should be allocated to a greater extent. Managers need to prioritize which activities they should spend time on and delegate activities that others can do, in order to be successful in international expansions.

It also seems necessary to reorient towards a less operative managerial work style. One way of doing this is to increase the level of formality in the organization so that organizational behavior can be programmed to work without the direct supervision of the managers. In order for them to focus on such activities, their firms need to have the capabilities to operate without their being active on a daily basis. Thus the managers must be able to delegate and to develop procedures that can guide the operations of their firms when they are not physically present.

Another implication of this study is that managers who set out to internationalize their firms need to become more proactive in their use of their networks. Proactive behavior means that the managers are in charge of decisions on whom they are going to meet and which questions they are going to deal with. Through this behavior meetings can be coordinated with an international expansion strategy.

From this study it is evident that building an international business places demands on how the manager allocates his/her time. Despite the study’s modest scope it will hopefully improve the basis for further research on internationalization.
REFERENCES


Appendix 1 – Mintzberg’s (1973) managerial roles

Interpersonal roles:

- Figurehead – Symbolic head; the manager is obliged to perform a number of routine duties of a legal or social nature due to the fact that he/she is the head of the firm.
- Leader – The manager is responsible for the motivation and activation of subordinates; responsible for staffing, training, and associated duties.
- Liaison – The manager maintains a self-developed network of outside contacts and informants who provide favors and information that can be used to manage and operate the firm.

Informational roles:

- Monitor – The manager seeks and receives a wide variety of special information (much of it current) that enables him/her to understand what is taking place in the organization and its environment. He/she materializes as a nerve center of internal and external information for the organization.
- Disseminator – The manager transmits information received from outsiders or from subordinates to members of the organization; some information is factual while other information involves interpretation and integration of diverse value positions of organizational influencers.
- Spokesman – While the disseminator role looks into the organization, in the spokesman role the manager transmits information to outsiders on the organization’s plans, policies, actions, results, etc.

Decisional roles:

- Entrepreneur – In the entrepreneur role the manager operates as initiator and designer of much controlled change in the firm. He/she searches the organization and its environment for
opportunities, and initiates “improvement projects” to bring about change. The manager also supervises the design of certain projects.

- Disturbance handler – Responsible for corrective action when the organization faces important, unexpected disturbances. Whereas the entrepreneur role concerns voluntary action by the manager, the disturbance handler role deals with involuntary situations and change that might be partially beyond the manager’s control. The types of disturbances are many and often hard to foresee.

- Resource allocator – The manager is responsible for the allocation of organizational resources of all kinds (e.g. money, time material and equipment, manpower, and reputation) – in effect the making or approval of all significant organizational decisions. Through this role the manager is operating the organizational strategy-making system. On an overall level, three elements can be identified in the resource allocation process: the scheduling of time, the programming of work, and the authorization of action.

- Negotiator – Responsible for representing the organization at major non-routing negotiations with other organizations or individuals; it is often the manager who leads the contingent from his/her organization.

Specialist roles:

- Specialist role – The leader is often involved in operational activities due to his/her expertise in the area. The specialist role can also arise when the leader decides to keep control over a certain function, if the leader perceives the function to be crucial for the company.

- Substitute role – In the substitute role, the manager must be prepared to step into a job when any one of a number of needs arises. This might happen, for example, when an employee is absent, the plant is operating at full capacity and an extra hand is needed.
Appendix 2 – Deployed Records

**Chronological record:**

<table>
<thead>
<tr>
<th>Time of day</th>
<th>Medium</th>
<th>Reference</th>
<th>Time (minutes)</th>
</tr>
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<tbody>
<tr>
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<td></td>
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</tbody>
</table>

**Mail record:**

<table>
<thead>
<tr>
<th>Reference</th>
<th>Form</th>
<th>Sender/-recipient</th>
<th>Purpose</th>
<th>Measure</th>
<th>Action</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

**Contact record:**

<table>
<thead>
<tr>
<th>Reference</th>
<th>Medium</th>
<th>Purpose</th>
<th>Participants</th>
<th>Initiative</th>
<th>Time (min.)</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>
Figure 1. Differences of focus in studies of small-firm internationalization

<table>
<thead>
<tr>
<th>Focus in analysis</th>
<th>Level of analysis</th>
<th>Firm/market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics</td>
<td>Individual</td>
<td>Manager’s characteristics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cavusgil, 1984</td>
</tr>
<tr>
<td></td>
<td></td>
<td>McDougall et al., 1994</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bloodgood et al., 1996</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Madsen &amp; Servais, 1997</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Andersson, 2000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leonidou et al., 2002</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nummela et al., 2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Andersson et al., 2004</td>
</tr>
<tr>
<td>Behavior</td>
<td>Firm/market</td>
<td>Managerial behavior in small-firm internationalization – No research so far</td>
</tr>
</tbody>
</table>
| Managerial roles | Interpersonal roles | Figurehead  
 | | Leader  
 | | Liaison  
 | Informational roles | Monitor  
 | | Disseminator  
 | | Spokesman  
 | Decisional roles | Entrepreneur  
 | | Disturbance handler  
 | | Resource allocator  
 | | Negotiator  
 | Operational roles | Specialist  
 | | Substitute operator  

Figure 2. Understanding of managerial work in terms of “roles” (Mintzberg, 1973)
<table>
<thead>
<tr>
<th></th>
<th>Domestic firms Average (Range)</th>
<th>International firms Average (Range)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>49 (43-58)</td>
<td>43 (34-60)</td>
</tr>
<tr>
<td>Sex</td>
<td>6 males</td>
<td>4 males 1 female</td>
</tr>
<tr>
<td>Years in company</td>
<td>19 (6-32)</td>
<td>9 (4-20)</td>
</tr>
<tr>
<td>Years in other roles at the company</td>
<td>4 (0-9)</td>
<td>2 (0-9)</td>
</tr>
<tr>
<td>Number of years as owner-manager</td>
<td>15 (1-28)</td>
<td>7 (1-20)</td>
</tr>
<tr>
<td>Turnover (M US$)/Number of employees 2005</td>
<td>26/3 (17-43/1-8)</td>
<td>12/31 (1-23/3-54)</td>
</tr>
</tbody>
</table>

Table 1. Key characteristics for the participating managers and their companies
<table>
<thead>
<tr>
<th></th>
<th>Manager A</th>
<th>Manager B</th>
<th>Manager C</th>
<th>Manager D</th>
<th>Manager E</th>
<th>Manager F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business</strong></td>
<td>Production of office chairs for disabled people</td>
<td>Prototype manufacturer of precision tools</td>
<td>Manufacturer of special design wooden windows</td>
<td>Manufacturer of products in stainless steel (mainly for the boat industry)</td>
<td>Manufacturer of special design wooden doors</td>
<td>Building contractor and sheet-metal shop with focus on roof works</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>No university education</td>
<td>Post university education</td>
<td>No university education</td>
<td>University education</td>
<td>No university education</td>
<td>University education</td>
</tr>
</tbody>
</table>

Table 2. Key characteristics for the participating managers and their companies in the domestic firms.
<table>
<thead>
<tr>
<th></th>
<th>Manager A</th>
<th>Manager B</th>
<th>Manager C</th>
<th>Manager D</th>
<th>Manager E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business</strong></td>
<td>Production &amp; Development of Security gates</td>
<td>Production &amp; Development of air cleaning equipment</td>
<td>Profile products and Gifts</td>
<td>Medical Research and Development</td>
<td>Medical Equipment</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>University degree in Business Administration</td>
<td>Engineering, but no university education</td>
<td>Marketing education, but no university education</td>
<td>University degree in Engineering</td>
<td>University degree in Business Administration</td>
</tr>
</tbody>
</table>

Table 3. Key characteristics for the participating managers and their companies in the international firms.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Domestic firms</th>
<th>International firms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
</tr>
<tr>
<td><strong>Deskwork sessions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number per day</td>
<td>13 (8 - 20)</td>
<td>16 (6-33)</td>
</tr>
<tr>
<td>Proportion of time</td>
<td>46% (34 – 50%)</td>
<td>24 (13-34%)</td>
</tr>
<tr>
<td><strong>Telephone calls</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number per day</td>
<td>17 (11 - 21)</td>
<td>12 (5-20)</td>
</tr>
<tr>
<td>Proportion of time</td>
<td>13% (10 – 16%)</td>
<td>11% (5-15%)</td>
</tr>
<tr>
<td><strong>Scheduled meetings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number per day</td>
<td>1 (0 - 2)</td>
<td>3 (2-4)</td>
</tr>
<tr>
<td>Proportion of time</td>
<td>15% (7 – 19%)</td>
<td>47% (32-61%)</td>
</tr>
<tr>
<td><strong>Unscheduled meetings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number per day</td>
<td>22 (12 - 26)</td>
<td>12 (6-13)</td>
</tr>
<tr>
<td>Proportion of time</td>
<td>19% (7 – 22%)</td>
<td>10% (9-13%)</td>
</tr>
<tr>
<td><strong>Tours</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number per day</td>
<td>4 (2 - 8)</td>
<td>3 (0-10)</td>
</tr>
<tr>
<td>Proportion of time</td>
<td>7% (2 – 10%)</td>
<td>2% (0-6%)</td>
</tr>
</tbody>
</table>

Table 4. A comparison of the work of top managers of small domestic firms and in small international firms concerning activities, excluding lunch and breaks. The table also shows the range of data for the respective group.
Table 5. The roles shouldered by the managers.

<table>
<thead>
<tr>
<th></th>
<th>Domestic firms</th>
<th></th>
<th>International firms</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average (Range)</td>
<td></td>
<td>Average (Range)</td>
<td></td>
</tr>
<tr>
<td>Interpersonal roles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Figurehead</td>
<td>0 (0-2)%</td>
<td></td>
<td>0 (0-0)%</td>
<td></td>
</tr>
<tr>
<td>Leader</td>
<td>6 (1-11)%</td>
<td>5%</td>
<td>14 (0-26)%</td>
<td></td>
</tr>
<tr>
<td>Liaison officer</td>
<td>7 (0-16)%</td>
<td></td>
<td>13 (0-40)%</td>
<td></td>
</tr>
<tr>
<td>Informational roles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor</td>
<td>10 (7-19)%</td>
<td>5%</td>
<td>19 (9-28)%</td>
<td></td>
</tr>
<tr>
<td>Disseminator</td>
<td>3 (1-4)%</td>
<td>11%</td>
<td>5 (1-14)%</td>
<td></td>
</tr>
<tr>
<td>Spokesman</td>
<td>2 (0-4)%</td>
<td></td>
<td>9 (0-22)%</td>
<td></td>
</tr>
<tr>
<td>Decisional roles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur</td>
<td>10 (1-28)%</td>
<td>7%</td>
<td>18 (0-31)%</td>
<td></td>
</tr>
<tr>
<td>Disturbance handler</td>
<td>4 (1-10)%</td>
<td>8%</td>
<td>4 (0-13)%</td>
<td></td>
</tr>
<tr>
<td>Resource allocator</td>
<td>12 (3-27)%</td>
<td></td>
<td>5 (1-13)%</td>
<td></td>
</tr>
<tr>
<td>Negotiator</td>
<td>1 (0-4)%</td>
<td></td>
<td>5 (0-11)%</td>
<td></td>
</tr>
<tr>
<td>Operational roles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialist</td>
<td>38 (12-63)%</td>
<td>20%</td>
<td>4 (1-7)%</td>
<td></td>
</tr>
<tr>
<td>Substitute operator</td>
<td>1 (0-4)%</td>
<td>2%</td>
<td>0 (0-0)%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>3 (1-6)%</td>
<td>3%</td>
<td>5 (1-10)%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Domestic firms</td>
<td>International firms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------</td>
<td>---------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of activities/day</td>
<td>57 (44-64)</td>
<td>47 (24-83)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working hrs/day</td>
<td>9,1 (8,4-10,4)</td>
<td>9,3 (7,5-11,0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>lasting less than 9 min</td>
<td>80% (76-81%)</td>
<td>69% (52-76%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion lasting more</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>than 60 min</td>
<td>1% (0-3%)</td>
<td>6% (2-11%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6. Number of activities per day, working hours, and proportions of short and long activities, of managers in domestic and international firms.
Table 7. The general proactivity of the managers.

<table>
<thead>
<tr>
<th>Initiative (% of time)</th>
<th>Domestic firms</th>
<th>International firms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
</tr>
<tr>
<td>Own</td>
<td>46% (41-62%)</td>
<td>60% (44-73%)</td>
</tr>
<tr>
<td>Others’</td>
<td>54% (38-59%)</td>
<td>40% (27-56%)</td>
</tr>
<tr>
<td></td>
<td>Domestic firms</td>
<td>International firms</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>----------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
</tr>
<tr>
<td>Incoming telephone calls</td>
<td>51% (29-69%)</td>
<td>45% (29-56%)</td>
</tr>
<tr>
<td>Unplanned meetings on others’ initiative</td>
<td>57% (45-70%)</td>
<td>43% (15-73%)</td>
</tr>
<tr>
<td>Tours on others’ initiative</td>
<td>3% (0-9%)</td>
<td>7% (0-33%)</td>
</tr>
</tbody>
</table>

Table 8. Percentage of telephone calls, tours, and unplanned meetings on others’ initiative.
<table>
<thead>
<tr>
<th></th>
<th>Domestic firms</th>
<th>International firms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
</tr>
<tr>
<td>Subordinates</td>
<td>51% (32-72%)</td>
<td>46% (21-87%)</td>
</tr>
<tr>
<td>Clients</td>
<td>10% (3-19%)</td>
<td>9% (0-38%)</td>
</tr>
<tr>
<td>Suppliers and associates</td>
<td>28% (15-33%)</td>
<td>22% (5-37%)</td>
</tr>
<tr>
<td>Others</td>
<td>11% (7-24%)</td>
<td>22% (6-59%)</td>
</tr>
</tbody>
</table>

Table 9. Verbal contacts of small-firm managers.
<table>
<thead>
<tr>
<th></th>
<th>Domestic firms</th>
<th>International firms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average (Range)</td>
<td>Average (Range)</td>
</tr>
<tr>
<td><strong>Subordinates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>34% (22-40%)</td>
<td>26% (16-39%)</td>
</tr>
<tr>
<td>Own</td>
<td>31% (26-40%)</td>
<td>42% (22-57%)</td>
</tr>
<tr>
<td>Planned</td>
<td>1% (0-3%)</td>
<td>8% (1-16%)</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>8% (4-11%)</td>
<td>1% (0-1%)</td>
</tr>
<tr>
<td>Own</td>
<td>5% (1-11%)</td>
<td>2% (0-6%)</td>
</tr>
<tr>
<td>Planned</td>
<td>0% (0-0%)</td>
<td>0% (0-0%)</td>
</tr>
<tr>
<td><strong>Suppliers and Associates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>8% (5-11%)</td>
<td>4% (1-7%)</td>
</tr>
<tr>
<td>Own</td>
<td>7% (3-13%)</td>
<td>4% (2-7%)</td>
</tr>
<tr>
<td>Planned</td>
<td>0% (0-1%)</td>
<td>2% (0-5%)</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>3% (2-5%)</td>
<td>4% (1-8%)</td>
</tr>
<tr>
<td>Own</td>
<td>2% (0-3%)</td>
<td>6% (0-14%)</td>
</tr>
<tr>
<td>Planned</td>
<td>0% (0-1%)</td>
<td>2% (0-7%)</td>
</tr>
</tbody>
</table>

Table 10. Initiation of verbal contacts of small-firm managers.
i For readers interested in a more in-depth discussion of this research we refer to reviews by Hales (1986; 1999) and Florén (2006).

ii For more information on the roles, see Appendix 1 and e.g. Mintzberg (1973, pp. 92-93) or any textbook on management.

iii For a thorough description of the use of this methodology, see Mintzberg (1973, Appendix C).

iv This study has been reported in Florén and Tell (2004) and in Florén (2006).
v The format of presenting the observational data follows the dominant way within the field of managerial work.