

**ICURD research
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EU home university	Vienna University of Economics and Business
US host university	University of California, Irvine
title of project	The role of networks in the internationalization of born globals and traditional SMEs
main research goal	The identification if networks are the driving force behind the fast internationalization of born global companies. Point out differences and similarities between the importance of networks between born global companies and traditional companies following the Uppsala approach.
main research question	Are network ties the success drivers of the internationalization of born globals? In which way do network ties of born global companies differ from traditional small and medium sized enterprises which follow the internationalization model studied by Johanson and Vahlne?
main research methods	Qualitative and comparative analysis (Cross- case study). Information was gathered through interviews with top management of both, one Californian born global company and one traditional company in the high-technology sector.
main results (description of projects and findings)	The internationalization of companies, and the networks used in the process thereof, has been in the limelight of international business research for decades. Many different strategies have been studied and theories have been developed, two of which exhibit fundamental discrepancies regarding their key assumptions and determinants of internationalization. The more recent phenomenon of born globals seemingly contradicts the more traditional Uppsala strategy. Unlike the incremental step-wise internationalization of traditional Uppsala companies born globals internationalize from inception at a very fast pace without regard of distance and risk. The main aim of this thesis is to find out whether network ties are the success driver behind such fast international expansion and how they differ from networks occurring within the traditional approach to internationalization. A cross-case study was conducted in the high-tech industry in Orange County, California and it was discovered that the born global company was prepared to cooperate in any kind of business relationship. The most important drivers were social networks which spread information and led to business opportunities domestically and abroad. To accomplish such exponential internationalization the born global needed external partners to overcome their lack of resources. On the other hand the traditional SME following the Uppsala approach was less relying on cooperation but discovered business opportunities gradually from its own experience. Strategic alliances were entered into only with well-known clients or partners mostly on project basis. The qualitative findings highlight the need for further inquiry into the different approaches to networking and point out numerous avenues for future research.
key words	Internationalization, networks