Contents

Mathematical and Quantitative Methods

The Assignment Problem: Searching for An Optimal and Efficient Solution
Athanasios Vasilopoulos
1

Rational Interplay: A Philosophical Critique and Revision of Nash Equilibrium
Thomas Schwartz
13

Financial Economics

Utilizing the Capital Asset Pricing Model in Economic Settings
David M. Gordon
18

Public Economics

Change at the Top of Air Canada: The Governing Liberal Party Perspective
—An Analysis of Non-Corporeal Actants
Christopher M. Hartt
21

Spatial-temporal Heterogeneity of the Contribution of Land to China’s Economic Growth
—An Empirical Analysis Based on Provincial Panel Data in the View of Resource Curse
Lanjiao Wen, Jingjing Zhang, Anlu Zhang
35
## Business Administration and Business Economics; Marketing; Accounting

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Characterization of Alpha Communicators in the Context of Communication and Diffusion of Innovations</td>
<td>50</td>
</tr>
<tr>
<td>Günter Hofbauer</td>
<td></td>
</tr>
<tr>
<td>Online Product Reviewers: Their Motivation and Reliability</td>
<td>59</td>
</tr>
<tr>
<td>Feng (Oliver) Liu</td>
<td></td>
</tr>
<tr>
<td>How to Implement Innovation and R&amp;D in SMEs</td>
<td>77</td>
</tr>
<tr>
<td>Yukari Mizuno</td>
<td></td>
</tr>
<tr>
<td>Automatic Processes, But Not Priming, Affect Selection of Clothing Items During Simulated Online Shopping</td>
<td>90</td>
</tr>
<tr>
<td>Daniel E. Gaygen</td>
<td></td>
</tr>
<tr>
<td>Offline and Online Brand Trust Models: Their Relevance to Social Media</td>
<td>102</td>
</tr>
<tr>
<td>Gordon Bowen, Richard Bowen</td>
<td></td>
</tr>
<tr>
<td>Core Practices for Managing Virtual Employees in Public Organizations</td>
<td>113</td>
</tr>
<tr>
<td>Aya Maher, Randa El Bedawy</td>
<td></td>
</tr>
<tr>
<td>Constitutionality and Legality in Administrative Procedures of Customs Matters</td>
<td>121</td>
</tr>
<tr>
<td>Obregón Angulo María del Mar, Castro Sánchez Jacobo Josophatt, Arellano Zepeda Santiago Alejandro, Moreno Neri José de Jesús</td>
<td></td>
</tr>
</tbody>
</table>

## International Economics

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparative Advantages Evolution and Economic Development: The Case of China</td>
<td>130</td>
</tr>
<tr>
<td>Chen Feixiang, Xiang Xinyong</td>
<td></td>
</tr>
<tr>
<td>It’s the Network—Stupid!</td>
<td>141</td>
</tr>
<tr>
<td>Ursula Schinzel</td>
<td></td>
</tr>
<tr>
<td>Introduction of Mainland China M&amp;A Security Review Mechanism and Its Several Problems</td>
<td>151</td>
</tr>
<tr>
<td>Yue Ying</td>
<td></td>
</tr>
</tbody>
</table>
Health, Education, and Welfare

Investigating Academics' Knowledge Sharing Behavior in United Arab Emirates

Huda Alami Skaik, Roslina Othman

161

Relationship between Entrepreneurial Intentions and Entrepreneurial Career Choice Behavior among University Students

Norasmah Othman, Nor Hafizah Othman

179

Industrial Organization

Towards a Framework for Crowdsourcing Process Management: Evidences from Brazilian Leading Experts

Jorge Renato Verschoore, Lucas Borella, Ingridi Vargas Bortolaso

187

Inventory Reduction by Applying Inventory Management Tools of a Selected Tannery Factory

Azim Mohammad, Shibbir Ahmad, Mohammad Iqbal, Md. Alauddin

204

Environmental Economics

The Environment in Education: Pesticides in Lebanon

Akl Kayrou, Issam Atala

211
It’s the Network—Stupid!

Ursula Schinzel  
(United Business Institute Luxembourg)

Abstract: This research, based on Nahapiet and Ghoshal (1998), investigates why networks, a shared language and storytelling help organizational advantage in microfoundations in international environments, especially in Strategic Human Resource Management (SHRM). The first part of this paper is dedicated to an in-depth literature review. In the second part, the research method is explained: survey questionnaires were developed based on Nahapiet and Ghoshal (1998), translated from English to French and German and distributed. The questionnaire consisted of 28 closed questions on a five-point Likert scale and two open questions regarding networks in person or digital networks, producing many direct quotes from the respondents. A total of 253 questionnaires were collected, out of which 246 were usable. One interview was conducted for the purpose of this research, with the objective to validate the results from the questionnaires, but it was not included into this paper. Further research could focus on qualitative research methods, as well as the influence of new media and age. In the third part, the findings of this research are presented: Networks provide access to information, are easily accessible, flexible and efficient, diverse, they are fast, cheap, “Who you know” determines “What you know”, there are obligations, norms, and expectations within a network, and there are issues with trust and confidentiality in networks. Some HR managers have a preference for networks in person compared to digital networks; their respective arguments are presented. A shared language is used as identifier as it defines the in-group and distinguishes from the out-group, is important in social relations, enables people to discuss and exchange information, to ask questions, to conduct business, creates group-specific communication codes, enables the combining of information, the development of new concepts and the creation of new knowledge, and influences our perception. If people do not speak the language, they are kept apart and have restricted or no access to information. Storytelling is used to show and transmit values, norms, and culture, to share knowledge and understanding, it is useful in education and training, it helps to communicate quickly, naturally, clearly; with storytelling one can focus on a vision and plan the future, solve problems and conflicts, inspire continuous innovation, manage change, and make decisions. It is proposed that networking, in person and in digital form, a shared language as identifier and storytelling are capabilities for shaping the future and success of microfoundations in international environments. Conclusion and discussion, limitations, further research, and references follow.

Key words: Strategic Human Resource Management (SHRM); networks; storytelling; language as identifier; international entrepreneurship; microfoundations

JEL codes: F

Ursula Schinzel, Doctor, United Business Institute Luxembourg; research areas/interests: international business, human resource management. E-mail: ursula_schinzel@yahoo.com.
1. Introduction

This research, based on Nahapiet and Ghoshal (1998), investigates why networks, a shared language and storytelling help organisational advantage in microfoundations in international environments, especially in Strategic Human Resource Management (SHRM). Survey questionnaires, developed by the author based on Nahapiet and Ghoshal (1998) and consisting of 28 closed and 2 open questions were used to determine the extent of influence of success in microfoundations in international environments. 246 usable questionnaires were collected and one interview was conducted, to validate the findings from the questionnaires. However, the interview was not included into this paper. Practical advice is offered to HR managers of how to use these means for organizational advantage in microfoundations in international environments.

The literature review that follows this introduction concentrates first on microfoundations, second on Human Resource Management, globalization and e-HRM, third on networks, forth on digital social networks, fifth on language as identifier, and finally on storytelling in organizations. The literature review is followed by the methods chapter (are you sure “part” is the right word?). The results follow the methods chapter. The findings to the research questions are presented: Why do you think networks, a shared language and storytelling help organizational advantage in microfoundations? The additional research question is: “Do you prefer networks in person to digital networks like Facebook, LinkedIn, and Twitter?” Findings are presented, issues with networks in person and with digital networks are shown, and reasons why respondents would prefer networks in person or digital networks are demonstrated. Conclusion and discussion, research limitations, and future research follow.

2. Literature Review

2.1 Microfoundations

Microfoundations have gained in influence in strategic management over the last years. Individuals have a basic influence on strategic management, is the argument. Strategic human resource management is one field of research interests besides economics, psychology, sociology, motivation, cognition, marketing, strategy, entrepreneurship, communication, and others. Foss (2010, p. 12) defines microfoundations as “foundations of something, namely aggregate concepts and/or relations between aggregate variables”, ... it is “an instance of reductionism”, ..., “of how individual decision-making influence firm behavior”. The discussion between “methodological individualism” versus “methodological collectivism” goes “whether individuals (‘micro’) or social collectives (‘macro’) have explanatory primacy”.

The interest in the theory of the firm started nearly 40 years ago now. The theory of firm scholars focuses on the causes of “organizational advantage”, contrary to its failure (Nahapiet & Ghoshal, 1998, p. 242). They include trust, networks, network ties, network configuration, shared narratives and shared language and codes in their research of the organizational advantage. They see the roots of intellectual capital in the social relations and structures—“who knows who” affects “what you know”.

In strategy, Porter (1996) was the pioneer, initiating a loop of decade-long discussion and theory on business structures, procedures and performance, slowing down any positive development (Teece, 2007). Teece says (2007, p. 510): “fortunately, the existing literature on strategy, innovation, and organization and the new literature on dynamic capabilities have identified a panoply of processes and routines that can be recognized as providing certain microfoundations for dynamic capabilities.” He says that new opportunities are sensed through scanning,
creation, learning, and interpretive activity. “Opportunities get detected by the enterprise because of two classes of factors. First, as stressed by Kirzner (1973), entrepreneurs can have differential access to existing information. Second, new information and new knowledge (exogenous or endogenous) can create opportunities, as emphasized by Schumpeter (1934)”.

This chapter finishes with the call of Teece et al. (1997, p. 530): “Researchers in the field of strategy need to join forces with researchers in the fields of innovation, manufacturing, and organizational behavior and business history”. The next chapter is on HRM with a focus on today’s challenges, globalization, and e-HRM.

2.2 Human Resource Management, Globalization and E-HRM

HR practices have developed throughout the years (Armstrong, 2009) and with the changing world of work (Scholz & Böhm, 2008). Twenty years ago, HR practices were mostly related to administrative issues such as salary, vacation, absence, work hours, headcount and accounting. In many companies, the accounting department was part of the HR department. Following this administrative trend a movement that focused on employees’ motivation, recruitment, training, evaluation, talent management and recognition (Kuvaas & Dysvik, 2009).

More recently HRM is driven by communication, international HR, Strategic HRM, global HRM and recruitment in the globalized world, migration and geographical (im)mobility and networking and e-HRM (Stone & Dulebohn, 2013).

Rising staff mobility, including short-term international assignments in multinational companies and transfers, commuters, as well as rotational, contractual and virtual assignments, brings increasing complexity, fragmentation of employees’ careers, the taking on of responsibilities and encountering challenges never thought of previously (Shaffer, 2001, 2012), increasing networking, and e-HRM. e-HRM influences all HR activities and their usage, through cost reduction, decision-making, IT system, and IT security. e-HRM focuses on the relationship between HR strategy, e-HR goals and architectures and positive and negative e-HR outcomes (Martin & Reddington, 2010). e-HRM influences human resource planning, recruitment, selection, performance management, work flow, training, compensation, and performance cost reduction, strategic HRM (Collins & Clark, 2003; Porter, 1996), change in usage, including training, especially e-learning, decision-making, and information systems combined with IT security. The next chapter is on networks with a focus on digital social networks.

2.3 Networks

Networks provide access to resources (Nahapet & Ghoshal, 1998, p. 246), networks are an important source and determine information benefits. Networks—“Who you know” determine “What you know”. There are three forms of information benefits: access, timing and referrals. Networks provide efficient screening and distribution of information and knowledge. Networks allow speed in getting the right information. Networks allow people in the network the opportunity to provide, combine, exchange information and also give referrals with the information. Nahapet and Ghoshal (1998, p. 252) state this reputational endorsement influences the value of the information.

Networks come in different forms, either in person or in digital form. Granovetter (1973) identified the role of the “loose ties” in information exchange in networks. These ties allow the transmission of information. The network structure depends on its density, connectivity, hierarchy, flexibility and ease of information exchange and the accessibility for the network members to the information (Nahapet & Ghoshal, 1998, p. 252). The lower costs of accessing information through networks, especially through digital networks, are one of the advantages, besides the diversity and efficiency of the network information structure.
2.4 Digital Social Networks

Digital social networks like LinkedIn, Facebook (Kirkpatrick, 2010) and Twitter have revolutionized human resources practices (Cross & Thomas, 2009). Google has changed the way we see our world and our habits (Auletta, 2009), and the internet has modified our brain (Carr, 2010). Some even wish to stop the use of the internet (Zittrain, 2009). Due to the social networking technologies, we have to reconsider how we can live and win in a transformed world (Li & Bernoff, 2008), and how we interact in times of Facebook (Stengel, 2010), where the new digital generation of digital natives grows up, contrary to the generations before them. Tapscott (2009) has identified the reluctance to use new technologies as a result of the generation gap. He describes the “Net-Generation” as learners who are rethinking talent and management, and who are in networks and in families.

Social networks in organizations are viewed as a shared knowledge system backed by management, as standard HRM practices and social network analysis (Boese, 2009), and used especially in recruitment (Jones, 2010).

“The internet is among the few things humans have built they truly don’t understand. The internet is the largest experiment of anarchy in the history” (Schmidt & Cohen, 2013, p. 3). “Think of all the websites visited, ... of every job found, ... consider what the lack of top-down controls allow: the online scams, the bullying campaigns, the hate-group websites and the terrorist chat rooms. Through the power of technology, age-old obstacles to human interaction, like geography, language and limited information, are falling” (Schmidt & Cohen, 2013, p. 3). “Communication technologies will continue to change our institutions from within and without” (Schmidt & Cohen, 2013, p. 11). The benefits of networks are efficiency, flexibility, accessibility, diversity of information, low cost, high speed, “Who you know” determines “What you know”. Issues with digital networks relate to confidentiality, obligations, norms, and expectations within a network, the trustworthiness of the network members and the information provided. The next chapter is on language and especially on language as identifier.

2.5 Language as Identifier

Language is used as identifier. It is used to determine the “in-group” and to distinguish it from the “out-group” (Briley et al., 2005, p. 353). The ability of bi-cultural people of frame switching through language has been researched by Briley et al. (2005) and Hong et al. (2000). Language plays an important role in social relations, in exchange, sharing of context, transfer of information, conception, perception and knowledge creation (Nahapiet & Ghoshal, 1998, p. 253). Nahapiet and Ghoshal (1998, p. 253) suggest a shared language has three ways of influence on exchange: first on social relations, second on perception, and third enhances the combination capabilities. For the first point, a shared language enables people to “discuss and exchange information, ask questions, and conduct business in society”. In cases where people do not speak the language, they are kept apart and have restricted or no access to this information. This is because first, a shared language is linked to our social relations, it is about “who knows who”–“who knows what”–“who speaks what (language)”. Second, a shared language is important for the development of new concepts, of new knowledge. The shared communication codes are important for the combination and transmitting of information. Third, a shared language influences our ways of perception. Our awareness is influenced by our language.

Benefits of a shared language are “defines the in-group, distinguishes from the out-group”, creates group-specific communication codes, is important in social relations, is used as identifier, enables the development of new concepts and creating new knowledge, enables the combining of information, enables people to discuss and exchange information, to ask questions, to conduct business, influences our perception, and if people do not speak the language, they are kept apart and have restricted or no access to this information. The next
chapter is on storytelling, more precisely the use of storytelling in organizations and its benefits.

2.6 Storytelling in Organizations

Storytelling is used in organizations for many different purposes. These range from communicating a complex idea to solving problems, making decisions, planning for the future (Denning, 2011) and training (Davidson, 2004). It is also used to state the organization’s norms, values and the culture, to disseminate knowledge, to manage change and to focus on a vision (Boyce, 1996; Boje, 2008).

Following Denning (2004, pp. 44, 150-153) the objectives of storytelling in organizations are (1) to communicate a complex idea and to spark action, (2) to communicate who you are, (3) to transmit values, (4) to get people working together in a group or community (5) to tame the grapevine or neutralize negative gossip, (6) to share information and knowledge, (7) to lead people into the future. For Denning (2011) and Clark (2004), storytelling is a tool to achieve business purposes.

There are a number of different approaches to developing profiles to help people plan their future work with storytelling. Some approaches examine the high-value forms of organizational storytelling: communicate complex ideas, communicate who you are, transmit values, promote team work, stop rumors, share information and knowledge and lead people into the future (Denning, 2011; Sharp, 2000), to manage conflicts, address issues, resolve conflict and face challenges, and to lead more efficiently (Friedman, 2009). This is how Coca-Cola uses stories to build stronger emotional bonds, for example with the “Happiness Factory”.

Stories are beneficial for organizations, they are mainly used to inspire success. By telling stories, there is a connection with the audience, storytelling makes the audience involved and excited, which may not have been the case otherwise. It helps the younger generation to learn, to access and to connect with tradition. Stories are beneficial in education and learning (Davidson, 2004). The internet is used to tell stories (Paula Kahumbu, interviewed by David McKenzie). Stories tend to stick in the mind longer than abstract ideas alone (Heath & Heath, 2008).

Scholz and Böhm (2008) investigate human resource research in Europe with the objective of avoiding fatal and expensive mistakes. Valid for Europe, this is even truer for the world. Information on the different socio-economic, political and cultural conditions in the world could contribute to better understanding between counterparts. Personality, culture and human nature are the three levels of uniqueness in mental programming. Stories, again, could help prevent misunderstandings between cultures.

3. Method

Survey questionnaires were used to determine the extent to which networks, a shared language and storytelling influence the success of microfoundations in international environments. A standardized questionnaire was developed, based on Nahapet and Ghoshal (1998), consisting of 28 closed questions in form of a five-point Likert scale and 2 open questions, producing many direct quotes from the respondents. The questionnaire consisted of five parts: (1) Assessment of the organizational advantage of networks, (2) of a shared language, (3) of storytelling, (4) two open questions on the preference of “networks in person” to “digital networks”, (5) questions on personal data such as job, industry, gender, age, native language, other languages spoken, nationality, birth nationality, residency, origin, and education. The original English version was translated by native speakers into French and German and back-translated into English for validity check. Over the summer of 2013, they were distributed to business people in Luxembourg and Germany and to participants at different academic conferences.
This explains the high percentage of doctorates in the sample. One interview was conducted to confirm the validity of the questionnaire’s results, but it was not further evaluated for this research. Future research is necessary to do so.

4. Results

The results of the questionnaire are shown in the following chapter. A five-point Likert scale was used and average, median, minimum and maximum per question were calculated.

The first question: "Why do you think networks help organizational advantage?" was answered as follows: the highest average score was for the answer “Provide access to information” with an average of 4.29 out of 5. The second highest score went to the answer “Accessibility, easy access to information, flexibility and efficiency” with an average of 4.01 out of 5. The third highest score was to the answer “High Speed (Timing) to this information” with 3.94 out of 5. “Low cost of access to information scored with 3.83 out of 5 came in fourth place. “Who you know” determines “What you know” (brings together information from different sources and disciplines)” scored 3.74, “Diversity of information” scored 3.69, “There are obligations, norms, and expectations within a network” scored 3.57, “Trust (trustworthiness of the network members and the information provided)” scored 3.46, and last place took “Confidentiality” with 3.06 out of 5. The median for nearly all questions was 4, although the median score for “Trust” was 3.5 and “Confidentiality” was 3. The current discussion on confidentiality, espionage, listening and recording of all digital information finds its confirmation here. Minimum was 1 and maximum was 5 for all responses.

The second question: "Why do you think a shared language helps organizational advantage?" was answered as follows: The highest average score was for the answer “A shared language is important in social relations” with a score of 4.24 out of 5. The second highest score went to the answer “Enables people to discuss and exchange information, to ask questions, to conduct business” with an average of 4.20 out of 5. The third highest score was to the answer “A shared language is used as identifier” with an average of 3.97 out of 5. “Creates group-specific communication codes” scored 3.90, “Enables the combining of information” scored 3.74, “Enables the development of new concepts and creating new knowledge” scored 3.68, “Influences our perception” scored 3.66. The lowest average score was 3.62 for both “Defines the in-group and distinguishes from the out-group” and “In case people don’t speak the language, they are kept apart and have restricted or no access to information”. The median was 4 for all responses. Minimum was 1 and maximum was 5 for all responses.

The third question: "Why do you think storytelling helps organizational advantage?" was answered as follows: The highest average score was for the answer “Show and transmit values, norms, and culture”, with an average of 4.07 out of 5. The second highest score went to the answer “Share knowledge and understanding” with an average of 3.99 out of 5. The third highest score was “Useful in education and training” with an average of 3.84 out of 5. “Communicate quickly, naturally, clearly” scored 3.72, “Focus on a vision” scored 3.59, “Solve problems and conflicts” scored 3.47, “Inspire continuous innovation” scored 3.45, “Manage change” scored 3.37, “Focus and plan the future” scored 3.31. The lowest score was for the answer “Make decisions” with an average of 3.17 out of 5. The median was 4 for most responses, with a 3 for “manage change”, “focus and plan the future” and “make decisions”. Minimum was 1 and maximum was 5 for all responses.

The two open questions produced many direct quotes from the respondents. Here is what respondents said:
The question: “Do you prefer networks in person to digital networks like Facebook, LinkedIn, and Twitter?”
was answered as follows:

201 respondents prefer networks in person, 57 respondents prefer digital networks, 12 say both are important. Respondents who say both networks are important, have no preference, as both have advantages and disadvantages. Here is what some of the respondents said:

“I use both—they both have their advantages and disadvantages, preferring the personal contact that allows me to use also “other channels” than the digital way.”

“I believe that it may be important to distinguish between a) being introduced to the network or creating a network and b) the consequent network contact. If a) then I would prefer networks in person since I get a better sense of other people by seeing them in person and talking to them face-to-face. But if it is an ongoing network with people who I already “know” then it really doesn’t matter”.

“I prefer to better know the people in my network—by meeting them I can assess their knowledge, motives, trustworthiness and the quality of the information we can exchange. Digital networks have the potential to be less trustworthy and potentially less useful. The best solution is combination of networks that provides opportunities for face-to-face contacts and digital network contacts.”

Respondents who prefer “networks in person” argue: Networks in person are based on a personal relationship, the relationship is real, not artificial, eye contact is important, high confidentiality, people contact, private contact, personal contact, I am close to the person, to the other people, there are confidentiality issues with digital networks, trustworthiness of the information, lower risk of distribution of negative rumors, security, trust, better communication, better understanding, better interaction, it is our habit, my expectations are met, confidential information is kept among few insiders, to talk is always better to avoid misunderstanding, face-to-face is better, because you can see the behavior of the person, The body language is important. There is no body language in digital networks, Greater honesty and more substantial conversation than in digital networks, I can see the emotions of my contact. You cannot see emotions in digital networks, besides emoticons, exchange of emotions, of trust, spending time together, team building activities, reliability of the source of information. Here what some respondents say:

“The private, personal contact with people facilitates the building and the maintenance of relationships.”

“Networks such as Facebook, LinkedIn and Twitter are extremely easy to join and therefore get logged up with people joining in on a whim or “just in case”. Personal networks require more personal investment and therefore are entered into more selectively and with more thought as to their relevance and benefits.”

“Digital networks cannot replace personal contact.”

Issues with networks in person are: there are obligations with networks, there are expectations in networks, and networks are time consuming.

Reasons why respondents would prefer “digital networks” are: Easy accessibility of information, low cost, diversity of information, speed of access and publication, flexibility, efficiency, and digital networks are an easy way to have access to private lives.

One respondent says:

“I do not network a lot but, I prefer digital networks if I need to find a piece of information since it provides the access. It is low cost, fast, and diverse and in most circumstances it does not hold any obligations.”

Issues with digital networks are: Confidentiality issues, misuse of trust, false expectations, digital networks are not my world, I am not member of Facebook, Twitter, etc., digital networks are lacking personal contact and therefore are less efficient, superficiality, there are pictures put on Facebook without the permission of the person
in the picture, while digital networks are growing, personal contact is lost among people, digital networks are too
time consuming, the quality of the information is not always given. Respondents say:

"Networking is convenient but sometimes causes troubles, especially when we connect with someone who we don’t
know well."

"I want nothing more than to be kept in peace. I keep contact with people with whom I want contact. That’s all."

"Do you really know who you are networking with?"

"I am old! So, I am not used to digital networks, which also seem less rich in context."

Is the preference for networks in person or digital networks a question of age? Will the younger generation be
more reliant on digital networks? Or will the current trend of digitalization be reversed due to abuse, espionage,
and cyber-criminality? Will the future show us where the world will go? More and more digital contacts, faster,
free of charge, always available, and everywhere accessible, is this the future? Or will we prefer deep private
contacts without superficiality, but with trust, with honesty, with real friendships—far away from +500 Facebook
friends—real experiences, events, parties, and relationships? Is the choice to be made between real life and digital
life? Is it a matter of age or culture, or gender or education or job category, or nationality and languages spoken?
Further research will be necessary to find an answer to these questions, as well as to the following questions: Have
we reached the limitations of the digital world? Are we approaching the limits of the e-era, of e-recruiting, e-HRM,
e-banking, and e-relationships?

5. Conclusion and Discussion

The findings of this research are: networks, a shared language and storytelling help the organisational
advantage in microfoundations in international environments. Networks are strong among HR managers, with a
preference to networks in person compared to digital networks. Networks are a big help to the organisational
advantage in microfoundations because, first, they provide access to information, second they provide this
information easily, in a flexible manner, and efficiently, and third, they are fast. The cost for this information is
low, because of the network. Advantages of networks in person are trustworthiness, confidentiality, reliability,
security, good communication, personal contact, body language, eye contact, exchange of emotions, spending time
together, building teams, and honesty. Issues with networks in person are that there are obligations, expectations,
and it is time consuming.

Advantages of digital networks are the ease of access to information, low cost, speed of access, flexibility,
efficiency, and diversity of information.

Issues with digital networks are confidentiality, trust, the lack of personal contact and the perceived lack of
information quality, and increased time devoted to using them.

Globalisation, the internet, knowledge management help the organisational advantage in microfoundations in
international environments.

A shared language is important in social relations. It enables people to discuss and exchange information, to
ask questions and to conduct businesses. Language is used as an identifier. It also creates group-specific
communication codes and influences our perception, enables us to combine information, to develop new concepts
and create new knowledge. If you do not speak the language, you are not the “in-group”, but the “out-group”, you
are kept apart and have restricted access to information. This is how a shared language helps organisational
advantage in microfoundations.
Storytelling is a powerful means of SHRM. Storytelling enables the distribution and transmission of values, norms and culture. It is used to share knowledge and understanding and is useful in education and training. Storytelling allows people to communicate, inspires innovation, helps to solve problems and conflicts, to focus and plan the future, to focus on a vision and to take decisions.

It is proposed that networking, in person and in digital form, a shared language as identifier and storytelling are capabilities for shaping the future and success of microfoundations in international environments.

6. Limitations

The comparatively small sample size is a factor that threatens the generalization of the findings, as well as the weak theoretical connection between SHRM, the use of networks, a shared language, and storytelling.

7. Further Research

The main objective of this research was to investigate why networks, language and storytelling help organizational advantage in microfoundations. Survey questionnaires were used to determine the extent to which networks, language, and storytelling influence the success of microfoundations. Further research could focus on qualitative research methods, using more interviews, as well as the influence of new media and age. Interviewing could be of advantage to this research. Indeed, one interview was conducted for the purpose of this research, which validated the findings from the questionnaires. But, it was not included into this paper.

Further research could be made in the domain of new media, comparing digital networks to networks in person, raising the question of the influence of the age of the person on this preference. Furthermore, the limitations of e-HRM, of e-recruiting, e-learning could be the center of interest in future research.

Another path of further research could be the possible negative outcomes of storytelling.

References:
It's the Network—Stupid!


