When a best practice migrates, its quality and perceived usefulness and applicability changes. It becomes something different.

Transferring knowledge across global boundaries has become an important competitive advantage for organizations seeking success in the global economy of the 21st century. This conviction is unambiguously articulated by Heinrich von Pierer, the CEO of Siemens, whose company is featured in one of the contributions to this Special Issue on global transfer of management knowledge. He is quoted as saying: “Between 60 and 80 percent of the value-added we generate is linked directly to knowledge – and that proportion is growing.” But exactly how this global, multiplex transfer of management knowledge is most effectively accomplished is a matter of contention.

This Special Issue addresses precisely this question. Based on submissions from over 50 authors, the reviewing process led us to accept the five full-length papers presented here, and in a section we have labeled Cultural Counterpoints, three invited short cases, and one senior management interview in Executive Voice. As we shall explain, the three cases and the interview suggest issues that usefully complement the contents of the five main articles, but also highlight major contrasts, which derive from company philosophy, operational processes, the specific cultures in interplay or other notable contextual factors.

The five full-length papers make a significant and indeed much-needed contribution to academic knowledge, whilst communicating findings of substance to the world of practice. As the titles make clear, the papers cover a wide range of experience tracked over several years:

- Paper 3: Transfer of Managerial Practices by French Food Retailers to Operations in Poland (Hurt and Hurt).

The three cases, which we specially initiated, help shape the approach to global management transfer from the point of three contrasting globally operating corporations. In Cultural Counterpoints case 1, Lunnan, et al. describe the challenges of transferring U.S. management know-how to a Norwegian MNC in the energy sector (“Global Transfer of Management Practices across Nations and MNC Subcultures”). In case 2, “The Shortcomings of a Standardized Global Knowledge Management System: The Case Study of Accenture,” authors Paik and Choi reflect on the difficulties of knowledge transfer from Asia to the USA within the leading consultancy. In case 3, “Applying Knowledge Management Concepts to the Supply Chain: How a Danish Firm Achieved a Remarkable Breakthrough in Japan,” Glisby and Holden demonstrate how a Danish giftware company dispensed with market intermediaries and exchanged tacit knowledge between corporate headquarters in Copenhagen and business partners in Japan’s retail sector. Then in Executive Voice Mr. Thomaschewski of BASF discusses how cross-cultural knowledge-sharing can take place by creating cultural awareness by instituting diversity standards which are even to be observed at top management levels.
The five papers cover both success to failure and many variants in-between. Paper 1 on Siemens ShareNet (Voelpel, et al.) is the case that came closest to success in terms of accommodating local knowledge needs on a global basis. We can characterize paper 2 of May et al. concerning the transfer of management know-how to Russia as “the case that worked after a while,” while we regard paper 3 by Hurt and Hurt about French retailers in Poland as “the case that worked at the third attempt,” although we do not yet know how well. Paper 4, Friel’s description of the transfer of German lean production knowledge to the USA is “the case that does not work”: if the “right” people for your technology or processes or management techniques are not available at the receiving end, successful knowledge transfer is in jeopardy. In paper 5 Javidan, et al. show how international transfer of management knowledge could be facilitated by employing knowledge from the GLOBE project, which characterize national leadership styles in management.

We now discuss briefly the key learning points associated with the invited full papers.

The key message of paper 1 on the Siemens ShareNet system (Voelpel, et al.) is that knowledge management systems will be accepted by a multinational staff if from the outset such systems provide sufficient room for substantial regional components to be included. Thus a merit of the paper is that it helps us to understand why the implementation of global knowledge management systems requires space to include local and regional knowledge (e.g., regional knowledge platforms). The paper leaves open the question of how cultural differences affect attitudes towards the up-take of these systems and thus offers a challenge to researchers. By contrast, case 2 on the KX system of Accenture (Paik and Choi) clearly shows that informal alternative knowledge management systems may emerge, if the global system does not allow for local or regional needs.

The experiences in Russia described in paper 2 by May, et al. make clear that for the delivery of management know-how to non-Western countries it is of paramount importance to develop a given set of tools for a specific subset of people of the national culture and to be able to transfer these tools to pre-identified people who are equipped with the required personality traits. This paper emphasizes the importance of designing selection strategies with people from economies in transition from communist forms of economic management to the market economy system. Another prominent factor is that the educators should not only be fully conversant with the cultural and institutional background, but also empathetic to local sensitivities, and that is a type of knowledge not gained overnight.

The truth of that observation is amply supported in paper 5 by Javidan and his co-authors, who describe a rapidly deteriorating situation involving a North European business school and a large South Asian corporation. The Asian Bank commissioned the business school to design and run a major executive program, but scarcely had this started when bitter recriminations blocked the knowledge transfer. Among other issues this paper alerts us to the importance of creating at the outset an atmosphere conducive to cross-cultural knowledge-sharing and of the need to see the associated transfer processes as learning opportunities for suppliers and prospective recipients of knowledge.

In paper 3 Hurt and Hurt describe how at the first step the cross-national transfer of production processes from France to Poland met strong resistance and in a second step needed to be adjusted to comply at least partly with local culture. They finally demonstrate how after a few years the home-culture management practice could be implemented relatively close to that originally intended. The merit of paper 3 is that it makes clear why the transfer of management know-how is not a one-step procedure, but must be allowed to evolve through time. As shown in paper 1 by Voelpel et al. that resistance against the implementation of headquarters’ management practices can be substantially reduced by appropriate preparation for such a move. In paper 3 the authors demonstrate the importance of letting go — one of the necessary preconditions of cross-cultural trust — and, in so many words, of converting a cross-border operation into a multinational integrated network.

The experiences of case 1 on the Norwegian MNC (Lunnan, et al.) conveys a similar message: even if headquarters are concerned about cultural fit and propose cultural adjustment of management tools at an initial step, the adjusted tool does not necessarily fit with other cultures. If you don’t have resistance here, you have it there. Finally a decision has to be made: either a culturally diverse set of management rules is applied or the same tool is applied everywhere, but in the latter case you have to choose the right people that fit culturally with that tool.

Paper 4 by Daniel Friel, which concerns the transfer of lean production know-how from Germany to the USA, helps us to understand why production processes cannot be transferred from rigid to flexible societies, and possibly vice versa. It describes how in a dialectical process predominant norms of behavior within firms are influenced
by the given institutional setting of a society. In a rather rigid society like Germany norms of behavior within firms are rather rigid and based on written rules (hence the importance of explicit knowledge). The paper confronts us with a challenge: what is the optimum way of adjusting production processes to suit the behavioral norms of other cultures?

The commonalities in the five papers and the three invited cases in the Special Issue are striking. Each paper or case suggests key learning points, which were derived from the unique context of investigation, yet which may have applicability in different knowledge-sharing scenarios.

What then the eight contributions and the interview in their totality suggest is that it can take several years before you can be clear whether a global knowledge management system delivers the expected results. But not only that: it seems that forms of resistance to absorbing knowledge are almost inevitable and such that the transfer process cannot be hurried. That is an important message for practitioners, and it contains a major learning point for management scholars: a very rewarding way to investigate corporations’ knowledge management systems and assess their effectiveness is to study them longitudinally. We are talking then about a field of management research that is not for those whose preference is to deliver pictures of management practice as snapshots.

Although they represent considerable diversity of operational domains and management challenges, aside of the issue of time requirement the contributions share several important commonalities, which may have considerable implications for both management scholars and practitioners:

- Global transfer of management knowledge has to be seen as a form of experimentation with people and processes. In the early phases, newly introduced international knowledge transfer systems rapidly meet resistance. This can be followed by a period of socialization between expatriate top managers and local managers (getting to know each other). If there is also an opportunity to slowly replace local staff who could not or did not want to work under the new management practice by people with better cultural fit, there is a good chance that years later the originally intended management practice can be implemented. But this may require the remaining issues to be resolved in what might be a called “a space of social negotiation,” which could become a cross-cultural power game. The creation of a framework of intensive interaction between the key parties seems to be a precondition as it helps establishing cross-cultural trust, which is strongly emphasized as being decisive for a successful process of changing attitudes.

- People in “remote regions” will not participate in knowledge management systems unless they feel trusted — and hence valued — by headquarters. Local staff is more willing to accept and adapt to new rules if expatriate managers show respect for and appreciation of the local people and their cultures and if resources are made available (e.g., for translation of documents). Participation may fade out if insufficient resources are made available or if availability of resources becomes constrained.

- A cross-cultural relationship can sour quite rapidly if emerging issues are not anticipated nor provision is taken. Beyond that, there apparently is no way to solve the emerging problems if there is no chance to find local staff who would fit the qualification and personality profiles required for the new headquarters-induced management techniques.

Out of this springs a further observation which may have positive implications for our understanding of “good” practice. The way in which good practice is mediated by communication between headquarters and local management and staff and training of local people across languages and cultures is an intrinsic part of good practice as far as recipients are concerned. In paper 2 May, et al. suggest that learning depends on unlearning on the sides of the trainers and the trainees. Trainers have to adapt their training techniques and know-how by considering the local absorptive capacities and by finding ways and means to identify those local people who fit the qualifications and personality profiles required by the new management know-how.

One of the great challenges imposed on staff and managers by cross-border management knowledge transfer is the “unfreezing elements in their backgrounds inhibiting their receptivity to learning market-oriented practices” (paper 2). This is by no means the first reference in the knowledge management literature to the importance of unlearning practices and skills for which there is no longer any call. But it is always the others — our colleagues in Moscow or Beijing or Lusaka — who are expected to unfreeze elements in their background. Yet we must learn to unfreeze the equivalent elements in ourselves too. If we do not, then we
merely replicate to our own detriment the all too misplaced ethnocentric assumptions about the superiority of Western methods.

In other words: to impose exclusively the good practices of headquarters is tantamount to renouncing local or regional knowledge. Thus knowledge is reduced to what can be applied across many nations. While this may reduce complexity within a large firm and will enhance headquarters control, it has the effect of increasing the psychic distance between the whole organization and its markets located in culturally diverse socio-economic environments. In the long run this constraint on knowledge leveraging will give room to newly emerging competitors that can better deal with local requirements.

The scenarios we have been considering support at first glance the conviction that there can be no such thing as a single universal best practice in the cross-cultural transfer of management knowledge. While, as said before, the structure of emerging issues is similar, the symptoms and the details of confrontation and conflict are different relative to those involved in transferring, receiving, and implementing and their cultures. Furthermore, as we see in these papers, when a best practice migrates, its quality and perceived usefulness and applicability changes. It becomes something different from what was originally conceived. In utterly contrasting ways this reality was recognized by all the authors we are discussing. Since the structure of the emerging issues is similar, we, nevertheless, believe that it is possible to draw from our cases some very valuable lessons for all professionals engaged in the global transfer of management knowledge. We highlight these in the box below.

In the cases highlighted in this Special Issue there is no firm which stands as an unequivocal benchmark for other corporations regarding the global transfer of management knowledge. As with all other forms of communication there are countervailing influences, whose provenance, Promethean forms, and effects including economic consequences continually take managers by surprise. Against that, each case makes a significant contribution to the understanding and transfer of their best practice from the respective vantage point of both scholars and practitioners.

One thing is certain: in the words of the authors of the article about Siemens, planning and implementing a global knowledge management system is a long and winding path. If that provokes the question 'How long?' the safest answer we can give is: several years. We have pleasure in commendng this Special Issue to the readers of the *Academy of Management Executive*.

At the end of this introduction, we thank the authors responded to our special call and submitted papers. Many thanks go to the reviewers who provided their scholarly knowledge to assess the papers. We also want to thank the successful authors, who finally find their contributions in this special issue, for their cooperation to go with us through many rounds of sometimes painful revisions and amendments, and Elisabeth Beer and Nicholas Ruiseco for their support in administering the large number of papers and mails as they moved back and forth. Finally, we acknowledge the tremendous support of AME editor Bob Ford, who invited us to co-edit this Special Issue and with whom we developed such a very close and fruitful working relationship at every stage in the planning and preparation. Without his advice, wise judgment, and inspiration we would never have created an edition of AME, which we believe will be required reading for anyone concerned, whether as a practitioner or researcher, with the global transfer of management knowledge.

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**Lessons Learned from the Cases on Transferring Management Knowledge Globally**

1. The transfer of management know-how from any cultural base is seldom straightforward. The evidence suggests that people prefer a stepwise approach to the implementation of knowledge transfer systems.

2. The transfer of management knowledge takes time; often years. The more detailed and thorough the preparation, the less likelihood of intractable problems.

3. The transfer of management know-how requires a reduction of complexity within the firm — complexity referring to entrenched attitudes, structures and processes at corporate headquarters — and explicitly building cultural empathy into the management of international operations so as handle vagaries of specific interfaces.

4. The transfer of management know-how is heavily dependent on how the values, attitudes, competences, and personality traits enmesh with each other. Finding or developing the appropriate people can be very difficult; sometimes an impossibility. Any attempt to transfer management know-how is counterproductive if people are involved who are inappropriately qualified to handle the related cross cultural issues.

5. If the transfer of management know-how involves uniform procedures, local or regional management is likely to establish its own informal subsystems and routines.