

A DEVELOPMENT PLAN FOR AN INTERNATIONAL PARTNER NETWORK

– Case Jyväskylä Regional Development
Company Jykes Ltd.

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Tiivistelmä Tutkimuksessa tarkasteltiin Jyväskylän seudun kehittämissyhtiö Jykes Oy:n kansainvälisen kumppaniverkoston yhteistyön kehittämistä laadullisen tutkimuksen keinoin. Tavoitteena oli selvittää, millaisia kehittämistoimenpiteitä Jykesin henkilöstön mielestä pitäisi toteuttaa, jotta käytettävissä olisi hyvin toimiva ja aktiivinen kumppaniverkosto Jykesin omien asiakkaiden tarpeisiin. Jykesin asiakkaita ovat seudun yritykset ja organisaatiot, joiden kansainvälistymistä tuetaan kansainvälisen verkosto avulla. Tutkimuksen tietoperusta koostuu verkostoitumisen teorioista ja kansainvälisen yhteistyön käsitteistä. Teoreettisen tietoperustan rinnalla tutkimuksen taustatietona käytettiin Jykesissä toteutettua kansainvälisen kumppaniverkoston nykytila-analyysia. Empiirinen tutkimus toteutettiin laadullisen puolistrukturoidun haastattelun kautta. Haastatteluun valittiin 13 Jykesin työntekijää, jotka ovat päivittäisessä työssään tekemisessä asiakasyritysten ja kansainvälisen kumppaniverkoston kanssa. Tutkimuksen tuloksena syntyi viisiosainen suunnitelma kansainvälisen kumppaniverkoston kehittämiseksi. Viisi kehittämissosa-alueita ovat hallinto, riskien ja uhkien tunnistaminen, kehittäminen, hyvän kumppanuuden määrittäminen sekä ydinosaamisen tunnistaminen. Kehittämissuunnitelma koottiin ARA -verkostoitumisteorian muotoon, jolloin kehittämistoimenpiteet esiteltiin toimijoiden, resurssien ja toimintojen muodossa. Tulokset osoittivat, että kansainvälisen kumppaniverkoston kehittäminen on pitkäjänteistä työtä ja vaatii toimintoja, toimijoita ja resursseja eri osa-alueilla. Tutkimuksessa syntyneessä kehittämissuunnitelmassa nousevat esille toiminnot, jotka liittyvät yhteistyön tiivistämiseen, toimijat, joiden kautta toiminnot toteutetaan, sekä toimintoihin ja toimijoihin liittyvät taloudelliset ja henkilöresurssit. Toimenpiteiden kautta kansainvälisen kumppaniverkoston yhteistyö kehittyy ja aktivoituu asiakasyritysten hyödyksi.		
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Abstract <p>This thesis focuses on the development of cooperation inside an international partner network of Jyväskylä Regional Development Company Jykes Ltd., which was studied using a qualitative research method. The aim was to find out what kind of development activities the personnel of Jykes need to pursue in order to have a functional network with its international partners. The partner network is used to the benefit of client companies and organizations in their internationalization activities.</p> <p>Networking theories and concepts of international cooperation were used as a theoretical basis for the research. Alongside with the theory, the analysis of the current state of the international partner network conducted by Jykes in 2010 was used as background information. The empirical research was conducted as a qualitative half-structured interview. 13 employees of Jykes were selected to the sample group according to their daily cooperation with customers and international network partners.</p> <p>As a result, a development plan with five development areas was created. The five areas of development are management, risks and threats in the network, development, definition of good partnership, and recognition of core competence and competitive advantages. The development plan was presented under an ARA-network model where actors, resources and actions are all taken into consideration when planning and executing developmental operations. The results showed that international cooperation and the development of a network requires a long-term commitment, and actors, resources and actions.</p> <p>The integral developmental activities were presented in the conclusion. The activities include actors, resources and actions to be considered in the development of the network. By realizing the suggested development activities, the international partner network will be built up and activated to the benefit of the client companies and organizations.</p>		
Keywords network, international network, network cooperation, business network, regional development agency, qualitative research, half-structured interview		
Miscellaneous		

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1 INTRODUCTION

The research is part of the international partner network development at Jyväskylän Regional Development Company Jykes Ltd (later Jykes). Jykes is a regional development company owned by four municipalities in the region of Central Finland: city of Jyväskylä, municipalities of Laukaa, Muurame and Uurainen. Jykes was established in 1996 to carry out the task of economical development of the region by providing development services to companies and organizations as well as promoting a favorable business environment in the region. An international network has always been an integral part of Jykes' operations. From the very beginning, the company has had a subsidiary office in St. Petersburg, Russia and from 2004 its own representation office in Shanghai, China. In addition to its own representation offices, Jykes is an active member of several different international development associations and an active cooperation partner to several organizations and companies around the world. (See Appendix 2. Map of international partner network of Jykes.)

The role of Jykes in the cooperation with and the international partner network is to acknowledge and deliver the cooperation's added value to the customers of Jykes; small and medium sized enterprises (later SMEs) and organizations in the region of Central Finland. The operations and development of the international partner network are conducted in order to provide customers with better services, an access to international markets and to find reliable partners that can help the customers of Jykes in their internationalization and foreign business trade. Jykes works to the benefit of customers and thus, the cooperation with the partners and the development of the international network also has to fulfill this task. The following Figure 1. visualizes the cooperation structure and role of Jykes in the international cooperation. This research is targeted to contribute to the development of cooperation between Jykes and its partners in the international partner network. This cooperation is illustrated in the upper part of Figure 1.

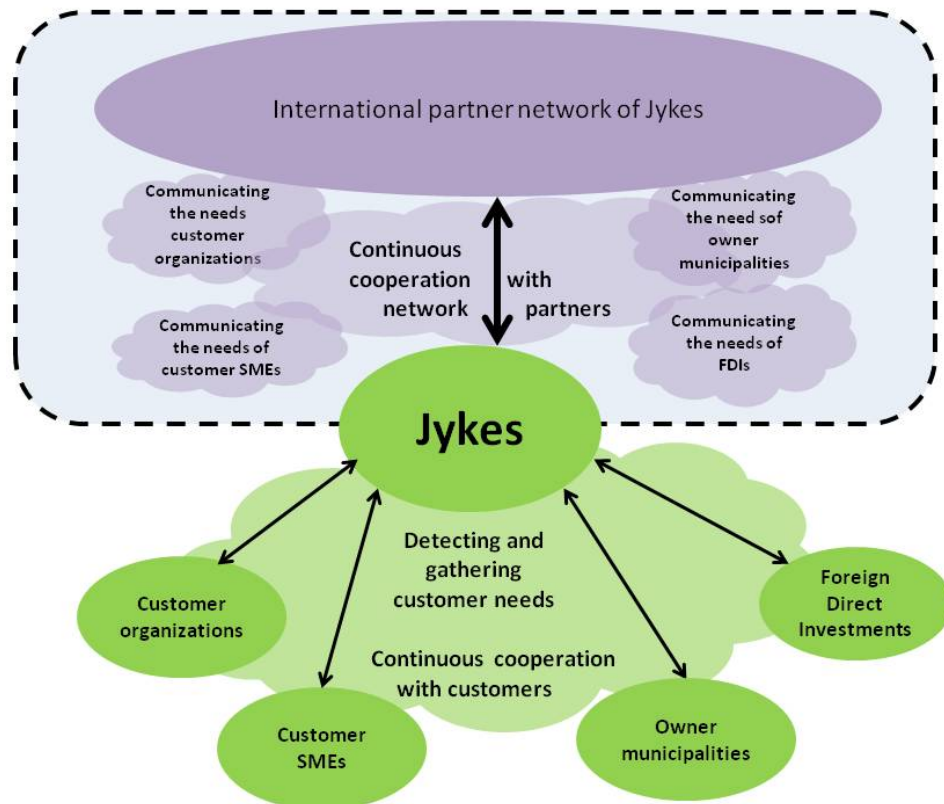


FIGURE 1. Cooperation framework of Jykes

The aim of this research is to continue the development started at Jykes in 2010 with the international partner network. In 2010 the current state analysis of the international partnerships was surveyed by the author and her colleague at Jykes international services (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010). This study is to result in a plan to create a plan on how the international partner network can be developed and what kinds of actors, resources and actions are needed order to better serve the customers of Jykes and provide information on international markets and internationalization for customers.

The research aims at improving the functionality and utilization of the international partner network. The added value or the benefit of doing the research will be a practical plan of development. The aim is that the findings of the research are utilized in concrete development work.

The research is conducted as part of the development plan at Jykes, and it will contribute new information to the building up of international relationships and partner search. The research provides practical information on the development needs and development wishes of Jykes towards international partnerships. The topic of the research has been thoroughly discussed with the commissioner at Jykes in order to gain the maximum benefits and added value to the continued development work started in 2010. The core of the research is made up of the analysis of the operations of the international partner network, which are an analysis of the current state (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010) and the interviews of personnel of Jykes. The persons selected as interviewees or the sample group of the research, are those who are in a direct daily contact with the customers and partners of the international partner network of Jykes. The Interviewees were selected together with the commissioner of the research, the personnel of the international services of Jykes.

The research is solely targeted to be a development plan the of international partner network of one organization that is Jykes. The theoretical part, networking theories and international cooperation theories could be used as background information in the development of partnerships and networks in other organizations, but the conclusions and research information apply to Jykes only.

2 RESEARCH PROBLEM, STRATEGY AND METHOD

In this chapter are described the research questions identified with the commissioner of the research. The strategy why this kind of research has been made and the methodology of the research are also described in this chapter.

2.1 Research problem

The aim of the research is to create a practical plan for the development of the international partner network of Jykes. The aim is to give suggestions and tools upon which development could be conducted. The plan for the development of international network is based on actors, resources and actions that should be committed within Jykes to the development of the international partner network. The research problem is tight to a theoretical framework of networking created by Håkansson and Johansson in 1992. The model of networking by Håkansson and Johansson is called the ARA-Model. (Håkansson et all. 2009, 33.) The ARA-model of networking is used to analyze and present the development ideas detected from the interviews of the sample group. The sample group was interviewed according to a half-structured interview formulated by the author in order to find the needed development factors of actors, resources and actions in all development areas detected from the interview data. The questionnaire used in interviews was developed by the author from an online questionnaire tool developed for SMEs seeking to have international cooperation and network development.

Jykes is a publicly owned regional economic developer, which aim is to offer services and advice to companies and organizations, mainly SMEs. The services and advice are given at all stages of the SMEs' life cycle. In this research the focus is on the development of international services and interest groups around internationalization.

In internationalization partnerships and cooperation networks are a vital tool to have successful business development. According to Toiviainen (2006, 10) the financial recession in 1990's encouraged Finnish companies and organizations to look for new forms of cooperation. Networking aims to enhance the competitiveness of companies by creating new business opportunities especially in international markets, which often are of high threshold for SMEs (Toiviainen, 2006, 10).

In this research the aim is to find within the organization the actors, resources and actions that need to be taken into account in development of international partner network. The aim is to create a development plan for Jykes by utilizing the expertise and knowledge of employees of Jykes as well as previous development actions of partner network and networking theories.

2.2 Research sample, method and strategy

According to Hirsjärvi, Remes and Sajavaara (2000, 120), a research strategy describes the big-picture of the methodological approach in the study. The research problem is the starting point for the research strategy, which validates the use of data and how it should be analyzed (Uusitalo, 1995, 50).

This research was conducted as a qualitative research in order to find out what kinds actors, resources and actions are needed in the development of and operational international partner network. According to Eriksson and Kovalainen (2008, 4-5), qualitative research is equivalent to the understanding of reality as socially constructed and many qualitative studies are seen as interpretations of phenomena. This also applies to the present research. The aim was not to conduct a basic or scientific research, but to understand what kinds development views the employees of Jykes have on the development of the international partner network in benefit of Jykes' customers that are SMEs and organizations of the region of Central Finland. Qualitative research is relevant when prior insights of the phenomenon researched are

modest (Ghauri and Grønhaug, 2005, 202). Ghauri and Grønhaug (2005, 202), go on by stating, that qualitative research tends to be exploratory and flexible because of unstructured problems.

In the research, the views of 13 employees of Jykes are scrutinized on the development needs of the international partner network of Jykes. The aim of the research is to record the opinions of the Jykes' employees on issues related to building and developing the international partner network. Based on the opinions of the interviewed employees, the aim is to formulate a development plan for the current international partner network. Since the research was commissioned by Jykes, it is justifiable to concentrate on creating development plan for the purposes of Jykes only.

The 13 employees were selected according to their tasks at the company. All of the interviewed persons hold a position, in which they are directly in contact and in cooperation with the SMEs and organizations that are customers of Jykes. All the interviewees are as well directly or in-directly involved in the international operations of Jykes. A survey conducted by the international services of Jykes in fall 2010 on the current international partner network is utilized as background information. The result of the survey clearly revealed that development of the current network is needed (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010.) This has been the inspiration to conduct the research at hand.

As data a collection tool and research method, a half structured interview is used in this research. According to Uusitalo (1995, 92), interviews are used as data collection tools when opinions, attitudes and ideologies of interviewees are collected. Interviews are a tool to record how the interviewees perceive the subject being researched (Uusitalo, 1995, 92).

The interviews were conducted as half structured interviews. According to Hirsjärvi and Hurme (2000, 47), a half structured interview is in-between structured and unstructured interview. In the half structured interview, the questions are the same for each interviewee, but the interviewees are allowed to answer them in their own

words (Eskola and Suoranta, 2000, 86). In the half structured interview, according to Hirsjärvi and Hurme (2000, 47), some parts of the interview are pre-set, but not all. The half structured interview was flexible enough to collect data on interviewees' own perspectives, but strict enough to collect valuable and valid data.

The half-structured interviews were conducted during April and August 2011. The interview form was finalized before the interviews were conducted in cooperation with representatives of Jykes' international services. The interview form was modified according to an on-line questionnaire tool developed by the VELI (networking business) –project (2006-2007), a project realized by Savonia University of Applied Sciences, University of Kuopio, VTT and Itä-Suomi State Provincial Office and part-financed by the European Union Social Fund. The questionnaire was modified in March and April 2011. The network development questionnaire tool developed by the VELI-project is targeted to SMEs that are developing their networks and relationships. Thus, the questionnaire form could not be used as such, and some modifications were needed in order to have a suitable questionnaire in order to develop the international network of Jykes. The reason for these modifications is due to the fact that Jykes being a non-profit, publicly owned company aiming to develop its cooperation network in which the majority of relations are based on voluntariness without financial contributions or attachments. The modifications to the questionnaire were discussed with the representatives of commissioner of the research, the Jykes international services. The modifications were made to present questions that will provide information on the three development factors presented in the research problem: actors, resources and actions related to the network development.

The interviewees were asked the questions at the interviews, and the data was recorded in a written form by the researcher during the interviews. The interviewer proof-read and typed the answers after the interviews and sent the answers to the interviewees in order for them to confirm that the data had been recorded right. The interviewees were allowed to correct mistakes or wrongly recorded answers and add the information to the answers they thought relevant. This method of collecting and recording data in a written form was used by Pirjo Takanen-Köperlich (2008, 61) in

her doctoral dissertation. Takanen-Köperlich (2008, 61) validates the use of this form of data recording because data can be easily commented on and corrected by the informants or interviewees. While collecting data in this manner, the interviewer can be sure that the recorded data is approved and validated by the interviewees. This also ensures the validity of the research material. (Takanen-Köperlich, 2008, 61.)

The data collection and organization of the interviews did not cause problems because all interviewees are working in the same organization. Even though all the interviews were easily organized and suitable interview times were found, it was also important to motivate the interviewees for the interview. If the interviewees and the interviewer are not motivated, the results of the interviews are not valid, and the data recording and collecting will not be successful. (Eskola and Vastamäki, 2001, 37.)

2.3 Analysis methods

Before the analysis of the research material, all the interviews were proof-read and typed as well as confirmed by the interviewees. The interviews were recorded in a written form. Each interview produced 6 to 11 pages of material per interview. The materials were cross-analyzed to find the actors, resources and actions needed in the development of the network and to find the common views upon which the development plan could be constructed. Grouping the answers under similar topics helped the author to form hierarchies from the answers. The hierarchy helped the author to keep things in order, constituted the analysis of the data and helped in ranging the analyzed data. (Gibbs 2007, 73.)

The result of the research was a practical development plan of the international network. The aim was to provide the personnel of Jykes with a plan that can be put to use and start the development of the network. Since the research was a practical plan of development, the research could be seen more as a development work and not as a theoretical research.

The material for the research was gathered in the interviews. Since, the research was qualitative and constraint to only one organization the sample group was limited to selected employees of Jykes. In the research the interviewed employees were the persons who are directly or in-directly working with the internationalization and partner network as well as with development of the customers. The number of interviewees was 13 of which nine were women and four were men.

The results of the research were presented as a plan of activities that should be taken in order to conduct the development of the international partner network. The development plan was aimed to be very practical and should include tools and suggestions on how the development activities could be carried out. The aim was as well to include visual elements such as charts and figures to visualize the network development and different operators in it. The development of the network is aimed to be started and carried as soon as the research is finished. The most important part of the research is conclusions where the activities for development are presented.

2.4 Reliability of the research

The research was confined to Jykes, as Jykes has commissioned the work. In the theoretical analysis networking, partnership and business development theories were studied and reviewed, but the research part was confined to Jykes. The selected employees of Jykes were interviewed in order to find their views on the international partner network and on which direction the development of the network should be conducted. Jykes was selected to be the research target due to it being the author's current place of employment.

The research method used was half-structured interview. The method was selected due to a need to conduct qualitative interview where the interviewees are allowed to openly express their ideas and thoughts on the matter at hand, but still steer the interviewees towards the results that give input to the development work. All of the

interviewees answered to the same set of questions in order to create comparable data. The answers were written down and documented by the author during the interviews and proof-read and typed after the interviews. The interviewees were allowed to read, comment, correct and add information to the answers after interviews. The interviewees were encouraged not to change the answers too much in order to document the first answers and reactions. By allowing the interviewees to read, comment and correct the answers, the validity of the answers was accredited.

As the research was qualitative and conducted only for one organization, it cannot be compared as such to another organization's development needs. There might not be similar data to which to compare the results. The reliability of the research relies on the interviewees' honesty and to the interviewer's critical analysis of the interview results. The interviewer has to gather the answers and the data according to the pre-set interview form and not change the interview form or questions during the process. In order to collect reliable data, interviewer has to document all the answers given by the interviewees. Since the interviewees had the chance to review their answers after the interview, the chance of documentation error was avoided. This qualitative research method relied heavily its reliability on the researcher's ability to analyze and report the findings as they were presented and enhance the results with theoretical data and her own knowledge on the topic being researched.

3 BUSINESS NETWORKS

The international network of Jykes is one of the most important tools of cooperation in Jykes. To get a better understanding of the role of the network in business cooperation, in this chapter is described the reason why and how business network operated and what kinds of organizations or businesses are involved in networks.

3.1 What are business networks?

In today's business, networks are a thoroughly discussed and researched phenomenon. There are many reasons for this, but the most important is globalization and the high degree of specialization of companies in their core competencies. More and more companies and organizations are operating in partnership networks where everything outside their core competence to network partners. (Rajahonka, Svanh, Tinnilä and Valtakari, 2006, 7.) Business networks, according to Rajahonka et al. (2006, 7) offer joint value propositions as well as build multichannel and multi-owned distribution networks and utilize different kinds of income flows.

According to Lehto and Valkokari (2003, 4), the main reason for building partnerships and business networks is to allow companies to focus on their core business.

Through networks, companies are able to diversify their customer segments and create new business opportunities (Lehto and Valkokari, 2003, 4).

Networks are the form of organization today. Networks can be defined to be formed by two or more organizations having a long-term relationship, which is an unbound and constantly changing and developing unit. Companies and organizations belonging to the network do business together in order to enhance their competitive advantages. (Toivola, 2006, 22.)

Networks are entities formed by the actors in them. Every network has to be tailored according to its needs. Global actors operate in worldwide networks, while small organizations are dependent on smaller networks within the area of their operations. The aim of a business network is to enhance the growth of its member organizations. In order to benefit and gain growth from being an operator in a business network, one has to have the know-how to utilize the network strategically. (Niemelä, 2002, 25.) According to Niemelä (2002, 25), knowledge and understanding of information technology solutions is the core prerequisite of operating effectively in business networks.

In this research network is perceived as a unit formed by several organizations, while the key actor of the network in this case is Jykes. Since Jykes is a publicly owned, non-profit making organization, the goal of Jykes in networking and developing the network is not to gain profits or market growth. The aim is to gain valuable partners and operative partnerships in order to produce the above mentioned benefits to its own customers that are the SMEs and organizations in Jyväskylä region and in the region of Central Finland.

Hughes (2003) describes the business network being like a fish net: essentially business networking is the same as a fish net; by interconnecting with other businesses each one increases its ability to catch prospective clients. Networks are like a chain of interconnected persons'. According to Hughes (2003), business networking simply means recognising a normal process as a useful tool.

3.2 Who operates in business networks?

According to Todeva (2006, 77) business networks are made up of heterogeneous organizational and human actors, and cultural artifacts operating in dyadic relationships driven by the individual needs and aspirations of the actors. The emphasis of human-actors in networks is evident. Technologies and industrial standards may de-

termine the network strategies, but human-actors are the ones who make a network operational and successful or unsuccessful (Todeva, 2006, 78).

The cooperation in a network is based on voluntariness and common reliance among the actors. All the members or actors inside the network should benefit from the operations of the network. (Lehto and Valkokari, 2003, 4.)

The main reason for any organization to operate in a business network is to gain some benefit from the operation. When the business relationship continues to be favorable to all the parties involved, the business relationship becomes stable. The continuity of the relationship is important to all the parties in order to maintain and develop the business relationship, and gain benefits and utilize the relationship. (Håkansson et al. 2009, 18.)

According to Lehto and Valkokari (2003, 8), in strategic business networks there exists usually a center organization, around which the partnership network is formed. The role of the center organization is to create the business network as well as maintain and develop the business network (Lehto and Valkokari, 2003, 8).

The role of Jykes in its international partner network is that of a developer and maintainer of business relationships and an active network. The partners of the international network of Jykes represent different kinds of operators and have been categorized to authorities, chambers of commerce, corporate lawyers, development agencies, embassies and consulates, financing operators, market researchers, translation offices, recruiting offices and others. In addition to the above mentioned organizations Jykes has close connections to the representative offices of Jykes in Shanghai, China and St. Petersburg, Russia as well as former representative, now operating as an independent consultant in Poland. All the operators in the international partner network of Jykes are involved in the network on a voluntary basis and the aim of the cooperation is to find and provide mutual benefit that can be utilized by customers of network partners.

3.3 Why businesses operate in networks?

Business networks are organization form utilized highly at this day and age. According to Lehto and Valkokari (2003, 4), the core reason for companies to form business networks is to seek competitive advantage on the market. Utilization of new technologies and knowledge over the organizational boundaries, the scale advantages and the sharing of risks are reasons for the strategic partnerships and the networking (Lehto and Valkokari, 2003, 6).

The globalization, the constant change of markets and the technological development have altered the competitive market and enhanced the business networking. Due to changes in the business and the market competition, companies and organizations are seeking for new forms of competitive advantages by developing and creating new and innovative business models to differentiate from competitors. (Rajahonka, Svanh, Tinnilä and Valtakari, 2006, 11.) According to Rajahonka et al. (2006, 11), there are three different drivers of networking:

1. changes in operational environment including globalization,
2. changes in organization of operations including the formation on totally new system provider level, and
3. changes at the micro level including the aim to improve the competitiveness of companies and organizations.

Networking is a process, where businesses and organizations part of the network join their knowledge and expertise to a value creating cooperation (Hakanen, Heinonen and Sipilä, 2007, 77). Interaction of companies and organizations in a network is a central economic process. Empirical studies have showed that interaction between the companies creates substance. Interaction in a network always affects the resources and people involved and thus, creates benefits that no company or organization can disregard. (Håkansson et al. 2009, 27-28.)

Building a business network is a long-span process where disregarding the competitive arrangement, enhancing and sharpening the core competencies, and deepening the cooperation with complementary cooperation partners requires adaption of new ways of thinking and developing business (Lehto and Valkokari, 2003, 12). According to Goerzen (2005, 38-39), often the alliance network of businesses and organizations is the product of an effort to reduce the uncertainty, to exploit power between organizations, and to assemble complex skills and resources.

Goerzen's claim is certainly true when building and developing the international partner network of Jykes. The aim is to develop the network to be such that exploitation of skills and expertise as well as resources and avoiding uncertainties in operations is a mutual benefit and a result of joint actions. Jykes is aiming to have an active cooperation network where parties are reliable and willing to cooperate in benefit of the customers of Jykes.

3.4 How businesses operate in networks?

Networking is a process, where companies and organizations join their knowledge, expertise and values to increase the added value in cooperation (Hakanen, Heinonen and Sipilä, 2007, 77). Networking is often a strategic partnership, where cooperation is deeper and multifaceted. The core of a good network is both-sided trust. Networking always aims to long-term enhancement of the competitive advantages of all the partners in the network. (Toivola, 2006, 17.)

The key of the operating in business networks is connected to the core business of the companies and organizations. Networking is not such purchasing or supplying any service or product, but the cooperation has to be more intense and deeper, and there exists many levels on this kind of cooperation. (Teollisuus ja Työnantajat, 2003, 6.)

According to Håkansson et al. (2009, 93), activities bring the life to business networks. The activities in a network are both part of the network process as well as the outcome of the network. The activities are interdependent. Even if companies or organizations operating in the networks seem to do some parts of the activities on their own, these activities still affect the outcomes and the operations of the network. Each activity by the network partners forms a pattern to the process that stretches across the network. (Håkansson et al. 2009, 93.)

Organization principles of the networks derive from the social nature of human actors that form the collectivities of interacting entities. Networks are such collectivities of actors where the activities are coordinated and the interactions are organized. The main questions in forming a network are

- what brings these organizations together,
- what are the motivations for cooperation,
- how the cooperation need and intentions can be communicated in the network, and
- what rules and consumptions there exist. (Goerzen, 2006, 143.)

According to Lehto and Valkokari (2003, 4), the cooperation between companies and organizations extends to many different vital business areas such as research and development, marketing and even to using mutual human resources.

Business networks can be formulated into different levels. Lehto and Valkokari (2003, 7), use industry example where the forms of subcontracting are divided into four levels:

1. tendering of subcontractors,
2. cooperation,
3. partnership, and

4. strategic business network.

This kind of leveling can be used in determining the activities of the business network. The levels of cooperation are described in more detail in the following Chart 1. The chart is a modification from Lehto and Valkokari (2003, 7).

CHART 1. Levels of subcontracting

(Modification of Lehto and Valkokari, 2003, 7.)

Subcontracting level	Quality	Delivery method	Development of product and technology	Criteria for supplier
1. Tendering of subcontractors	Product manufactured and inspected	Order and delivery case-by-case	Responsibility of client	Price
2. Cooperation	Development of physical quality	Designed	Product development together	Inclusive price
3. Partnership	Development operational quality	Systematic	Cooperation in product development	Speed
4. Strategic business network	Development of quality of operations	Automatic	Cooperation in product development	Development potential

Lehto and Valkokari (2003, 8), describe that the strategic networks share common development programs and common vision for the development. The strategic networks can be considered to be a model of learning and an effective network. In the development of such network capability to innovate, flexibility of operations and common values are emphasized. At this level the cooperation is no longer bilateral but multilateral.

In the strategic network the driving force are the customer and their need to develop. The emphasis is on the competitive advantage of the network instead of individual companies. Forming and managing a strategic network requires new forms of strategic capabilities as well as trust and openness between the partners. Even wider and multilayered network relations require organizational changes in the entire organization. The strategic network requires innovativeness, common values and flexibility. (Lehto and Valkokari, 2003, 9.)

The ARA-model of business network levels or layers introduced by Håkansson and Johansson in 1992 (Håkansson et al. 2009, 33), provides a framework of the process and the outcomes of interaction in the business networks. The levels in the business network cooperation are

1. actors,
2. resources and,
3. actions.

The model suggests that each of these levels is inter-connected and affect and is affected by each other. The constellation of the resources, the pattern of activities and the web of actors in the wider network create a circle of inter-connection. (Ford et al. 1.9.2011.)

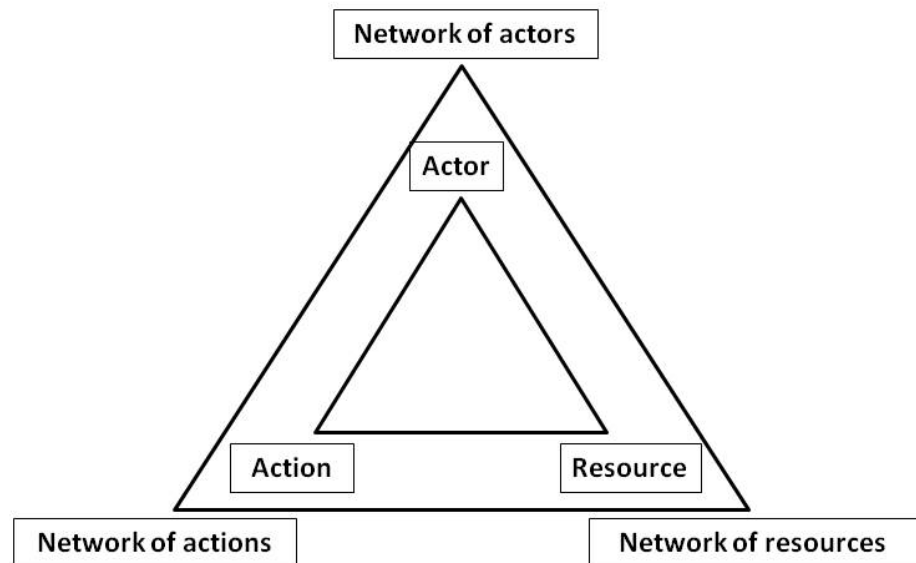


FIGURE 2. ARA-Model: Basic structure of business network
(Håkansson et al. 2009, 33-34) (Ford et al. 11.9.2011.)(Rautvuori, M. 2010, 29.)

The above described ARA-model of networking is used in the research as basis for the analysis of the interview data and the development plan of the international partner network of Jykes. The research materials are grouped according to the ARA-model under five development themes detected from the interviews.

4 JYKES' INTERNATIONAL PARTNER NETWORK

This chapter describes the international partner network of Jykes. The current state of the network is presented according to the survey conducted in fall 2010 by Jykes' international services (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010). The development need for the international partner network is presented according to the development needs gathered from the interviews in spring and late summer 2011.

4.1 Current state of the international partner network

In fall 2010 the international services of Jykes decided to find out what kinds of the cooperation partners of the current international network would like to have with Jykes. An on-line survey was planned in cooperation with the personnel of international services of Jykes. The online survey was sent by e-mail to all the partners of Jykes international services. The survey was sent to 113 contact persons in the network. The partner network includes participants from 32 countries. The international partners of Jykes represent organizations such as authorities, chambers of commerce, corporate lawyers, development agencies, embassies and consulates, financing organizations, market researchers, translation and recruiting offices. By the due date of the survey 36 partners had given their answers. The geographical coverage of the answers was quite high. Answers were given by partners from eleven European Union countries, China, Russia, USA, India and Romania. (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010.)

In the survey, international partners were asked to give their views on different kinds of cooperation that could be realized through the network. The partners were asked which services of Jykes they found interesting. The services that the partners found interesting were contacts with companies, contacts with other regional development

agencies, cooperation and development of business clusters, contacts to research and development organizations, and information on public tenders. International partners were asked to list the services they currently provide for their own customers. The services provided by the partners are new project ideas, business contacts, market information and market research services, organization of business trips and study visits, and cooperation networks in respective countries. The partners also listed the services they could offer to Jykes' customers. The services that could be offered to Jykes' customers are business contacts, business trips and study visits, joint project development, research and development cooperation, and market information and research services. (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010.)

To be able to target and narrow the cooperation, the partners were asked to list interesting business sectors and clusters from their own point of view. These turned out to be the interesting sectors: energy, research and development, ICT and technology, education, and health and wellness sector. Partners listed the most interesting partnering possibilities to be companies, research and development organizations, joint venture possibilities, importers, and subcontractors. For international cooperation, partners were looking for companies, development agencies, research and development organizations, as well as educational institutions. (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010.)

The network partners are also interested in joint activities and information exchange. The most interesting cooperation forms listed were organization of common events such as matchmaking of companies, business trips and study visits, and sharing market information. The common communication and information exchange was also seen as an interesting operation by network partners in the form of sharing business contacts, providing e-newsletters and e-event calendars, sharing market information and forwarding information of public tenders. (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010.)

4.2 Development need and goal

The current state analysis of the Jykes' international partner network showed that partners were looking for more concrete and tangible cooperation (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd., International services, 2010). In order to reply to the demand of the international partner network, Jykes' international services decided that it would be good to revise and create a development plan on how the international partner network could be utilized better in the future. The first aim was to find out what kind of development needs employees inside Jykes had in order to start constructing the development plan. The research at hand tackles with the inside needs on development of the international partner network of Jykes. The research was limited to the needs of Jykes since the aim was to find what kind of actors, resources and actions within Jykes are needed and should be committed to the development of the international partner network and the activities required in the development.

From the Jykes' point of view the development of the international partner network was similar to the list presented by Valkokari (8.6.2010), where the aim for network development is

1. finding new opportunities,
2. expanding market-areas,
3. joining resources and skills,
4. offering more varied services to customers, and
5. joining new business sectors to cooperate with each other.

According to Valkokari (8.10.2010), the corner stones' of networking are

1. transparency: the network and its goals should be examined from perspective of all partners if the aim is to create development paths,

2. coordination: the systematic development of network requires committed actors,
3. linkage: all partners have to be aware of linkages inside the network and,
4. openness and communication: recognition of changes and need for changes inside the network.

Valkokari's list of corner stones was used as basis of the development of the Jykes' international network. The aim in the development was to create more operative and open network that could be utilized by the personnel of Jykes, the customers of Jykes as well as the network partners themselves.

The aim of the research was to find out within the organization the role of Jykes in the international partner network: what is the role, what the strengths are and how strengths can be reinforced. The aim was also to find out how the competitiveness and the competitive advantages of the network could be supported by the actors, the resources and the activities. The aim of the over all development of the network was to assess the core partners and to deepen the cooperation with them in order to create concrete and tangible actions.

In order to start the development of the network, the organization's own aspirations needed to be summoned. The research at hand examines the development of the international partner network from its early stages when the organization seeking for development is determining its own aspirations for development. The development questions were modified from an on-line questionnaire tool developed by the VELI (networking business)–project (2006-2007). The areas of questions are collected to the following Figure 3. The development areas are presented in six different categories and supported by the opinions of interviewees on six subjects presented in the figures outside the network structure. The need of the development is constructed under the development themes presented as parts of the international partner network.

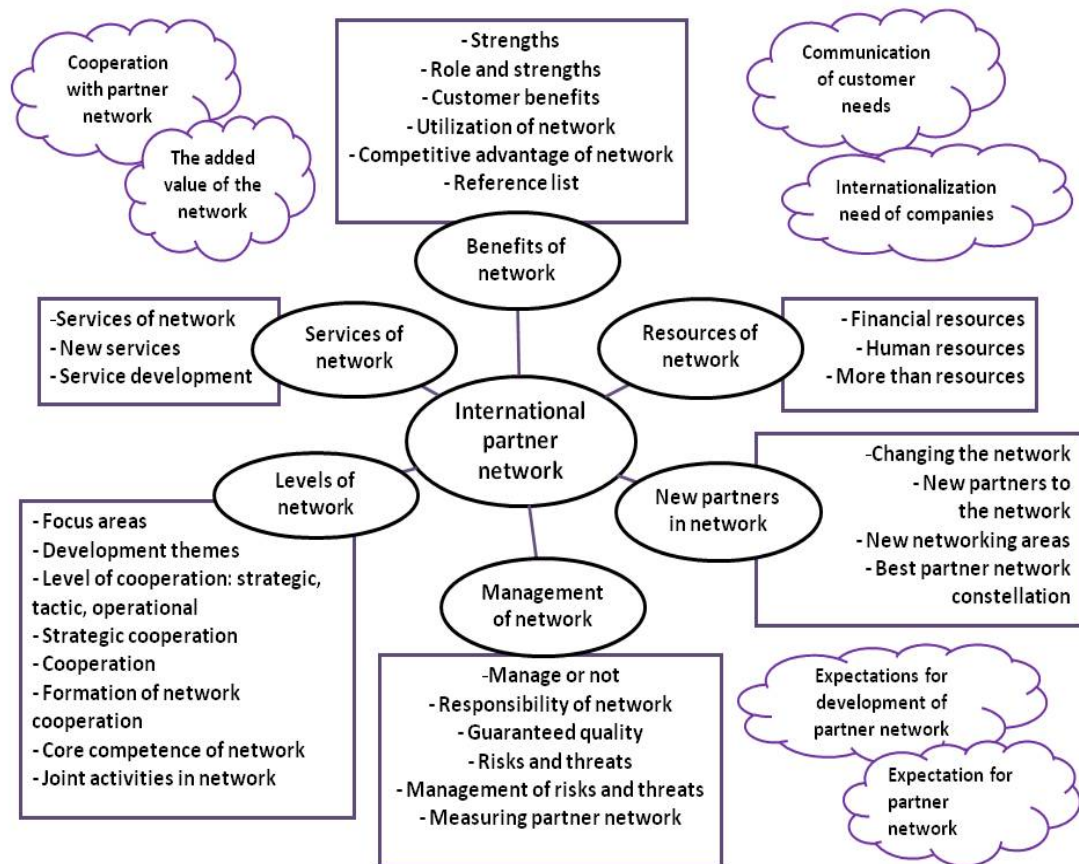


FIGURE 3. Development map of Jykes' international partner network

At the very beginning of each interview session the interviewees were asked whether they know the international partner network of Jykes. Seven interviewees said that they know the partner network and operators in it well or fairly well. The impression of the interviewees was that they know the network to some extent, but there is always room for improvement.

Three of the interviewees said that they have some knowledge of the partner network, but due to the broadness of the network, it is quite hard to know the partners well. Three of the interviewees stated that they do not know the international partner network and the operators in it very well, but are keen to learn and get acquainted with the network partners.

The interview sessions were continued with the interviewees determining the need of the change of the international partner network of Jykes. Ten out of thirteen in-

interviewees said that change is necessary. Two interviewees said that they do not know the network well enough to say whether changes are needed. Only one interviewee saw that there is no need to change the network if the strategic focus is not changed.

The necessity of the change has been stated by the interviewees because the business environment is constantly changing, the network has to be changed accordingly. One interviewee stated that in order to develop there has to be transformation and change. According to him the focal business development areas or clusters determined by the region are the driving force behind the development and the change of the international network as well.

The change of the network means according to five interviewees adding new partners from new countries and new organizations to the network. "The network has to be changed and new operators have to be sought. The new operators can be associations, societies or organizations" suggested one interviewee. She went on stating that in order to keep the network comprehensive, different kind of organization need to be involved.

In order to have an effective and value adding network, the need and demand of the customers has to be kept in mind. Four interviewees said that the development of the network has to be planned according to the customer needs. "We should be looking for such contacts and partners that bring added value to the customers and that are of concrete use" stated one interviewee.

Three interviewees brought up the fact that the current network could be changed by deepening and widening the cooperation and by having an active communication between the partners. "Maintaining the network is not free of charge, so the current network should be utilized better. There exists a lot of expertise and potential in the current network, which is not yet systematically utilized", reminded one interviewee.

At the end of each interview session the interviewees were asked to give their opinion on the added values the network brings. Six of the interviewees saw that the

network has added value in bringing new information and knowledge from the international markets. The knowledge can be easily forwarded to the companies and utilized in internationalization in the companies.

Four interviewees saw the added value being easier and quicker path for internationalization for the companies. The network partners can offer reliable information from their respective regions and offer right contacts to the companies.

Three interviewees saw the network as genuine added resources. One of them stated that "in the service networks, the service offerings are more qualitative and effective as well as cost effective than in operating alone". The wider service offering can be utilized by the companies and by Jykes in the development of its own services.

Two interviewees reminded that due to the globalization, the domestic markets are not enough anymore for business operations. According to one interviewee "domestic operators are all the time on international markets and competition is international". Another interviewee reminded that Finland and the region of Central Finland is seeking to increase the value of export income and international networks are a vital part in this development. "We need international partners and internationalization operations" he stated. A third interviewee reminded that since Jykes has the leading role in the cluster development in Central Finland, Jykes needs to have good domestic and international networks. She said that "through these networks we can offer better growth possibilities to the companies".

5 DEVELOPMENT PLAN FOR THE INTERNATIONAL PARTNER NETWORK

This chapter deals with the analyzed results of the interviews of the sample group members. The results are analyzed and grouped according to the ARA-model described earlier in chapter 3.4.

5.1 Selection of interviewees

The interviewees were selected according to their tasks in Jykes. The personnel interviewed are the persons who are directly or indirectly working with the internationalization and the partner network development and are in daily contact with customers of Jykes. The persons were selected after a discussion with the representative of the commissioner of the research in order to collect the answers and opinions from Jykes with as wide a perspective as possible. The thirteen members of personnel selected were interviewed according to the half structured interview form modified and developed by the author. Nine of the interviewees were women and four men.

5.2 Interview questions

The interview form was developed according to the network development questionnaire tool developed and presented by the VELI (networking business)–project (2006–2007). The questionnaire by the VELI-project was targeted to SMEs. Thus, some modifications were needed. The questions picked from the questionnaire tool by VELI-project were modified to suite the purposes of non-profit organization which aim is to develop the network on a voluntary basis and to the mutual benefit of all the net-

work partners. The modified questionnaire was thoroughly examined in cooperation with a representative of the commissioner of the research before starting the interview round.

The interviewee questions were grouped into six interview categories and one category were interviewees gave their own opinions of and aspirations for the development of the international partner network. The six interview categories are:

1. benefits of network,
2. resources of network,
3. new network partners,
4. management of network,
5. levels of network, and
6. services of network.

In the seventh category interviewees were asked to give their views and opinions on the following topics:

1. added value to the network,
2. communication of customer need,
3. internationalization need of companies,
4. expectation for partner network,
5. expectations for development of partner network, and
6. cooperation with partner network

The above mentioned interview categories provide information for the ARA-model of networking that is used in making the plan of development for the international partner network. In the following chapter the interviews are cross-analyzed according to the ARA-model. The cross-analysis of the interview data points out the development of actors, resources and actions that are needed in the development of Jykes' international partner network.

5.3 Cross-analysis of data according to ARA-model

In the cross-analysis of the interview data, the answers are all gathered together under the development themes grouped according to the ARA-model. The ARA-model was introduced by Håkansson and Johansson in 1992 (Håkansson et al. 2009, 33). The ARA-model provides a framework for the process and outcomes of interactions in business networks. The levels of interactions in the ARA-model are

1. actors,
2. actions, and
3. resources.

As mentioned earlier, the ARA-model suggests that each level of the network is interconnected and affected by each other. The constellation of these three factors in the wider network creates a circle of interconnection. (Ford et al. 11.9.2011.)

The ARA-model is used to group the development themes pointed out by the interviewees in the interview categories introduced in the previous chapter. The development tasks for Jykes' international partner network are divided into five different ARA-models according to the development areas shown by the interview data. The ARA-models are presented in following Figure 4.

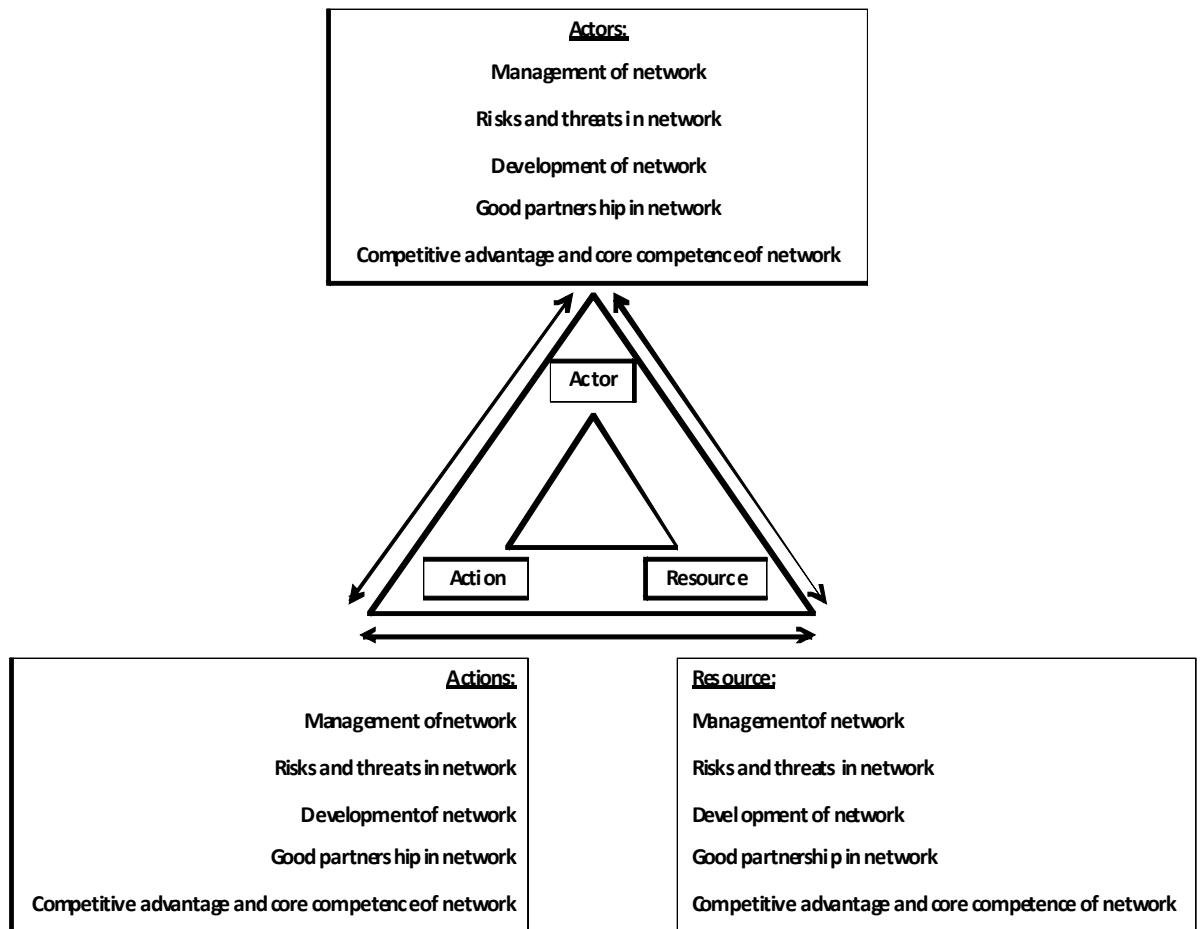


FIGURE 2. ARA-model: Development areas of Jykes international partner network. Modification of ARA-Model by Håkansson and Johansson 1992 (Håkansson et al. 2009, 33-34)

The three development areas of the ARA-model, actors, resources and actions are all include to the five development areas detected from the interviews of the sample group. The Figure 4. illustrates the development areas in which the ARA-model development factors are taken into account.

Below, each development area has been opened into separate ARA-models for a deeper analysis of the interview data and suggestions for development activities. The whole development ideology of the international partner network of Jykes was well summarized by one interviewee, who said that “the networking effort should be

shown by an increase in the business activities in companies". She continued by stating that "the role of Jykes is to be the link between companies, decision makers, educational institutions and other operators and in this cross-organizational cooperation we have lot to do and learn". Three other interviewees backed up the above company driven approach by saying that the need for new partnerships is developed from the need of companies: where companies need to go, Jykes can find partners from.

5.3.1 The ARA-Model for the management of the network

In the ARA-model for management of network are presented those management factors that should be taken into account in the management of the international partner network according to the interviewees. The management is seen as corner stone of development. According to Håkansson, et al. (2009, 183) there is room and need for management in all networks. Management is important at least in two ways:

1. lot of management has to take place to have active and operational network, and
2. interdependencies, relationships and networks need to be influenced by management. (Håkansson, et al. 2009, 184.)

The interviewees were asked to give their opinion on the how international partner network could be managed and widened in the future. Seven interviewees reminded that the management and maintaining the network requires resources and personal skills. The prioritization and resourcing are important factors when developing the network. "The network needs concrete goals, appointed responsibilities and resources. If there are no clear goals, the operations are random" said one interviewee.

According to the analysis of the interview data, the following actors, resources and actions need to be taken into consideration when planning and executing the management of the Jykes' international partner network. In addition measuring of the network and activities of the network has been described as the integral part of the

management. The actors, resources and actions needed in the measuring are described at the end of this chapter.

ACTORS AFFECTING THE MANAGEMENT OF THE NETWORK

- Add new partners to network
 - new countries
 - new organizations
- Development of network according to customer needs
 - contacts and partners bring added value to customer companies and are of concrete use
- Deepen and widen the cooperation with current partners: Active communication on expertise and knowledge inside partner network

The operations in the network are based on trust among the partners. “If one wants to manage the network, one has to create trust among the partners: we need to know our partners better and find mutual operations” stated one interviewee. “The added value of the network comes from the cooperation and joint actions” said another interviewee.

RESOURCES NEEDED IN THE MANAGEMENT OF THE NETWORK

- Financial resources
 - Basic funding for development and maintaining international network assigned in the budget of Jykes
 - resources appointed to activities that maintain the partner network: personnel costs, travel costs, costs from organization of events and meetings
 - External financing derived from EU-projects: projects realized together with partners from the network
 - Funding from customer companies utilizing the network and participating in activities of network

- Human resources
 - Jykes wide understanding and involvement of personnel
 - network is a tool utilized by the whole organization
 - networking is included in everyone's job description
 - Appointed person at Jykes in charge of development
 - one contact person that coordinates and plans the development of network and feeds new incentives to the organization and to the network
 - Persons in Jykes operating at interface of customers are involved in cooperation with network partners
 - Cooperation groups with members from different sectors formed on case-by-case basis

In order to develop the international cooperation and the network, financial and human resources are required. As one of the interviewees stated "if there was plenty of money, we could do all sorts of things". An interviewee reminded that "the resources might be difficult to target, but resources are needed in order to keep the international partner network". Another mentioned that "it is important to allocate both human and financial resources to the development and maintaining of the international partner network".

ACTIONS TO BE TAKEN IN THE MANAGEMENT OF THE NETWORK

- Active communication with network partners
- Open-book-policy in cooperation
- Common rules for cooperation in network
- Create win-win opportunities inside the network
- Training for personnel on how to operate in international networks

- Creating quality and reliability in the partner network
 - Realizing actual operations with the partners

- Open communication
 - Organizing face-to-face meetings
 - Making criteria for partnership, so that the most valuable partners are present in the network
 - Background checking of the partners by utilizing the current state analysis tool: Business Audit Diagnostic System
 - Collecting customer feedback from SMEs utilizing the network
- Gathering reference list of network activities and partners
 - Case examples and experiences of customer companies
 - Reference projects realized together with network partners
 - External reference list for public use
 - Internal reference list for internal use

“The network itself might be difficult to manage, but with an active communication, one can try to manage the network activities” advised one interviewee. In order to manage the network common rules should be created. The common rules should be such that “all the network members are happy with them and all gain the sought and needed benefit” said one interviewee. Another interviewee reminded “it is important to create win-win opportunities inside the network in order to have smooth co-operation”.

An integral part of the management of an international network is measuring the activities and performance of it. The interviewees listed the following measuring activities that should be taken into consideration while developing the international partner network of Jykes. Interviewees suggested that the measuring tools could be developed in cooperation with the universities. The development of the measuring tools or techniques should be one task for the person coordinating the development and activities of the international partner network.

In the measuring the following factors should be taken into account according to the interviewees of this research:

- status analysis of the current situation:
 - measuring against the average development of respective sectors:
has development been faster or slower than the average
 - network partners categorized to A, B and C and cooperation with different categories is followed
- quantitative measurements:
 - number of company cases conducted with partners from the network
 - utilization of customer register management system to collect numerical data on company cases
 - collecting reference list of company cases realized in cooperation with partner network
 - financial or human resources invested to the network operations and cooperation realized through network
- qualitative measurements:
 - customer satisfaction surveys
 - network partner satisfaction surveys
 - statements of benefits gained by companies from the information given by the partners of the network

5.3.2 The ARA-Model for the risks and threats in the network

The ARA-Model below presents the risks and threats recognized by the interviewees. In all networking and cooperation there are risks and threats that need to be considered. The risks and threats might occur due to the competitive scenarios between operators, organizational and cultural differences or the differences in the value creation potential (Doz, Y. and Hamel, G. 1998, 94). Even though one realizes there are

risks involved in cooperation with different partners, recognizing the potential risks and threats is a valuable tool in the network development and operations. According to Doz and Hamel (1998, 118), network alliances remain vulnerable and cannot be fully designed from the start. The alliances need to evolve in order to be successful and add value to their members (Doz, Y. and Hamel, G. 1998, 118).

The following list presents actors, resources and actions that need to be taken into account when considering the risks and threats of Jykes' international partner network. The factors listed were detected from the interview data.

ACTORS AFFECTING THE RISKS AND THREATS IN THE NETWORK

- Network relations are too persona dependent.
- Unpredictable events occur in networks
- Losing the trust among partners
- Someone in the partner network takes too over powering role
- Long distances in cooperation
- Partner selection has been done wrongly
- Variety of organizations in the network
- Operations that have been given to the partners are no longer controllable by the original participant

Three interviewees stated that the network is, at the moment, too dependent on persons. The interviewees said that since the contacts in many cases are developed between individuals, it creates a threat to cooperation if the contact person would leave the organization or be posted to another position.

A threat mentioned by five interviewees was losing the trust among partners. Since the cooperation is based on trust it is very difficult to operate if mutual trust is lost. According to two interviewees, the reason for the loss of trust can be that "the cooperation partner misuses confidential information given to them in order to enhance cooperation" or "someone in the partner network takes too over powering role in the network and thus, loses the trust of others".

The long distance cooperation can also be seen as threat in international cooperation. “Miscommunication can be caused by different kind of interpretations of some information” mentioned an interviewee.

RESOURCES NEEDED FOR THE PREVENTION OF RISKS AND THREATS IN THE NETWORK

- Committed resources and personal skills
- Prioritization of activities in network: Focus on selected cluster development programs and complementary business sectors
- Operations at home base:
 - appointed person to keep the personnel and the network alerted and aware of development and latest news
 - international partner network well perceived by personnel: spread the knowledge among personnel
 - one single register of partners in use and utilized by personnel
- Utilization of synergies between regional operators; benefit from each other's networks
- Customer orientation; development and utilization of network according to customer needs
- Utilization of social media, on-line platforms and networks
- Use joint publicly funded projects as development tool in network
- Active participation in different events to meet current and new network partners

“In the risk management, Jykes has to be proactive in order to satisfy the companies' business needs and the needs of Jykes”, said one interviewee. The role of Jykes in formulating the partner network is as well important in the risk management. “Jykes has to know how the right kind of partner constellation is formed”, said one interviewee. As a way to minimize the risks at own organization, an interviewee suggested that the personnel is provided with training on how to operate in the international networks.

ACTIONS TO BE TAKEN TO PREVENT THE RISKS AND THREATS OF THE NETWORK

- Threats and risks are indentified
- Operate sensible and use common sense
- Be proactive
- Persons operating at the customer interface are key players in risks management: receive feedback from the field
- Well executed network management

- **More strategic cooperation**
 - create trust
 - reach out towards partners to find new partners
 - recognize win-win situations among network partners
 - cooperation with similar kind organizations
 - organize meetings where people with different organizational backgrounds meet
 - take an active role in partnership building and organization

- **Concrete tools for risk prevention and strategic partnerships:**
 - written agreements or contracts
 - organization of events and meetings: organization of matchmaking
 - staff exchange programs
 - active information change in form of newsletters
 - plan and realize joint projects
 - do benchmarking
 - recognize company needs before networking

According to the opinions of four interviewees' risks and threats can be managed by having good cooperation with the management and the partners as well as well executed network management plan. One interviewee said that "in addition to cooper-

ation and good management, an open-book-policy should be followed in the partnership development”.

Frequent contacts and finding a common theme for the cooperation are ways to avoid risks and threats according to four interviewees. “Frequent communication and contacts with the partners could widen the contact person groups and solve the risk of having just one contact person in some organizations” reminded an interviewee.

Seven of the interviewees saw that by creating common cooperation rules or agreements, the risks and threats of the cooperation can be minimized. In the agreement or rules issues such as responsibilities, how to handle confidential information and criteria of the partnership can be stated to avoid misunderstanding.

5.3.3 The ARA-Model for the development of the network

In the ARA-model for the development of the network are presented those development actors, resources and actions that should be taken into account in the development of the international partner network according to the interviewees of. The development or design of the network plays a role in success or failure of the network operations. The good design and development can prevent conflicts among the partners that might otherwise jeopardize the cooperation. (Doz, Y. and Hamel, G. 1998, 119.)

Below are listed those actors, resources and actions that should be considered in the development of the Jykes’ international partner network detected from the interview data. Important parts of the joint development of the network cooperation are services that can be realized together among the partners of the network. Suggestions for the joint services in the international partner network of Jykes according to the interview data are listed after the development suggestions. The joint service

development is part of the development actions that should be realized in the network development of Jykes.

ACTORS INVOLVED THE IN DEVELOPMENT OF THE NETWORK

- Business sectors
 - machinery, bio-energy, building and construction, service sector, wellness and well-being sector, education sector, new technologies, tourism sector, Knowledge Intensive Business Sector (KIBS)
 - supportive business sectors: logistics, invest in-services, business incubation services and research, development and innovation organizations
- Cross-organizational cooperation
 - private companies, public organizations, decision makers, educational institutions and other operators
- European countries
 - Sweden, Germany, Great Britannia, Russia, Belarus, Ukraine, new European Union countries
- Cooperation with operators from USA and Japan
- Rising economies and markets
 - Turkey, China, India, Africa, South-America

The change of the network means according to five interviewees adding new partners to network. Adding new partners means finding new partners from new countries and new organizations. “The network has to be changed and new operators have to be sought. The new operators can be associations, societies or organizations” suggested one interviewee. She went on stating that keeping the network comprehensive, different kind of organization need to be involved. One interviewee re-

minded that the network needs change and development, but the network cannot be changed just for the network, but for the benefit of its end-beneficiaries.

RESOURCES NEEDED FOR THE DEVELOPMENT OF THE NETWORK

- One partner as responsible operator: Creating responsibility
- Information technology solutions used in communication and management of the network
- Customer management register utilized

Seven of the interviewees recommended that the network requires one partner to be the responsible operator. “If there is no one to manage the operations and development of the network the activities of the network are unmanageable” stated one interviewee. In addition to the managing organization it is important to have an appointed person to take on the responsibility of the network operations and development. This person should have resources to manage the network. “The task of the manager of the network is to coordinate the activities of the network” suggested one interviewee.

The interviewees listed some examples and tools that could be utilized in the management of the network. An interviewee suggested that information technology solutions could be used in the communication and management of the network. She said that the Human Tech Center-brand and the communication tools and models around it could be utilized in the cooperation between the Jykes’ network partners. According to three interviewees an up-to-date register of the network is a necessity and in that, already existing systems, such the customer management register could be utilized.

ACTIONS TO BE TAKEN IN THE DEVELOPMENT OF THE NETWORK

- Focusing on
 - finding partners that offer support to the companies and especially SMEs
 - deepening the cooperation with network partners
 - development of personal contacts and cooperation
 - spreading the information of personal contacts inside organization; inside Jykes
 - communication and spreading information of best practices from different sector inside Jykes and among partners
 - development of knowledge and information exchange in the network

- Development themes
 - Spear head clusters: machinery, bio-energy, building and construction
 - Company needs: focus on company needs
 - Information to support internationalization strategy process of companies
 - Development of the international know-how in companies

- Factors helping formation of network and cooperation
 - Internal cooperation in Jykes
 - Strategic alignment of network operations by the management of Jykes
 - Active communication and sharing information in Jykes and among partner network
 - Common set of rules in partner network for cooperation

- Building trust among partner network: Organizing different events where people can meet with each other and create mutual understanding and cooperation
- Recognizing expertise and know-how of network partners
- Creating win-win-situations among network partners

Seven of the interviewees said that the focus of the development should be on finding partners that can offer support to the companies and especially SMEs. "In network development partnerships should be developed with organizations willing to cooperate with the SMEs" reminded one interviewee. Two interviewees recommended that the need of Jykes has to be taken into account as well in the network development. "When need is known, we can help the companies and Jykes as well" said one interviewee.

Four interviewees said that "it is important to deepen the cooperation and know the partners better". One interviewee said that "it is important to know the network deeply enough and know how to utilize the partners of the network".

The development themes that should be taken into account when the development plan for the international partner network is drawn should focus on the actions. According to one interviewee the cultural backgrounds and operational manners in different countries need to be taken into account. "The characters of each country set demands to operations and how one is able to function on the markets" he said. Two interviewees saw that it is important to see what the cooperation in the other countries can offer and not to lean on only to own strengths and knowledge. This way operations and services can be developed and information from the focus areas of the partners can be detected.

Since the cooperation of the network is seen to be the cooperation between people as stated by ten interviewees, an active communication and sharing information are important factors in the development of cooperation. Trust is seen as the corner

stone of cooperation by two interviewees. The trust and cooperation can be build by organizing different events where people can meet each other and get acquainted.

According to five interviewees it is important to know what kind of expertise and know-how exists among the network partners. "There is a need to know what is needed and what is wanted, and find the common benefits from the cooperation" stated one interviewee.

Finding the win-win-situations among the partners is important. Among the business development organizations and the development agencies such Jykes, the win-win situations may be easier to find than among the private companies reminded one interviewee. Another interviewee backed this up by saying that sometimes the competitive companies may be in the same network and this can cause problems to the cooperation. Thus, it is important to find such partners that bring added value to each other. He went on saying that "for many companies' networks are a way to internationalize without having to do everything by themselves".

An integral part of the development of network is utilizing and creating services among the network partners. In order to a have functional network, joint services should be offered and realized. The interviewees of have listed the services that could be offered via the network to the customers of the partners in the network.

The joint services are

- finding new business contacts and cooperation partners for companies
- organizing and facilitating events where companies and organization can meet: business matchmaking events and business trips to trade fairs
- providing market information: business sector related information, benchmarking information, information on authorities, forecasting information on business development and trends
- developing and realizing new project
- marketing of the region
- offering inward and outward investment possibilities

5.3.4 The ARA-Model for creating good partnership in the network

In the ARA-model of this chapter are presented those actors, resources and actions that affect the formation of the good partnerships. The Good partnerships are crucial in the international cooperation since the companies are no longer independent actors when they operate in the networks (Håkansson et al. 2009, 185). The companies in networks form relationships that are unique. All the interactions in the networks are affected by a social, technological and physical capital established in the cooperation. All the interaction affects the cooperation of the network partners now and in the future. (Håkansson et al. 2009, 185). Thus, it is important to build and maintain good partnerships and relations while operating in the networks.

Below are listed those actors, resources and actions that have an effect on the development and realization of good partnership in the Jykes' international partner network.

ACTORS CREATING GOOD PARTNERSHIPS IN THE NETWORK

- Features of good partnership:
 - Cooperation brings benefits to all parties involved
 - Close cooperation with local companies; network partners know the development needs of the companies in their respective regions
 - Selection criteria for partners to maintain the network and keep the network as functional as possible
 - enhances the quality of services provided via the network and the added value gained from network operations
 - utilization of SWOT-analysis tool
 - creating win-win-circumstances

- Clear roles for partners in network: partnership network formed by organizations with different kinds of backgrounds with capabilities to cooperate in international network
 - public, semi-public and private organizations form a value-chain for the cooperation
- Core of the network is stable and tested in real business cases
- Personal contacts and knowing the counter parties
- Steering group for network development and activities formed by customer companies

After having a long term cooperation relations in the international markets and after proving to be successful in the international operations, Jykes has gained the support of the stake holders and good contacts with the different interest groups. This is true in the domestic and foreign markets. “Contacts to the authorities and good networks help practical operations” stated one interviewee.

Jykes has a wide national and international partner network. The network is as well operational on different levels, meaning there are contacts with both private and public sector. “The benefit of such network is that if Jykes cannot provide the needed help, Jykes has contacts to such operators that can provide the help” stated one interviewee.

Four interviewees mentioned the fact that Jykes knows its own development area and the businesses located in it. Seven interviewees mentioned that Jykes has a wide knowledge base and substance knowledge that can be utilized in the international cooperation. This knowledge can be used to the customer benefit since Jykes possesses the capability to communicate the customer need to the international partner network and vice versa, communicate the market demand to the customers. In addition to the knowledge base, Jykes has at the moment enough resources to utilize the knowledge to the benefit of the customers.

The network is based on mutual trust and communication among people in the network. Jykes has good communication and personal contacts with the network partners. One interviewee reminded that all contacts are based on personal contact and finding “right kind” of cooperation partners in the target countries and areas. “In the international cooperation it is important to find mutual interest with the partners” reminded one interviewee. With an active communication and personal contacts the interest for mutual cooperation is easier to find.

RESOURCES NEEDED FOR THE GOOD PARTNERSHIP IN THE NETWORK

- STRENGTHS of Jykes in network
 - Long term experience and cooperation
 - Cooperation with organizational partners and companies
 - Support of stake holders
 - Wide national and international partner network: Wide knowledge base and substance knowledge utilized in international cooperation
 - Fore-runner in internationalization among development agencies in Finland
 - Strong know-how on project work and operations
 - Know-how on development area and businesses
 - Support tools and tools to communicate the market need to international context

- BENEFITS of network to Jykes’ customers
 - Direct contacts to companies and cooperation partners
 - Good target market knowledge and practical tools
 - Synergies and long term cooperation
 - Assistance to all internationalization processes
 - Knowledge of different funding schemes
 - Faster, less-riskier and less-bureaucratic way to operate
 - Gain visibility at the markets

- Neutral cooperation partner; not a competitor

Jykes is a fore-runner in internationalization among the development agencies in Finland. Finland has a good reputation as partner among the international partners. These two factors can be used to benefit the customers in a sense that good partner requests are handed to Jykes and can be forwarded to the customers and interest groups. At the home market Jykes has been granted the role of network leader and thus, networking is a part of everyday work inside the organization. “Networking is part of the economical scenario in Central Finland and thus, operators are capable of operating in different networks” stated one interviewee.

The most important benefit and mentioned by all thirteen interviewees is that Jykes has direct contacts to the companies and cooperation partners. There is no need to have any middlemen in the cooperation process.

ACTIONS AFFECTING GOOD PARTNERSHIP IN THE NETWORK

- Clarification of roles and strengths among partner network of Jykes
 - Well constructed and transparent cooperation
 - Joint actions and active cooperation with network partners
 - Act as an active partner: feed information to the network continuously
 - Tools to clarify the roles and strengths:
 - utilize current communication tools and media: Human Tech Center –magazine, Human Tech Center – newsletter and other tools
 - marketing campaign of the strengths through media and communication tools
 - clear alignment by management of Jykes on goals of networking

- alignment by management on which networks Jykes is an active partner and on which passive partner
 - communication towards network partners on personal level
- Strategic cooperation of Jykes' international partner network
 - Developing and maintaining partnerships with public organisations
 - Cluster driven development: utilising the cluster development in Central Finland to focus international partner network development
 - Membership of the Association of European Development Agencies – EURADA as tool for more strategic cooperation, influencing and lobbying
- Tactical cooperation
 - Selecting new market areas in which cooperation is developed
 - Removing overlapping activities and tying different activities together with network and local operators to find better synergies
- Operational cooperation
 - With organisations that have direct contacts to companies
 - Cooperation with the most important partners on personal level
 - Standard qualitative level of mutual trust and services offered
 - Fast, flexible and reliable actions to meet the company needs

→ Operational cooperation leads to strategic partnership

Jykes has support tools and tools to communicate the market need in the international context. The existing tools can be utilized in information exchange and communication with the international partners. The tools can be used in benefit of the

customers when the customer message and cooperation need is expressed in the communication.

The operative level of cooperation is seen as the most important of all the levels by the interviewees. One interviewee reminded that “the public organisation form strategic partnerships when organisations and companies are involved in operative partnerships”. Another interviewee said that the operative level cooperation is done with those organisations that have the direct contacts to the companies in their respective regions. Operative cooperation is seen as cooperation between the most important partners. On operative level trust has to be mutual and the services offered need to have a standard quality level. According to two interviewees the operative cooperation will develop when right partners are found. One interviewee reminded that “the operative cooperation brings benefits and concrete actions, and can in some cases lead to strategic partnerships”.

5.3.5 The ARA-Model for creating competitive advantage and core competence of the network

This ARA-model gathers together actors, resources and actions that enhance the competitive advantages and core competencies of the Jykes’ international partner network. The interviewees mentioned the advantages and core competencies the international network of Jykes possesses.

In all networking there has to be some advantages that reinforce the partners to cooperate. According to Doz and Hamel (1998, 251-252), the success of the networks is often formed by the same factors that drive the good internal management within organizations. The success features of business networks are appropriate personal and organizational attitudes towards networking: organizational culture and values encourage the networking, and open communication within the organization and outside the organization affect successful networking (Doz, Y. and Hamel, G. 1998, 252). The organizations that are prepared, creative, innovative, functionally oriented,

customer driven and learn fast possess qualities for successful cooperation in networks. The organizations that share, operate interdependently, have committed personnel and are flexible and development oriented can be successful in network operations. (Doz, Y. and Hamel, G. 1998, 254, 257.)

ACTORS CREATING COMPETITIVE ADVANTAGE AND CORE COMPETENCE OF NETWORK

- Wide international partner network
- Long term cooperation in international markets
- Strong substance knowledge in network
- Constant cooperation: Response time inside the network is fast

Three interviewees mentioned that the competitive advantage of the international partner network of Jykes in comparison to other Finnish development agencies is that Jykes has a wide international partner network. The international cooperation is backed-up by the strong and at Finnish level a unique cluster development model in Central Finland, which has been benchmarked by other operators and regions in Finland. One interviewee mentioned that in international context Jykes has a real competitive advantage as a network operator, since international operators are active in creating cooperation and models for new operations.

The long term cooperation in Russia and China are seen as competitive advantage by two interviewees. In international cooperation the trust and reliability are key issues and building trustworthy relations is time consuming operation. As one interviewee mentioned "in the service business trust is the key issue: trust is not gained in a moment, so wide network offers us a competitive advantage over those with no network". The strong substance knowledge of Jykes in different business sectors can be seen as competitive advantage as mentioned by two interviewees.

Three interviewees saw that since the response time inside the network is fast, it can be seen as competitive advantage. In addition one interviewee mentioned that

“there are some things that cannot be realized without a network: internationalization is impossible without networks at the target country”.

RESOURCES NEEDED TO CREATE COMPETITIVE ADVANTAGE AND CORE COMPETENCE OF THE NETWORK

- Personnel of Jykes operating at the company interface
 - Know customers and customer needs: Active role in companies' everyday life
 - Create benefits to the customers in concrete ways: offer business opportunities, assistance in foreign markets, in customs clearances, bureaucracy and other foreign trade related matters
 - Possess wide network of contacts among partner network
- Personnel of Jykes has the ability to network
 - Network with cooperation partners in domestic and international markets
 - Cooperation between different organizations
 - Possess communication skills
 - Skills to utilize the information flow inside network
 - Skills to see the long term benefits
 - Receive and give back to the cooperation

The core competence of network needs to be recognized in order to utilize the network's best qualities. The answers by the interviewees can be segmented into two categories:

1. operating at the company interface and
2. ability to network.

The first category means from the interviewees' point of view that Jykes knows its customers and what is needed and required by the customers. This knowledge is derived from the fact that Jykes' personnel have an active role in the companies' everyday life and the personnel operate constantly at the interface of the companies. The network of Jykes creates benefits to the customers in very concrete way by offering business opportunities and assistance in foreign markets as described by one interviewee. "Through the network companies and organizations can utilize the wide network of contacts and the network partners can access a wide network of contacts and organizations at this end as well" reminded one interviewee.

Ability to network was seen as an important competence by the interviewees. Five interviewees said that Jykes has the ability to network with the cooperation partners in both domestic and international markets. Ability to network was described by one interviewee to be such "where cooperation between the different entities is seen and people inside the organization are able to see the connection between different entities". Ability to network requires communication skills, skills to utilize the information flow inside network, skills to see the benefits even if they are long term and ability receive and give back to the cooperation.

ACTIONS FOR DEVELOPMENT OF COMPETITIVE ADVANTAGE AND CORE COMPETENCE OF THE NETWORK

- Requires investments and resources
- Requires commitment of Jykes to network and commitment of network partners to cooperate and have active partnerships
- Requires support and alignment from management: cooperation is strategically lead and systematic
- Developed through concrete actions among the network
- Development of personal skills and development of common skills
- Exchanging and sharing of information

- Combining and analyzing the shared information
- Organizing events where benchmarking and networking can happen
- Future actions in development of competitive advantage and core competence of network:
 - Increase internal communication
 - Deepen cooperation and knowledge between partners
 - Utilize the existing communication tools in international communication
 - Create strategy on utilization of partner network and services offered in partner network
 - Determine the person in charge of the network
 - Develop and train personnel

According to four interviewees the international partner network should become a tool for the whole Jykes, so that it can be utilized in the every-day work much more efficiently. When information is communicated internally, it is easier to communicate the benefits onwards to the customers.

Five interviewees saw that it is important to deepen the cooperation and knowledge between the partners. The partner network cannot be utilized to its full capacity if there does not exist knowledge of the capabilities and services that can be offered.

In the opinion of two interviewees there is need to draw-up a strategy on how to utilize the partner network better and what kind of services or assistance is sought from the partner network. "Determining the person in charge of the network will improve achieving of the set goals for the cooperation inside the network" suggested an interviewee.

“The current operational models and strong background operations that are incorporated at Jykes should be taken into account and utilized in the future cooperation with the partner network” was suggested by one interviewee. It is as well important to “benchmark the services of others in order to develop more customer oriented services to ourselves” reminded one interviewee.

Since operating in the international context and network is very knowledge intensive, the development and training of the personnel should be assured. An Interviewee suggested a training program for those cooperating with the international partner network in order to have the capabilities to detect the changes happening at the international business and economic scene. “Concrete work teaches, but in addition there is need to obtain new information and knowledge through training” he mentioned.

Communication is important in the international cooperation. It is important to strengthen the communication and offer to the partner network up-dated news on the development and cooperation needs from the Jykes’ perspective. Communication can open up new cooperation possibilities and concrete actions among the partner network. An interviewee recommended that “we tell our wishes and hopes of development and cooperation as well as communicate our need and the things in which we are interested in”. Two interviewees recommended that Jykes should utilize the existing communication tools in the international communication.

Above are presented the five areas of development according to the ARA-models. The five development areas mentioned need to be taken into account in the development of the Jykes’ international partner network. In the following chapter are presented the conclusions of the research and one more ARA-model, which includes the development activities that should taken in order to start the development of the Jykes’ international partner network. In addition suggestions for further development of the network are given.

6 CONCLUSION

In the conclusions are presented the most focal development areas detected from the interviews of the research's sample group. A detailed plan of development activities is presented according to the ARA-business model. In addition, suggestions for further development and research are given in this chapter.

6.1 Aim of the research and main results

The aim of the research was to find out what kind actors, resources and actions should be taken into account in order to develop the international partner network of Jykes. The aim was to find out the needs, ideas and wishes for development within the organization in order to construct a frame for the development plan. The background material for the research was gathered from and analysis of the current state of the international partner network of Jykes conducted in fall 2010 (Gustafsson and Kaikkonen, Jyväskylä Regional Development Company Jykes Ltd, International services, 2010), from the interviews conducted in spring and late summer 2011 among the personnel of Jykes involved in the internationalization of customer companies and from theoretical information on partnership development and network management.

The data gathered from the interviews of the personnel of Jykes forms the major part of the analysis in the research. The interviews were conducted as half structured interviews in order to gather information on development needs from the personnel of Jykes. The themes presented in the half structured interview were grouped into six categories with one category for the interviewees' own opinions and aspirations for the development work.

The six categories were:

1. benefits of network,
2. resources of network,
3. new network partners,
4. management of network,
5. levels of network, and
6. services of network.

The seventh category for was for opinions and aspirations of interviewees under the following topics:

1. added value to the network,
2. communication of customer need,
3. internationalization need of companies,
4. expectations of partner network,
5. expectations for the development of partner network, and
6. cooperation with partner network.

Thirteen persons were interviewed and the answers recorded under the seven interview categories mentioned above were analyzed according to the ARA-model of network development. The ARA-model has been introduced by Håkansson and Johansson in 1992 (Håkansson et al. 2009, 33) to give shape and frame for network development. The ARA-model was suitable for this research because it clearly states the three key elements in the development of networks: actors, resources and actions. The data gathered from the above mentioned sources of information was well suited to be analyzed according to the ARA-model. The ARA-model also proved to be an excellent model for grouping the analyzed data under well perceivable groups that need to be considered at Jykes while developing the international partner network.

In the analysis of the data according to the ARA-model of network development five development areas to be considered in the development of international partner network were found. The areas are:

1. Management of a network
2. Risks and threats in a network
3. Development of a network
4. Good partnerships in a network
5. Competitive advantage and core competence of a network

The development elements and activities found included in the areas mentioned above, were grouped according to the ARA-model to actors, resources and actions. The analysis and grouping of the data according to the ARA-model clearly shows that in network development actors, resources and actions have to be considered and need to be in place before any development activities can begin.

As a conclusion the actors, resources and actions that should be considered in the development of the Jykes' international partner network are gathered into the ARA-model below. Figure 5. visualizes the development areas.

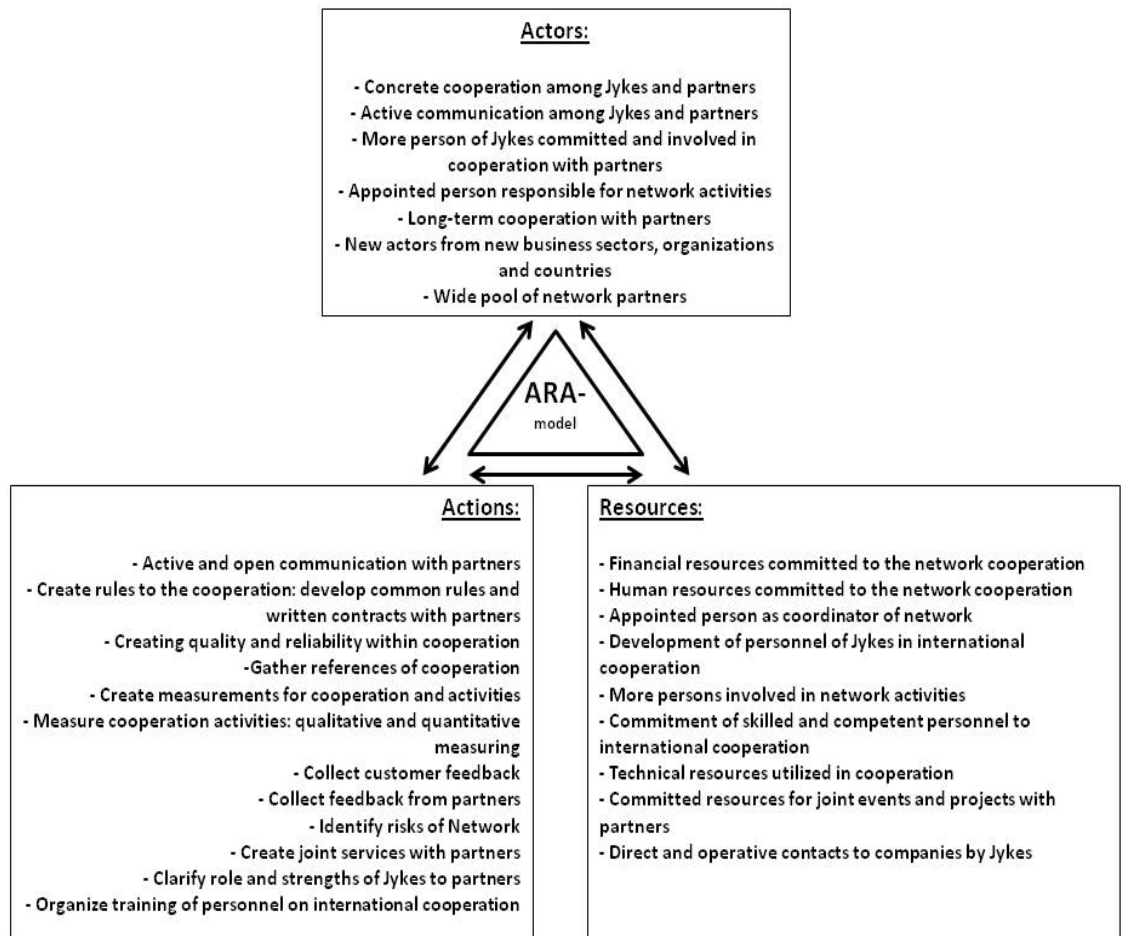


FIGURE 5. ARA-model: Conclusions of the development areas of Jykes' international partner network. Modification of the ARA-Model by Håkansson and Johansson 1992 (Håkansson et al. 2009, 33-34)

In the management of the network, the ARA-model aspects need to be taken into account from the point of view of how management affects the actors of network, resources of the network and actions in the network. As already presented earlier, the analysis of the interviews shows that at Jykes the management of actors means bringing new partners to the network, creating concrete cooperation among the network partners in realizing concrete cases, and activating communication among the personnel in the partner organizations.

From the resources point of view the management means both the financial and the human resources. In the financial terms the management means securing financial resources for the cooperation activities. In terms of the human resources, the man-

agement means appointing the coordinator to the network, involving more people within the organization to the international cooperation and gathering the development needs and guidance of the development from the customers of Jykes.

In terms of actions the management of the network in Jykes means creating an active and open communication between the partners. It also means creating rules for the common operations in order to achieve the win-win-situations and creating quality and reliability with the partners to produce better, more effective and easily accessible services to the customers that are the SMEs and organizations from the regions. The gathering of references of the cooperation to show to the customers that the added value and benefits of international network cooperation do exist and are of real value to the customers utilizing the network, is also an important action to be taken.

Measuring the performance of the network clearly stood out as an important management devise in the analysis of the interview data. Measuring has to be conducted to show the benefits and the performance of the network. Measuring should be conducted in both qualitative and quantitative terms. Collecting the customer and partner feedback is an integral part of the measuring since all networking should be based on the customer need and to satisfy the customers' need of internationalization and new information.

In all cooperation there are risks and threats that affect the activities and should be taken into consideration beforehand. In the interview analysis causes of risks and threats as well as prevention activities of risks and threats were presented. The risks and threats were presented in the ARA-model to show how different factors may it be humans, resources or some actions taken can cause as well as prevent the risks and threats of the international cooperation. The actors may propose risks to the cooperation if the network is too person dependent. If the person in charge of the coordination does not spread the cooperation network and contacts widely between other members of the organization, the cooperation is not build on firm ground. In the international cooperation situations may change rapidly and the partners and the trust can be lost easier because of long distance or different operational models. The

actors in the network need to bear in mind that the cooperation in international network requires long-term commitment and mutual trust in order to be functional.

In the risks prevention resources are also required. The resources needed in the risk prevention are committed personnel that continuously receive input and contacts from the network in order to conduct their daily operations with the customers. Technical resources are also needed in order to keep contact via social media or other on-line network and communication tools. Resources are needed to have joint cooperation in forms of joint events or projects in order to have concrete actions to strengthen the cooperation and diminish the risks and threats of the cooperation. In order to prevent the risks and threats actions such as identifying the risks and threats, being proactive and conducting sensible and well executed network management are required. The strategic cooperation where the partners have found mutual trust and clear roles can prevent risks. Risk and threats are prevented as well by having written contracts and joint operations that enhance the cooperation.

The development of the network plays a crucial role in the partnership building. The development has to be constant in order to have well functioning network. From the perspective of Jykes the development of the international network means development of network actors, development of network resources and development of network actions. The development of actors in this research is described as development of the business sectors, organizations and presentation of different countries being involved and part of the network. The development of actors has to be in line with the customer needs in order to have functional and beneficial cooperation network that can be utilized by the customers. The resources needed in the development of network are multiple. The resources of development are similar as in the management of the network, but in addition resources can be technical devices that are utilized in the cooperation. A resource of development is also clearly stated responsibility that is communicated to the network partners.

The actions that should be taken to develop the international partner network of Jykes are focusing on actions to improve and deepen cooperation on selected business sectors, finding company needs that are driving force of the development, and

developing the home base to be more supportive and committed to the international cooperation. As part of the development actions is the creation of the joint services among the network partners. Joint services will strengthen the cooperation and benefit the customers of the all network partners. The goal should be to have concrete and stable service portfolio from which the customers can find the services they need in their internationalization process and cooperation.

In international cooperation finding good partnerships is crucial. All aspects of the ARA-model affect the formation of good partnerships. The actors that can be considered to be good partners in the Jykes' international partner network see joint value and benefits in the network operations. The partners have close connections to the different operators in their regions and are able to provide services of good quality to the Jykes' customers. From the point of view of the Jykes' customers, the network should be build to have organizations with different backgrounds. In order to have sufficient partner constellation, the customers should be heard and they should steer the development of the partnerships and the network.

A good partnership network can be seen as a resource as well. The maintaining of the network requires resources, but the network itself can be seen as resources. Jykes has been cooperating with different organizations all over the world for many years and has long-term experience in international cooperation. The experience and the wide network can be seen as resources in the international cooperation. The position of Jykes as fore-runner in regional development in Finland and in international cooperation creates trust and expertise on the development of cooperation in the international network. The benefits of the Jykes' international network can be seen as resource as well. The benefits rise from the direct contacts, practical knowledge and tools that are found from the network as well as the reputation of being valuable but neutral partner in the cooperation due to the Jykes' position as publicly owned development company.

The actions that should be taken to enhance the good partnership among the international partner network are multiple. In this research are presented those actions that are of interest to Jykes. Jykes should clarify its role and strengths in order to fur-

ther develop the cooperation with the current and future partners. Jykes should seek for operational partners with whom the cooperation is started in a concrete level and through concrete cooperation cases. On tactical level the cooperation should be directed to the complementary business fields for the business sectors selected to be the spearheads in the region of Central Finland. Both the operational and tactical level of cooperation will lead to strategic cooperation with those partners that bring the most added values to the operations of Jykes. The added value can be for the benefit of the customers or Jykes itself as regional operator and influencer of development of the region and its businesses.

The competitive advantage and the core competence of the network may be hard to explain or visualize. In this research, the interviewees have clearly stated that the well constructed cooperation network can be seen as a competitive advantage. The core competence of the network should be as well stated in order to enhance the activities of the network. The competitive advantage of Jykes as an actor in an international network is according to the research the wide network of partners and the long-term cooperation Jykes has with its partners. The long-term cooperation means that the substance knowledge inside the network is strong and the response time to the customer need inside the network is fast. These factors will lead to successful cooperation among the network partners to the benefit of customers.

As an important resource in successful cooperation with the network of Jykes, the research reveals to be the competent, skilled and committed personnel. The personnel have good cooperation among the customer and thus, are able to communicate the need towards the network and utilize the network to the benefit of the customers.

In order to maintain and develop the competitive advantage and the core competence of the network, actions need to be taken. The development requires resources and support from the management as well as concrete actions with the network partners in customer cases. In order to have well constructed cooperation network in the future, communication inside the organization and outside towards the partners needs to be increased. The personnel should be trained to utilize the network and

partnership relations better. One person in charge of the network development should be appointed.

The above mentioned factors should be considered thoroughly in the development of the Jykes' international partner network. The ARA-model of network development can be utilized by the commissioner of the research to steer the development work.

6.2 Utilization and generalization of the research results

The research was conducted as qualitative half-structured interview and was confined to one organization, Jykes. Thirteen employees of Jykes were interviewed and the analysis of the current state of Jykes' international partner network was used as background information. Because of the nature of the research and the fact that the research was confined to one particular organization, the results cannot be generalized as such.

However, the results of this research may be used as a guideline or reference by other public organizations such as Jykes in developing their international partner networks. The theory part of this research dealing with networking, international relations, network development and management of networks can be generalized to organizations developing their partner networks and relations with international partners. Organizations developing their international partner networks can use this research to compare their own development plans or already executed development operations to the development plans and actions presented in the research.

6.3 The areas of further research

Because the research was confined to one organization and to the internal development of partner network of that organization, the research sample is quite narrow.

To widen the research, the author could have taken into consideration the local co-operation between Jykes and its customers that are the SMEs and organizations of the region of Central Finland, and also incorporated the customer side to the research. In the future, it would be interesting to study how the development of the international partner networks of organizations such as Jykes should be developed from the point of view of the customers and their needs related to the partner network.

In the future, it would be also interesting to research the development of international partner networks in view of Lehto and Valkokari's (2003) statements presented in chapter 3.1 on reasons for building partnerships and business networks. The research could be targeted to the Jykes' customers from the point of view of network development in order for companies to diversify their customer segments and create new business opportunities (Lehto and Valkokari, 2003, 4). A potential study could focus on the customer needs or demands for development of publicly driven partner networks.

In addition, Niemelä's (2002) theory presented in chapter 3.1 on tailoring a network according to its needs would be an interesting research target. A future researcher could interview or survey the needs of the customers of Jykes' in order to make development plans for the international partner network. As Niemelä suggests (Niemelä, 2002, 25), the aim of business networks is to enhance the growth of their member organizations. As for Jykes, the aim is to develop the network so that it enhances the growth of its customers.

The results of the research are according to the ARA-model introduced by Håkansson and Johansson as presented in chapter 3.4. A future research could explore the development factors of the ARA-model from point of view of the customers of Jykes. It would be interesting to know, for example what kinds of actors, resources and activities are required by the customers in order to have well functioning and operational partner networks beneficial to the customers. This kind of study could be compared to this research to find out if the personnel of Jykes truly know their customers' need and demands related to the markets.

Another comparative research could explore how other development organizations such as Jykes have developed and built their international partner networks. This kind of research could be conducted as a quantitative research with both domestic and foreign organizations participating via an online questionnaire or other data gathering tool. The ARA-model and theory of network building could also be utilized to find out what kinds of actors are involved in partner networks, what resources are used and utilized in international cooperation, and what kinds of activities organizations pursue in order to keep the partner network efficient, functional and beneficial for their own customers, which are SMEs and other regional organizations.

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APPENDICES

Appendix 1. Questionnaire: Development of the Jykes' international partner network

Name of interviewee / position of interviewee:

Date of interview:

Who well do you know the international network of Jykes and its operations?

Levels of networking:

Where to focus?

What are development themes? Concentration on business sectors, clusters, different kind of operations.

On what level should the cooperation be organized: operative level, tactic level or strategic level?

How cooperation can be developed to be more strategic?

With which network partners or countries should cooperation be deeper? Why

From where or which countries should we look for new cooperation partners?

In which countries you already have contacts that could be utilized?

Which factors help formation of network and cooperation?

What is or should be the core competence of network and how can it be utilised?

How to develop the core competence of network in the future?

What kind of concrete actions and activities should be done with network partners?

What kind of cooperation should be done and on what should we focus on?

New network partners:

Is there need to change the partner network?

How in the future should we invest on new network partners and searching for new cooperation possibilities?

What are interesting and new networking areas and business sectors?

What kind of constellation is good as partner network? Should all partnering requests be accepted? Should there be a criterion of partners?

Resources for developing and maintaining the partner network:

What kind of resources should be allocated to the development and maintaining the partner network:

Financial resources:

Human resources:

Person in charge of development of network:

How partner network could be managed and directed?

Benefits of networking:

What are the strengths of Jykes in international partner network?

Is there need to clarify the role and strengths of Jykes?

What are the benefits of the network to Jykes' customers?

How partner network can be utilized more efficiently in the future?

What is the competitive advantage of the partner network? How to utilize the partner network as competitive advantage?

Is there need to gather and list the references of partner network?

Services gained through partner network:

What kind services or products could be produced and offered via partner network?

How new services can be developed through partner network to be part of Jykes' services portfolio?

Can new services be developed through partner network? What kind of services?

Your expectations for the partner network

How the customer need can be communicated to the partner network?

How the internationalization need of companies is put forward in the partner network?

How the quality, reliability and reliability of delivery and be guaranteed in the partner network?

What are the main threats and risks of the partner network?

How threats and risks can be managed?

What are your expectations for the partner network?

What are your expectations to the development of partner network?

Can the utilization of the partner network be measured? What are the measurements? Is measuring important?

Do you want to cooperate with international partner network? What kind of cooperation you would like to do? Do you have new contacts to the cooperation network?

What is the added value of the network in your opinion?

Appendix 2. Map of international partner network of Jykes

