Best Fit KM: Linking Communities of Practice to an Innovation Strategy

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Abstract: Best fit Knowledge Management (KM) aims to link KM activities and other managerial efforts to the business strategy. In this case study, an innovation strategy was pursued to be implemented by offshoring. Offshoring is defined as the restructuring of a firm along a dimension, namely geography. It entails the relocation of operations from the home nation to a foreign location where the same company activities are performed (Contractor et al., 2010). While the current literature states that offshoring aims to reduce costs or tap knowledge (Persaud, 2005), the aim in this case was to use offshoring as a means for innovation. This article aims to discuss the practices that facilitate community construction in a multinational context supporting an innovation strategy. This article is founded on practice based theorising (Feldman and Orlikowski, 2011; Wenger, 1998), which is used to theorise what people do when they try to develop community among themselves.

Keywords: innovation strategy, multinational company, communities of practice, ICT use.

1. Introduction

While offshoring aims to reduce costs or tap knowledge (Martin and Salmon, 2003: Persaud, 2005), the aim in this case, an Information Technology (IT) -firm, was to find more time to innovate with clients. Strategically speaking, the firm argues that through offshoring simple tasks to another country, they (i.e. the Norwegian employees) would have more to time to innovate and produce tailor made software in interaction with their clients. Therefore, the research question for this article is: How can a multinational company make use of communities of practice to innovate?

In-line with the argument for best fit approaches within Human Resources (HR), this study focuses on how the KM practice of communities of practice can contribute to an innovation strategy in a multinational company. This article is founded on practice based theorising (Feldman and Orlikowski, 2011; Wenger, 1998), which is used to theorise on what people do when they try to develop a community among themselves. IT offshoring to a third world country is of special interest because it can help us to understand how work based learning can be developed across space, and between cognitive and cultural differences.

The case in study started off as an ordinary IT-outsourcing deal where Vietnamese firms where hired to do programming for Norwegian IT-firms. However, the Norwegians found it more effective to set up their own unit and hire their own employees in Vietnam. They report that this allowed them to be able to better work together and learn from each other (which are both important features of a community of practice) across their differences. There is support for this claim in the literature on strategic decisions, where out-sourcing might lead to the `hollow–out` of competence of the firm. Offshoring, on the other hand, might provide the advantage of skilled but relatively cheap labour at the same time as the firm can maintain more control and make their own location decision (Mudambi and Venzin, 2010). In this case, the selection of Vietnam as the location for their offshored unit is emphasised as a reason for its success.

Outsourcing can be located both in the home nation of the firm as well as abroad, and it involves a restructuring of the firm`s activities. Outsourcing is a planned abdication of selected value chain activities to external providers. On the other hand, offshoring restructures the firm along another dimension, namely geography. It entails the relocation of operations from the home nation to a foreign location where the same company activities are performed (Contractor et al., 2010). The decision to offshore software programming to a foreign firm is frequently looked at in economic terms—it is cheaper. However, offshoring is also troubled by many difficulties. As well as the considerable challenge of controlling projects at a distance, there are differences in language, culture, business methods, and politics and so on.

In this article, I will look at the more successful examples of offshoring in terms of its contribution to learning among colleagues and community development. The main concerns discussed in this article are the spatial,

cultural and cognitive reach across colleagues working from and to different locations on the globe from the perspective of community of practice.

2. Literature review

The globalisation of companies, which IT-offshoring is an example of, has increased our interest in learning and knowledge transfer across the units of multinational companies.

Tallman and Chacar (2011) propose that the hypothetical advantage of multinational companies in accessing knowledge from different national sources is composed of multiple micro-processes at sub-unit levels, and is consequently more complex than usually presented. The literature of communities of practice addresses such processes. While the original concept of communities of practice (Wenger, 1998) is based on voluntary participation where the participants also were co-located, it is difficult to find pure communities of practices across countries in IT–offshoring relations (Salminen-Karlsson, 2014). These kinds of communities of practice have a more hybrid character consisting more online interactions, formal team structures and, therefore, more formal constraints on who can join or leave than a typical community of practice (McDermott and Archibald, 2010).

In terms of knowledge sharing and knowledge construction, IT offshoring offers team relations where such collaboration is problematic (Hirschfield, 2004; Salminen-Karlsson, 2014). The problems addressed in current research are related to lack of face-to-face interactions, cultural differences, and the power differences between a Western client and a provider in a country that, from a Western perspective, should be standardised in such a way that they cannot be dependent on tacit knowledge (Salminen-Karlsson, 2014). In this study I have applied a practice based approach. In general, practice-based approaches have contributed to increased understanding of learning, not least in different self-organised communities within organisations, and has focused on craft/task based activities, professional activities, expert/creative activities, or virtual activities (Amin and Roberts, 2006).

2.1 Fitting IT-offshoring to an innovation strategy

The Best Fit approach emphasises that knowledge management strategies like communities of practice and other organisational strategies must be aligned, and 'Best Fit' would be achieved only when these strategies work as means to the strategy. Offshoring can fit well to a cost leadership strategy. A cost leadership strategy aims to exploit scale of production, well defined scope and other economies. However, in this case the firm aimed more to create room for innovation. Cheaper Vietnamese programmers were not to substitute for the Norwegians but they gave the Norwegians more time to work with their clients in Norway and, hence, innovate more. Software programming can be seen as project-based industries that need an innovative structure. As described by Mintzberg (1980), companies typically bring in experts from a variety of areas to form a creative, functional team. Decisions are decentralised and power is delegated to wherever it is needed to insure flexibility and innovation.

Learning and knowing within an emerging community of practice can be studied through exploring "what people do, and how they do it" (Orlikowski, 2002, p. 271). Furthermore, Brown and Duguid (1991, p. 11) argue that "Learning is, therefore, a process of giving meaning to, or seeking to understand, life experiences". We tend to assume that practice and learning are holistic; that is, include broad versatile dimensions and different levels (explicit and more implicit, tacit and disguised levels). Different notions of time tend to be involved, such as reflections, sense making and narrating in-action as well as on-action. According to Gherardi (2009, p. 41), practice is collective when it is shared and when "actions are regarded answerable to norms of correct or incorrect practice, to criteria of aesthetics taste and to standards of fairness". Furthermore, one can argue that learning as social practice and accomplishment depends upon different relational structures and relational qualities (Wenger, 1998).

2.1.1 The spatial reach of a community of practice

Communities of practice generally focus on colleagues who are collocated, including their work activities, face-to-face interaction and the reinforcing of local ties. The community of practice characteristics, such as knowing, learning a sense of joint enterprise, mutual engagement, and a shared repertoire of communal resources (Wenger, 1998), imply several challenges. There are challenges in developing a 'joint enterprise' and being involved in 'mutual engagement' when face-to-face interaction is replaced by Information and

communication technologies (ICT) mediated interaction and interaction across different locations and time zones.

However, technological advances in transportation and ICTs are increasing the scope of engagement, but, as Wenger (1998, p. 131) argues, these advances involve trade-offs that reduce participation in the complexity of situations and their local meanings. Amin and Roberts (2008) suggests that organisational or relational proximity, achieved through communities of practice, may in reality be more central than geographical proximity. Relational proximity, which can be achieved through face-to-face interaction, may also be achieved through ICTs and the mobility of individuals (Coe and Bunnell, 2003). Newell et al. (2009) acknowledge that social relations and communities can develop equally well through online as well as face-to-face interactions. ICT can help to extend the experience of shared meanings and understandings beyond physical co-location.

IT-offshoring to a third world country on the other side of the globe is done in terms of spatial reach of special interest because it can help us to understand how ICT can facilitate cross national communities of practice within an organisation. Existing research (e.g. Kirkman et al., 2013) suggests that the more diverse the participants in a community of practice are, rich media (e.g. face-to-face interaction, teleconferencing and videoconferencing) should be preferred before the lean medias (e.g. e-mail, instant messaging and repositories).

Existing research also suggest that knowledge cannot be transferred through ICT in a straightforward way since it may not be accepted as 'truth' (Newell et al., 2009). Online communities are, therefore, regarded as most effective when they enable the social construction of knowledge through conversations around shared cultural objects, such as texts, stories or problems, and when ICT infrastructure and shared work difficulties make online interactions meaningful (Brown and Duguid, 2001). What is meaningful depends on culture, epistemic orientation, organisational and national contexts, which will be explored in the following paragraphs.

2.1.2   The cultural reach of a community of practice

Brown and Duguid (2001) contend that the advantage of communities of practice is that common practices create social-epistemic bonds. On the other hand, people from different countries with different languages and costumes have different assumptions, outlooks and interpretations of the world around them, and they have different ways of making sense of their encounters. Furthermore, Wenger, et. al., (2002, p. 118) state that:

> *People's willingness to ask questions that reveal their 'ignorance', disagree with others in public, contradict known experts, discuss their problems, follow others in the thread of conversation – all these behaviours vary greatly across cultures.*

The fear of losing face is a cultural aspect that hinders learning processes that can create the necessary bonds that characterising a community of practice. With regard to factors influencing information seeking behaviour, the literature points towards a cultural attribute, explicitly the extent to which individuals try to gain face (Mianzigain) or avoid losing face (Mianziloss) (Ardichvili et al., 2006; Hwang, Francesco and Kessler, 2003). Hwang, Francesco and Kessler (2003) conducted a study with undergraduate business students and found that individualism is positively related to Mianzigain. Consequently, individualists, in this case American students, were most likely to ask questions in class because asking questions is a way to gain prestige and recognition (Mianzigain), and not just to gain knowledge. However, expectations regarding the Vietnamese is that they will avoid to ask questions to avoid `losing face`.

An important aspect of a national culture is its position on the individualism–collectivism continuum. Collectivism, according to Hofstede (1985), is defined as the degree to which individuals are integrated into groups. Following individualistic societies, the stress is put on personal achievements and individual rights. People are expected to stand up for themselves and their immediate family, and to choose their own affiliations. In contrast, in collectivist societies individuals act predominantly as members of a lifelong and cohesive group or organisation. Understanding one another's work values and building a working relationship on that understanding is crucial for successful collaboration and learning. Previous Vietnamese findings suggest that it is initially easier to adopt new individualistic values than it is to forsake long-held collectivistic (Confucian-based) values (Ralston, et.al., 1999). Growing toward a market economy from an historical communistic economy and Confucian cultural philosophy results in a cross-verging set of values that

incorporates both collectivism and individualism. The Norwegian culture has been characterised as a culture of individualism but which also has elements of collectivism (Kolstad and Horpestad, 2009). For instance, the Norwegian business culture is often portrayed as less individualistic than the US business culture. National diversity is in the current research regarded as positive for innovation but is also problematic. A recent study by Kirkman et al. (2013) suggests that psychological safety and rich media use stimulate the positive and reduce the negative effects of national diversity for learning and knowledge transfer.

IT-offshoring to a third world country on the other side of the globe is in terms of communities of practice of special interest because it can help us to understand whether or not joint tasks can produce understandings, epistemic bonds, a work culture that can bridge across different national cultures. Of particular interest is the drive for asking questions and giving answers in such a context for work based learning.

2.1.3   The cognitive reach of a community of practice

The literature on communities of practice describes an apprenticeship process, where newcomers learn from old-timers (Lave and Wenger, 1991). Apprentices get on a trajectory towards gaining membership in a particular community, and this result in a continuum of expertise within a community of practice, where some members participate more actively and frequently than others (Ardichvili et al., 2006). Socially speaking, newcomers move centripetally towards the center of the community (full membership) as they increasingly identify with the community's practices. Apprenticeship usually involves no external tests, and progress is visible to the learner and others in the process of work itself (Lave and Wenger, 1991). Newcomers become old-timers through the social development of increasingly centripetal participation, which depends on legitimate access to ongoing community practice. They develop a changing understanding of practice over time from their participation in the ongoing activities of the community. Newcomers and old-timers are dependent on each other: newcomers in order to learn and old-timers in order to carry on the community of practice. At the same time, the success of both new and old members depends on the eventual replacement of old-timers by newcomers, who then become old-timers themselves. According to Lave and Wenger (1991), the concept of 'master and apprentice' is not a teacher–pupil relationship: masters usually do not have a direct, instructive impact on apprentices' learning activity but they are crucial in providing newcomers to a community with legitimate access to its practices.

IT-offshoring to a third world country on the other side of the globe is, in terms of cognitive reach, of special interest because it can help us to understand whether or not the interaction across the Norwegian and Vietnamese colleagues can give access to practices which the Vietnamese can learn from, and vice versa, and to innovate.

3.   Methodology

My methodological approach is based on Grounded Theory (GT), primarily due to its ability to facilitate descriptions of complex organisational practice. GT has been popular in organisational studies for the last 40 years (Charmaz, 2014). According to Locke (2001), GT has been proven to be especially useful to researchers investigating organisational topics, such as decision-making, networks, socialisation, and change. In particular, in organisational studies the focus is on group and individual behavior, and this focus captures the initial locus and interactionist tradition of GT (Locke, 2001). This, combined with its analytical and structural properties, helps explain its popularity in organisational research. It also helps us to grasp how people structure the way that they share knowledge and even construct knowledge in the two targeted groups: Norwegian managers in the firm and the 23 Vietnamese programmers employed in the offshore unit in Vietnam. These groups were targeted for two reasons. First, the managers were targeted to explain and elaborate on the innovation strategy in the firm and how they try to develop relationships across Norwegian and Vietnamese employees to accomplish this strategy. Second, the Vietnamese programmers were targeted to get their views and experiences on their interaction with the mother company and the Norwegian staff. The locus of this study is activities related to communities of practice in relation to the firm's business strategy, which is not low cost but innovation. This sample of informants consists of participants with personal experience within this area, which is characteristic of a narrow sample. In contrast, in a wide sample the respondents might have varied experiences and skills. Such a sampling technique argues for maximum variety in the data. This data ensures participation from both the Norwegian managers and Vietnamese employees (wide), and it also ensures participants sharing a certain experience related to knowledge and learning (narrow). This sampling technique (i.e. of choosing respondents and informants for their similarities as well as for their differences) follows that recommended by Glaser and Strauss (1967).

The data consist of qualitative interview data gathered from four in depth interviews with two managers and two programmers and data from a workshop with six managers representing different IT-firms in Norway who have experience of IT-offshoring. In addition data were gathered from 23 programmers from one firm. Altogether, there were 62 written comments on issues such as culture, collaboration, ICT use and learning. The date were analysed in the following manner: First, sentence were identified as 'incidents' in my open coding and created a synthesis of the comments. The second step, axial coding, involved combining and collapsing categories. In this process several incidents, sentences and sometimes whole paragraphs were moved from one category to another.

4. Findings and analysis

The findings are organised in two tables. Table 1 present the main categories and sub-categories developed in this study of the data from the 23 programmers.

Table 1: Category listing, based on the 23 Vietnamese respondents

Category	Sub-categories	
1. **Comparing work culture**	Vietnamese are more hierarchically oriented	Norwegians have more autonomy
	Different work hours	Different holidays and work leave
	Describe differences in culture as an asset	
2. **Describing challenges in their interaction**	Language problems	Different time zones
	Lack of face to face interaction	Some differences in work load
	Different cultures	
3. **Learning by interacting with Norwegians**	English language	How the Norwegians operate
	Importance of visits from Norway	High quality programming
	Learning how to give feedback to others	New ways of resolving problems
4. **Describing ways to learn more**	Being active to show our idea`s (Vietnamese)	Update online information more frequently
	Discuss more	Vietnamese need to ask more questions
	Vietnamese visiting clients in Norway	Exchange experiences

Table 1 suggests some of the same cultural differences across the Norwegians and Vietnamese, as suggested in Hofstede's (1985) analysis of national cultures. The Vietnamese are more collectively oriented and not so out spoken as people from more individualistic cultures. The Vietnamese are also used to more power distance and are used to having less autonomy in their work. Less autonomy and more obedience towards hierarchy and managers might imply less capacity for self-organised activities and developing their own practices. Table 1 further illustrates that the Vietnamese emphasise learning as a result of their interaction with the Norwegians, including English language and ways to give feedback to other colleagues, as well as new ways to solve problems. Seen together, it seems that the Vietnamese have developed an understanding of the cultural differences across the two groups of employees. However, there is more room for improving their learning, which is illustrated in the last column. The Vietnamese acknowledge that in order to learn they should be more active and should also be more engaged with the clients in Norway. The next section will describe the practices that the managers and Norwegian programmers use to bring together the two units.

4.1 Practices that support a cross national intra organisational community of practice

Practice based theorising recognises the centrality of peoples' actions, their everyday actions, for organisational outcomes (Feldman and Orlikowski, 2011). It is, therefore, important to describe and understand what people do to better understand how people themselves try to develop a better environment for learning and knowledge transfer. From the perspective of communities of practice, newcomers who are separated from the experts geographically have only partial access to their community and, therefore, have limited growth in competence and knowledge. However, people might find ways to overcome the spatial, cognitive and cultural barriers to get the job done and develop ways to share knowledge among themselves to develop their community of practice. The investigation, have uncovered three practices that facilitate a spatial, cognitive and cultural reach across the Norwegian and Vietnamese employees, which create important bridges within an emerging cross national intra organisational community of practice.

First practice: handling differences
The first practice is the intensive testing of candidates when recruiting new staff in Vietnam. The background for this activity is that the Vietnamese applicants may sometimes have bought their university degrees in

programming and, therefore, it is necessary to test their skills in practice. The applicant has to correct a software program that has some errors. This allows the staff who are responsible for the hiring to easily see if the candidate has the necessary knowledge and skills. One manager puts it this way:

> *How the candidate moves his hands on the keyboard tells us very quickly if he has the necessary knowledge and skills or not. (Manager)*

While staff in Norway are selected on the basis of a CV, diplomas, references and an interview, the selection of Vietnamese staff focus on the applicant's actual skills to get the job done, insuring the Norwegians initial trust in the Vietnamese colleague's competence. Normally, newcomers become members of a community by participating in simple and low-risk tasks that are nonetheless productive and necessary, and they then learn to know the community and take on new roles in that community in a step-by-step process. Through peripheral activities, novices become acquainted with the tasks and the knowledge within the community.

In this case, the Norwegian employees travelled to Vietnam to select their employees by using practical testing and spending time with their new colleagues over longer periods of from two or three weeks. The Norwegians found that Vietnam was a pleasant country to visit and many also brought their family. They found that it was easy to get to know the Vietnamese since they also like to socialise at a pub or bar. In particular, the Norwegian managers encouraged the Norwegian employees to get to know the Vietnamese culture. As one manager put it:

> *We Norwegians love it when someone in the United States knows something about our language or culture, so we encourage our Norwegian employees to get know and appreciate Vietnamese culture. (Manager)*

In other words, managers provide cultural reach when encouraging their Norwegian employees to appreciate Vietnamese culture.

Second practice: Endorsing a learning culture

The second practice that I identified is the endorsement of a learning culture, which can be seen in this example:

> *We can understand and learn each other more. No one was born perfect, but we are on the road to make everything be perfect step-by-step. (Quote from answer to an open-ended question in the survey)*

It also consists of Norwegian managers talking about their tolerance for individual mistakes and they should urge their employees to constantly to ask questions. When the Vietnamese were visiting Norway, one of the managers put it this way:

> *It is difficult to get the Vietnamese to tell us that they are not sure what to do, and we need them to constantly ask questions. Furthermore, we invite our Vietnamese colleagues to Norway, to visit our customers, so they can understand the processes the software is meant to handle. (Manager)*

In my view, these visits increase the opportunities for interaction and communication about their work, which in this case was programming in relation to concrete tasks. By travelling to Norway, it is easier to grasp which production processes they are programming software for and it is also a good opportunity to learn from their Norwegian colleagues. My findings also suggest an interesting role for Skype in relation to learning:

> *It is better to communicate with the Vietnamese on Skype than e-mail, not only because Skype is an richer medium, but since nothing is written down [on Skype] the Vietnamese are willing to tell us what they do not understand openly, since it can`t be forwarded to any manager… which is the case with text in e-mail. (Programmer, Norway)*

When working together at a distance, both managers and employees report that the use of Skype is central to reducing the fear of losing face. They try to communicate as little as possible by e-mail and instead use Skype

because the managers can access and read an e-mail, while on Skype the Vietnamese feel more in control of what and to whom they ask their questions or reveal what they do and do not understand.

Third practice: Close monitoring

Close monitoring is the third and final practice that was identified. This practice consists of the use of the SCRUM process tool, which is an iterative and incremental agile software development framework that is used to manage product development (Scrum Alliance, 2016). Central to SCRUM is the idea that many of the processes of program development cannot be foreseen. Therefore, it addresses software development in a flexible way. The only two parts that are fully defined during a software development project are the first and last phase (planning and closure). In-between, the final product is developed by teams in a series of flexible black boxes called 'sprints' (Vlaanderen et al., 2011). This is described in the following quote:

> *In the 'sprint periods', the Norwegian and Vietnamese are often working together side by side and face to face in Vietnam, to insure effective programming. (Programmer, Norway)*

This ensures that the final product is being developed with a high probability of success through close monitoring and by working together in Vietnam during the sprint periods. While close monitoring facilitates learning through working together, the comments to our open questions suggest that there were some problems. For example, the interviewees mentioned that there were sometimes too many ideas, too many people and too many different views, which makes it difficult to develop mutual understanding. These practices are summarised in Table 2.

Table 2: Practices that support a cross national intra organisational community of practice

Practices	Activities comprising the practice	Types of knowing	Contributes to
Handling differences	Testing candidates Travel to Vietnam Get to know local culture Spend time together at the pub	Knowing how to handle the two different national cultures	Mutual understanding (cultural reach)
Endorsing a learning culture	Mangers talking about tolerance for mistakes Urge employees to ask questions Visiting customers together in Norway Use of Skype	Knowing how to learn	Rules for learning (cultural and spatial reach)
Close monitoring	Sprint periods with face to face interaction Use of SCRUM	Knowing how to work together	Mutual engagement Joint enterprise (Cultural, spatial and cognitive reach)

I suggest that the empirical findings of these three practices (see Table 2) illustrate competence in knowing how to develop 'joint enterprise' and 'mutual engagement', both important elements of community of practice, in this cross-national intra-organisational context. They accomplish this by travelling and by a way of recruiting and selecting staff, which includes the testing of practical skills. Equally important is informal interaction and the appreciation of Vietnamese culture. Furthermore, the study show how learning is associated with tolerance for differences, tolerance for mistakes and employees asking questions. Moreover, it is important for the employees of this company to learn when visiting their costumers together in Norway and when working together in Vietnam during sprint periods. Close monitoring is last but not less important to accomplish a good result when developing tailored made software between the Norwegian and Vietnamese team members thorough skilful use of ICT and regular face to face interaction.

While current research has focused on the problematic team relations in IT-offshoring (Salminen-Karlsson, 2014), these three practices illustrate how people try to solve some of the problems of cultural differences, and find new rules for learning and ways for working together; in other words, knowledge sharing across spatial, cultural and cognitive distance. The company should have rules for recruiting, rules for communication and working together to coordinate their work and learn. While ICT media are regarded as important for spatial reach, this study has revealed that Skype is important not only due to its ability to transfer social cues but also because it increases 'truthful' conversations. For example, the Vietnamese can be cautious about being honest when using email because they are afraid that their managers may read their messages and

become aware of their lack of knowledge, which makes Skype a better option (since because the Vietnamese see it as more private than e-mail.

5. Discussion

One key argument for offshoring as the better alternative to outsourcing is the problem with high rates of personnel turnover with outscoring, which is problematic when the firm is trying to develop a competitive advantage through an innovation strategy. Personnel turnover makes it difficult to retain and develop individual competence, and develop a community of practice across the Norwegians and Vietnamese. Offshoring is, therefore, preferred by the firm in study.

Offshoring at its best, from the perspective of communities of practice (Wenger, 1998) does not only let the offshored unit reduce the burden on the staff in the mother unit but it also includes the staff at the offshored unit in active involvement in designing the program.

The three practices that are identified illustrate how this company is trying to overcome their spatial, cognitive and cultural differences to improve their collaboration and learning across the units. First of all they need to handle their differences. To secure competent staff in the offshore unit is very important from the perspective of communities of practice. While selection in Norway is based on formal qualifications and an interview, practical testing of the Vietnamese is necessary. Without this initial trust to the selection process, the Norwegians might hesitate to give the Vietnamese tasks that they can learn from. With this initial trust in competence, managers stress the importance of learning and intensive collaboration to ensure that both online and face to face knowledge sharing and learning is taking place. However, the Vietnamese and the Norwegians need to advance their communication skills to develop their learning further. In particular the Vietnamese need to overcome their fears of asking the Norwegians questions, which is important for knowledge sharing and learning across the units.

From the perspective of communities of practice (Wenger, 1998), this study stresses the need to for the company to include the offshored unit in their interaction with clients, which underlines the situated, tacit and practice based nature of IT-programming for industries and services. The Vietnamese, who are supposed to do a lot of the programming, also need to understand the processes and the context that the program is meant to function in. This is necessary for doing the job, which is developing a tailor made program. In other words, they need to understand and design the processes that their software is meant to be used in. To learn through interaction with their Norwegian colleagues is, therefore, not enough, they also need to see and understand the context in which their software will be used. This means that the Vietnamese also need to visit the clients in Norway (or elsewhere). The Vietnamese will then be more able to grow their competence and knowledge.

As existing research suggests, this study also underlines that diverse participants need rich media (face-to-face interaction, teleconferencing and videoconferencing), which should be preferred before the lean medias (e-mail, instant messaging and repositories) (Kirkman et al., 2013). Interestingly, not only due to richness but also due to culture, the Vietnamese find it less threatening to tell the truth in a medium like Skype than in a text medium like e-mail. In other words, a rich medium facilitates the psychological safety needed to ask questions.

6. Conclusion

A multinational company promote communities of practice across their units by handling cultural differences, endorsing learning and structure work interactions to promote learning and innovation. As a KM practice, communities practice might fit well with a innovation strategy for a multinational company. The practices identified in this study illustrate managerial competence in and efforts for developing mutual understanding, rules for learning, mutual engagement and a sense of joint enterprise across the two units in company. All-important elements necessary for learning and innovation through communities of practice. However, there are limitations to the practices identified. To really understand the job and to become able to innovate, the colleagues at the offshore unit need to be more included in the interaction with the clients to familiarise themselves with the context that the software is designed for. Consequently, to implement an innovation strategy, it is not enough for the Norwegians to spend more time with their clients; the Vietnamese in the programming team also need to have access to the activities that provide the learning and context related understandings that is necessary to do their job efficiently and to contribute in innovating processes with their clients.

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