

**The dynamic evolution of means and goals during the early
internationalisation of South African small and medium-sized
enterprises**

by

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“True wisdom comes to each of us when we realise how little we understand about life, ourselves and the world around us .”

- *Socrates*

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Thank you.

Declaration

I, Theunis Gerhardus Mans declare that this thesis, which I hereby submit for the degree of Doctor of Philosophy at the University of Pretoria, is my own work and has not previously been submitted by me for a degree at this or any other tertiary institution.

I further declare that any and all errors are mine and mine alone.

Additionally, I declare that I have obtained the necessary authorisation and consent to conduct this research study.

Signature: Theunis Gerhardus Mans

Date: 26 October 2024

Ethics statement

I, Theunis Gerhardus Mans, hereby declare that I have obtained the applicable research ethics approval for this research project. Furthermore, I have observed the ethical standards required in terms of the University of Pretoria's Code of Ethics for researchers and the Policy guidelines for responsible research.

Please refer to Appendix A for the ethics approval letter.

Abstract

This study examines how the transformation and evolution of means influence the internationalisation goals of South African small and medium-sized enterprises during their early internationalisation, using effectuation theory. According to this theory, during periods of scarce resources and uncertainty, firms start internationalising by increasing their means—such as identity, knowledge, and networks—influencing their goals. While scholars have started to examine this means-goal relationship, they often overlook the dynamics of this process. The findings of this study should prompt early internationalising small and medium-sized enterprises to reconsider goal setting as a process influenced by their means.

Small and medium-sized enterprises often struggle with scarce resources and uncertainty during their early internationalisation. Furthermore, understanding how they reconfigure and increase their means and how this influences their goals remains complex. Thus, effectuation theory was relevant for this study, as it addresses these challenges.

This study contributes to effectuation theory in three ways. I offer a more precise categorisation of the goals that emerge during the process of effectuation. I confirm the current effectuation literature that the goals of the firm evolve when its means evolve. Finally, I show that this process of means and goals evolution is dynamic during effectuation.

How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals was the main research question asked in this study. A case study on eight early internationalising South African small and medium-sized enterprises was conducted. Evidence suggests that during early internationalisation, means and goals evolve dynamically. Goals may range from general to more specified in no particular order, influenced by increased or decreased means.

This study contributes to the literature by showing that means and goals evolve dynamically during effectuation. Firms should set general goals rather than specified goals when facing scarce resources and uncertainty during early internationalisation. The process perspective of this study provides methodological contributions to the literature. Future studies can incorporate the goal-setting literature into this study or test my findings in more developed markets over an extended period of time.

Keywords: Means, Goals, Internationalisation, Small and Medium-Sized Enterprises

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List of abbreviations

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFD	Contract for difference
CTO	Chief Technology Officer
DM	Decreased Means
ICM	Increased Means
JSE	Johannesburg Stock Exchange
JV	Joint Venture
KPI	Key Performance Indicator
MD	Managing Director
NPO	Nonprofit Organisation
POPI Act	Protection of Personal Information Act
UCM	Unchanged Means
US	The United States of America
USD	United States Dollar
SA	South Africa
SME	Small and medium-sized enterprise
UNCTAD	United Nations Conference on Trade and Development
UK	United Kingdom
VP	Vice President
ZAR	South African Rand

Chapter 1: Introduction

A firm can grow in its home markets by diversifying into new product lines or into new activities that require new knowledge (Dunning, 1979). The firm can also grow internationally by exploiting markets abroad (Mcdougall, 1989). Sometimes, small and medium-sized enterprises seek to grow their business over time. In some instances, it makes sense strategically to seek this growth abroad (i.e., to internationalise). This might result in a general goal to internationalise. However, internationalisation might not be so easy for these small and medium-sized enterprises because they are often hindered by uncertainty (Ault et al., 2021) and resource limitations (Wu & Deng, 2020) that are often associated with internationalisation (Reuber et al., 2018). Yet, small and medium-sized enterprises sometimes internationalise successfully (Zucchella, 2021). But, how these small and medium-sized enterprises overcome uncertainty by transforming their means into resources and how this influences their goals remains puzzling.

In this study, I theorised about early internationalising small and medium-sized enterprises hindered by scarce resources and uncertainty through the theoretical lens of effectuation. I argue that the means of small and medium-sized enterprises transform and evolve dynamically during their early internationalisation. Subsequently, the goals of these small and medium-sized enterprises evolve in line with the means of the firm, as the theory of effectuation suggests (Sarasvathy & Dew, 2005).

This study contributed to effectuation theory in three ways. Firstly, I have built on the argument of Kalinic et al. (2012) that the general goals of firms develop into different sub-goals when new means and resources are acquired. According to Kalinic et al. (2012), a general goal entails a vague goal that is not clear, while sub-goals are something that can be acted on. I built on this by offering a more precise categorisation for the goals that emerge during the process of effectuation. I have categorised these goals as general and specified goals. A general goal is a vague goal without a target or period to achieve it, for example, growth by internationalising. A specified goal usually has a target to be achieved within a certain period, for example, appointing a new accountant by December in the current financial year. Furthermore, I have identified growth, profit and partners as important characteristics of general goals. I have also identified output targets, input targets, time and location as important characteristics of specified goals.

Secondly, this study confirms the current effectuation literature that the goals of the firm change when its means change during the process of effectuation. My evidence suggests that firms tend to set general goals during periods of limited means. But also firms tend to set more specified goals, for example, expanding to a specified location within a specified time when they have managed to successfully increase their means. In other words, the goals of the firm evolve as its means evolve.

Thirdly, this study offers insights into the dynamics of how the means and goals of a firm evolve during the process of effectuation. I found that the means of the firm can increase or decrease in no particular order. Furthermore, my evidence suggests that the goals of the firm tend to become more specified when the means of the firm increase and revert to more general goals when the means of the firm decrease for some reason. Even though effectuation theory is a process, few studies have examined the relationship between means and goals over time as a process.

Effectuation is a process of controlling an unpredictable future by being means-driven (Sarasvathy, 2001; Sarasvathy & Dew, 2005). During effectuation, firms increase their means by applying the principles of effectuation (Bai et al., 2021; Galkina & Chetty, 2015). The principles of effectuation are to start with means, affordable loss, controlling an unpredictable future, strategic partners and leveraging unexpected opportunities (Sarasvathy & Dew, 2005). Jiang and Ruling (2019) argued that effectuation has not been adequately studied as a process but rather studied categorically by only focusing on one of these principles at a time. According to the theory of effectuation, as a result of applying the principles of effectuation and increasing its initial means, the goals of the firm should change (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012). In other words, a firm may initially be means-driven with vague goals (Sarasvathy, 2001).

I argue that effectuation is a process with a start and end. Certain actions and paths determine the outcomes of the effectuation process. These actions and paths are based on the effectual behaviour of firms, which entails applying the principles of effectuation (Sarasvathy & Dew, 2005). The desired outcome of the effectuation process is to control an unpredictable future by being means-driven during periods of uncertainty (Sarasvathy, 2024). Theoretically, the goals of a firm should change when these means of the firm change as a result of being means-driven (Sarasvathy & Dew, 2005). However, the effectuation literature does not provide insights on whether this process of increasing means is linear or dynamic. Neither does the effectuation literature provide insights into how the evolving means of a firm influence its goals during this process.

Effectuation is effective when a firm has scarce resources and faces uncertainty (Chetty et al., 2015; Galkina & Chetty, 2015; Kalinic et al., 2014). Effectuation is effective in these circumstances because by applying the principles of effectuation, the focus of the firm is to control an unpredictable future by being means-driven initially and not focused on predetermined goals (Fischer & Reuber, 2011; Kerr & Coviello, 2020). In other words, the firm assesses what is possible to achieve with its initial set of means instead of focusing on a predetermined goal to control an unpredictable future instead of trying to predict it. The focus of the firm will then be to increase its initial means, which will eventually add resources to the firm and reduce uncertainty in the process (Jiang & Ruling, 2019).

In this study, I was particularly interested in examining how the means of early internationalising small and medium-sized enterprises evolve and influence their goals from a process perspective. To the best of my knowledge, this will be a unique study that examines how the evolution and transformation means of early internationalising small and medium-sized enterprises influence their goals during the process of effectuation.

There are two important assumptions of these internationalising small and medium-sized enterprises that link them theoretically to effectuation. Firstly, these small and medium-sized enterprises often face scarce resources (Wu & Deng, 2020). Secondly, the process of early internationalisation tends to be characterised by uncertainty for these small and medium-sized enterprises (Ault et al., 2021; Kitching & Rouse, 2020; Kriz & Welch, 2018). Therefore, I argue that scarce resources and uncertainty theoretically link effectuation with internationalisation. This made early internationalising small and medium-sized enterprises contextually fitting for this study.

This study is not unique in examining means and goals through an effectuation lens. Various studies have documented how the firm increases its means by applying the principles of effectuation (Gregoire & Cherchem, 2020; Karami et al., 2020). Other studies have vaguely explained goals during effectuation (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012). However, these studies focus more on means with limited insights into goals. Therefore, lacking insights into the dynamics of how means and goals evolve during the process of effectuation.

Finally, longitudinal studies for effectuation from a process perspective are sparse (Karami et al., 2020). This is important because effectuation is not a once-off event but rather a continuous process of adding resources to a firm by increasing its means (Read et al., 2009). Therefore, I have used case study research to compare eight early

internationalising South African small and medium-sized enterprises sampled for maximum variation along predefined criteria in this study.

Positioning this study as a process study (De Villa & Langley, 2024), I argue that there should be a start with certain paths and actions that lead to an outcome (Langley, 1999). The start of the effectuation process would suggest increasing the initial set of means of a firm with little emphasis on goals (Sarasvathy, 2001). Applying the principles of effectuation (Sarasvathy & Dew, 2005) results in certain paths and outcomes.

1.1. Research problem

Scholars have started to examine the relationship between means and goals, but they have only focused on the means and goals themselves and not the dynamics of this process and how these means and goals evolve (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012).

Furthermore, the relationship between means and goals currently in the literature raises many questions. For instance, the current effectuation literature states that the goals of the firm change when its means change (Sarasvathy, 2024). This relationship has, however, to the best of my knowledge, not been confirmed before.

Therefore, insights into how the means of a firm evolve and influence the goals of a firm during effectuation and the dynamics of this process are currently limited in the literature. For instance, the current literature portrays the evolution of means and the change of goals as a linear process (Bai et al., 2021; McKelvie et al., 2020). I argue that this process is much more dynamic and that the means of a firm may increase or decrease in no particular order during effectuation. I also argue that this evolution and transformation of means enable the goals of the firm to evolve during effectuation.

1.2. Research questions

I argue that the means of small and medium-sized enterprises transform and evolve dynamically during their early internationalisation. Subsequently, the goals of these small and medium-sized enterprises should also evolve when their means evolve. Therefore, I was interested in examining how the means of early internationalising small and medium-sized enterprises evolve and influence their goals during the process of effectuation. This meant that I had to craft my research questions to fit a study from a process perspective in an international business context.

Because I was interested in examining how the means of a firm evolve and influence its goals from a process perspective, I needed to examine both means and goals separately as part of the process of effectuation. Based on these arguments, the following research questions were asked:

Research question 1: How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals?

Sub-question 1a: How do the means of early internationalising small and medium-sized enterprises evolve during the process of effectuation?

Sub-question 1b: How do the goals of early internationalising small and medium-sized enterprises evolve during the process of effectuation?

1.3. Research design

Scarce resources and uncertainty may trigger internationalising small and medium-sized enterprises to engage in effectual behaviour (Galkina & Chetty, 2015). Furthermore, small and medium-sized enterprises from emerging markets may face more uncertainty than their developed counterparts (Yu et al., 2018). This uncertainty is typically a result of limited knowledge (Bai et al., 2021), which typically results in Knightian uncertainty (Dibiasi & Iselin, 2021). Knightian uncertainty is a fundamental assumption of effectuation (Sarasvathy, 2001). Furthermore, Yu et al. (2018) argue that small and medium-sized enterprises from emerging markets face tremendous uncertainty due to a lack of knowledge when internationalising. According to the United Nations Conference on Trade and Development (UNCTAD), South Africa identifies as an emerging market. Therefore, internationalising small and medium-sized enterprises from South Africa was a good fit to examine through the theoretical lens of effectuation.

Therefore, the main objective of this study was to generate theoretical insights (Welch et al., 2011, 2022; Yin, 1981) by examining how the means of South African small and medium-sized enterprises evolve and influence their goals during their early internationalisation using effectuation theory (Sarasvathy & Dew, 2005).

Case study research can be useful when a phenomenon is complex, and a study aims to generate theoretical insights (Piekkari et al., 2009; Welch et al., 2011). Therefore, case study research was a fitting methodological choice for this study. Furthermore, I followed Read et al. (2016) and used a pragmatic philosophical orientation for this study.

Furthermore, I was interested in conducting a process study (De Villa & Langley, 2024). Process studies are not just rare in the effectuation literature but also in the international business literature (Welch & Paavilainen-Mäntymäki, 2014).

The sampling approach for selecting cases in this study was purposive sampling aiming for maximum variation (Gentles et al., 2015; Harsh, 2011). The sampling criteria for these cases were theoretically grounded in effectuation theory (Sarasvathy, 2001). The advantage of purposeful sampling for maximum variation is that outlier cases can be chosen that can be compared to provide a holistic understanding of a phenomenon (Gentles et al., 2015).

Effectuation is a process that unfolds over time (Sarasvathy & Dew, 2005). This meant that to examine how the means of a firm transform and evolve and influence its goals during the process of effectuation, it was necessary to follow the selected cases in this study for an extended period. Therefore, this study was a longitudinal case study with qualitative data that were collected from eight cases over 12 months by conducting semi-structured interviews.

The unit of analysis in this study was the internationalisation decisions of the subsidiary branches of the selected cases. The unit of observation was the managing individual(s) that had a significant influence over the internationalisation decisions for each subsidiary branch.

Drawing from effectuation theory (Sarasvathy, 2001), I inductively analysed the semi-structured interview data that were gathered in this study (Welch et al., 2022). I followed three steps to analyse the data. First, I developed two data structures resembling the means and goals that emerged from the data following the Gioia Methodology (Gioia, 2021). Next, I used the data structures developed to conduct a within-case analysis for each case (Yin, 1981). Finally, I looked for patterns that emerged among the cases by conducting cross-case analysis. Cross-case analysis enabled me to compare the different cases and narrow down the type of means and goals that emerged from the data that were gathered. Ethical considerations were observed throughout the data-gathering and analysis process.

1.4. Theoretical, methodological and practical contributions

The main objective of this study was to generate theoretical insights by examining how the means of South African small and medium-sized enterprises evolve and transform and, in the process, influence their goals during early internationalisation using

effectuation theory (Sarasvathy, 2001). These insights contributed to the literature theoretically, methodologically and practically.

1.4.1. Theoretical contributions of this study

This study makes three original contributions to the theory of effectuation. Firstly, this study offers more precise categories for the goals that emerge during the process of effectuation. I have categorised these goals as general and specified goals. A general goal is a vague goal without a target or period to achieve it, for example, simply having a goal to make a profit without an actual numerical value attached to it. A specified goal usually has a target to be achieved within a certain period, for example, to get a certain amount of new clients by the end of a financial year. Furthermore, I have identified growth, profit and partners as important characteristics of general goals. I have also identified output targets, input targets, time and location as important characteristics of specified goals.

Secondly, as mentioned before, I have specifically examined effectuation from a process perspective in the context of internationalisation. By examining effectuation from a process perspective, I was able to find evidence that supports the current literature that the firm's goals evolve when its means evolve and transform during this process.

Thirdly, this study offers insights into the dynamics of how the means and goals of the firm evolve during the process of effectuation. My evidence suggests that the means of the firm evolves dynamically during periods of scarce resources and limited means, such as the early internationalisation of small and medium-sized enterprises. In other words, the goals of the firm may become more specified as its means increase and then become more general again when the means of the firm decrease for some reason.

1.4.2. Methodological contributions of this study

Although scholars agree that effectuation was initially developed as a process theory (Jiang & Ruling, 2019), not many studies have surfaced taking a process perspective on effectuation. Instead, most scholars studied the principles of effectuation categorically (Gregoire & Cherchem, 2020; Karami et al., 2020). Summarily, studies in the international business literature with a process lens are sparse (Welch & Paavilainen-Mantymaki, 2014).

My study contributed to the literature by being one of a few effectuation studies that examined effectuation longitudinally from a process perspective in an internationalisation

context. This study also contributes to the international business literature by answering the call of Welch and Paavilainen-Mäntymäki (2014) by drawing on a dynamic theory such as effectuation to answer research questions developed around the evolution of firm internationalisation.

1.4.3. Practical contributions of this study

From a practical perspective, this study changes the way small and medium-sized enterprises must think about goal setting during periods of scarce resources and uncertainty. I suggest that these firms embrace the dynamic nature of the evolution and transformation of their means as a result of effectual behaviour. This entails that firms should not obsess over goal-setting during periods of uncertainty but rather be means-driven in an effort to control an unpredictable future. As a result, the means of the firm should evolve and transform and eventually add resources to the firm. Therefore, the need to set more specified goals will naturally become more important to focus on as the means of the firm transform and evolve.

1.5. Ethical Considerations

Ethical considerations were adhered to during the whole period of conducting this study. Firstly, ethical clearance was required and approved as per the rules and regulations of the University of Pretoria (see Appendix A for the ethics approval letter). Secondly, I have designed an ethical guideline for this study with three phases for the data-gathering and analysis process. Phase 1 was made up of ethical considerations before collecting data in the field. Phase 2 was made up of ethical considerations during the data collection process in the field. Phase 3 was made up of considerations after collecting data in the field. These ethical guidelines will be elaborated in more detail in Chapter 3.7. of this thesis.

1.6. Conclusion

In this chapter, I gave a brief overview of the contents of this thesis. In particular, I highlight that I theorise about early internationalising small and medium-sized enterprises hindered by scarce resources and uncertainty through the theoretical lens of effectuation. I subsequently argued that the means and goals of these small and medium-sized enterprises evolve dynamically during the early stages of internationalisation. I have designed a process case study to examine how means evolve and, importantly, how they influence the goals of these small and medium-sized

enterprises during their early internationalisation. My findings suggest that the means of early internationalising small and medium-sized enterprises evolve dynamically. The goals of this early internationalising of small and medium-sized enterprises, in return, also evolve dynamically between general and specified goals when the means of the firm transform and evolve.

In the next chapter, I provide a comprehensive literature review to strengthen my arguments above. I start by providing an overview of the theory of effectuation. Thereafter, I provide a theoretical link between the theory of effectuation and international business. The aim was to position the theory of effectuation as a suitable theoretical lens for international business studies. I end the literature review with research questions grounded in the theory of effectuation based on my main argument that the goals of small and medium-sized enterprises evolve with the dynamically evolving means of these firms during their early stages of internationalisation.

2. Literature review

2.1 Introduction

Effectuation is a process of controlling an unpredictable future by being means-driven (Sarasvathy, 2001; Sarasvathy & Dew, 2005). It is during the process of effectuation that a firm grows its resources by increasing its means (Sarasvathy, 2001). The firm increases its means by applying the principles of effectuation (Sarasvathy & Dew, 2005). These principles start with available means, affordable loss, controlling an unpredictable future, strategic partners, and leveraging unexpected opportunities (Sarasvathy, 2001).

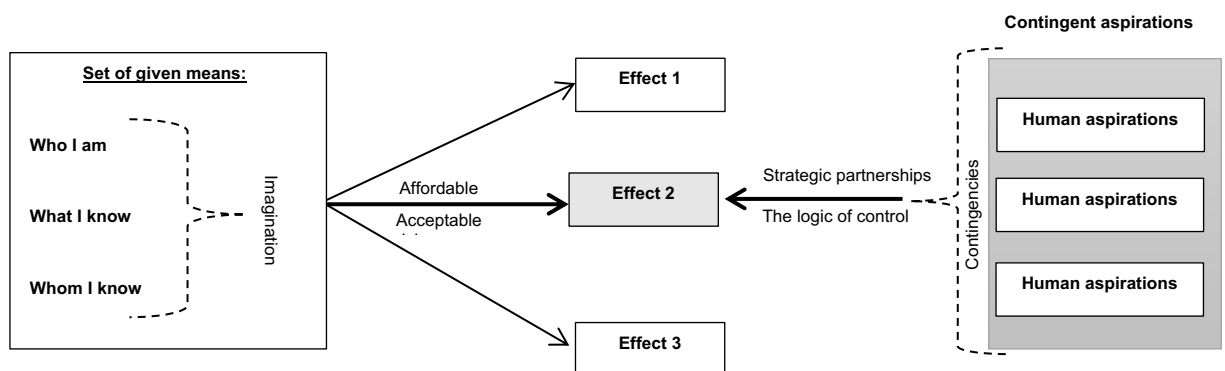
The literature on effectuation mostly focuses on how the firm increases its means by applying these principles of effectuation (Bai et al., 2021; Jiang & Ruling, 2019; Karami et al., 2020). These principles are often studied categorically. However, effectuation is a process with certain paths and outcomes (Sarasvathy & Dew, 2005). These outcomes are usually the evolution and transformation of its means and goals (Kalinic et al., 2012; Wiltbank et al., 2006). However, I argue that insights on the dynamics of this process and how the evolving means of a firm influence its goals during the process of effectuation have not yet been documented clearly. Furthermore, the effectuation literature has already theoretically categorised the means that emerge during the process of effectuation but overlooked the goals that emerge during the same process (Sarasvathy & Dew, 2005). Previous effectuation scholars did identify goals that emerge during the process of effectuation, but they seem to disagree on the categorisation of these goals and do not provide precise categories of goals transferable to other effectuation studies (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012).

It has already been established in the literature that firms are means-driven initially during the process of effectuation and do not focus on predetermined goals (Sarasvathy, 2024). However, as mentioned above, goals emerge during the process of effectuation. For instance, Kalinic et al. (2012) argued that the general goals of firms develop into different sub-goals when new means and resources are acquired. A general goal entails a vague goal that is not clear and sub-goals are something that can be acted on. Jiang and Ruling (2019) argued that firms set new goals when their means increase. These new goals were defined as transaction-oriented and value-creation-orientated goals (Jiang & Ruling, 2019). Finally, Furlotti et al. (2020) argued that goal setting during the process of effectuation tends to lean more towards a bottom-up approach. The bottom-up approach of goal setting entails setting goals that are high-level aspirations and closely linked to the means of the entrepreneur (Furlotti et al., 2020). Evidently, none of these studies

seems to agree on a the precise categorisation of goals that emerge during the proses of effectuation.

In its most basic form, effectuation provides a decision-making framework for firms to control an unpredictable future during uncertainty (Sarasvathy, 2001). Firms engage in effectual behaviour by determining the possible effects that can be created with an initial set of means. These means are theoretically categorised as who I am - identity, what I know - knowledge and whom I know – networks (Sarasvathy, 2001). To choose between the possible effects that can be created, the firm will determine the losses it can afford and the risk it is willing to take in relation to this initial set of means (Sarasvathy, 2001). Human aspirations and constraints eventually influence the effects the firm chooses to create (Sarasvathy, 2001). Figure 1 illustrates a conceptual model of effectuation, as explained above.

Figure 1: Effectuation conceptual model



Source: Sarasvathy (2001).

This early conceptual model of effectuation illustrated in Figure 1 implies that initially, a firm will assess its available set of means (who I am, what I know and whom I know) and determine the different possible effects that can be created with these means. In this context, effects refer to goals (Sarasvathy, 2001). The criteria for selecting effects that can be created will usually be based on a predetermined level of affordable loss or a risk that is acceptable given the initial set of means of the firm (Sarasvathy, 2001). Eventually, the firm will decide on an effect it can create but might be influenced by, for example, strategic partners with a different vision (Kalinic et al., 2012; Sarasvathy & Dew, 2005).

As mentioned above, the effectuation literature does not ignore the goals that emerge during effectuation (Furlotti et al., 2020; Jiang & RÜling, 2019; Kalinic et al., 2012). But, the current literature places less emphasis on goals and focuses more on the

transformation and evolution of means. Jiang and Rülling (2019) also argued that most effectuation studies tend to examine effectuation categorically based on the principles of effectuation and how they relate to means. Thus categorically focusing on an aspect of effectuation and ignoring the fact that effectuation is a process. Examples of these studies include Fisher (2012), Kalinic et al. (2014), and Galkina and Chetty (2015).

I argue that the process of means evolution and transformation is dynamic. In other words, the means of the firm may increase or decrease in no particular order. Therefore, the goals of the firm should then evolve dynamically in line with the means of the firm. But, how the dynamic transformation and evolution of means influence the goals of the firm is currently unclear.

2.2 The Dynamic Model of Effectuation

Effectuation was intended to be a process from the onset (Jiang & Rülling, 2019). The dynamic model of effectuation is a more explicit process-orientated perspective of effectuation based on the earlier works of Sarasvathy (2001), as illustrated in Figure 1 above. This process-orientated perspective suggests that firms apply an effectual decision-making framework where they prioritise controlling an unpredictable future by being means-driven (Sarasvathy & Dew, 2005). In other words, firms apply the principles of effectuation in a continuous process of increasing the means of the firm with the desired outcome of controlling an unpredictable future which eventually leads to adding resources to the firm (Sarasvathy & Dew, 2005).

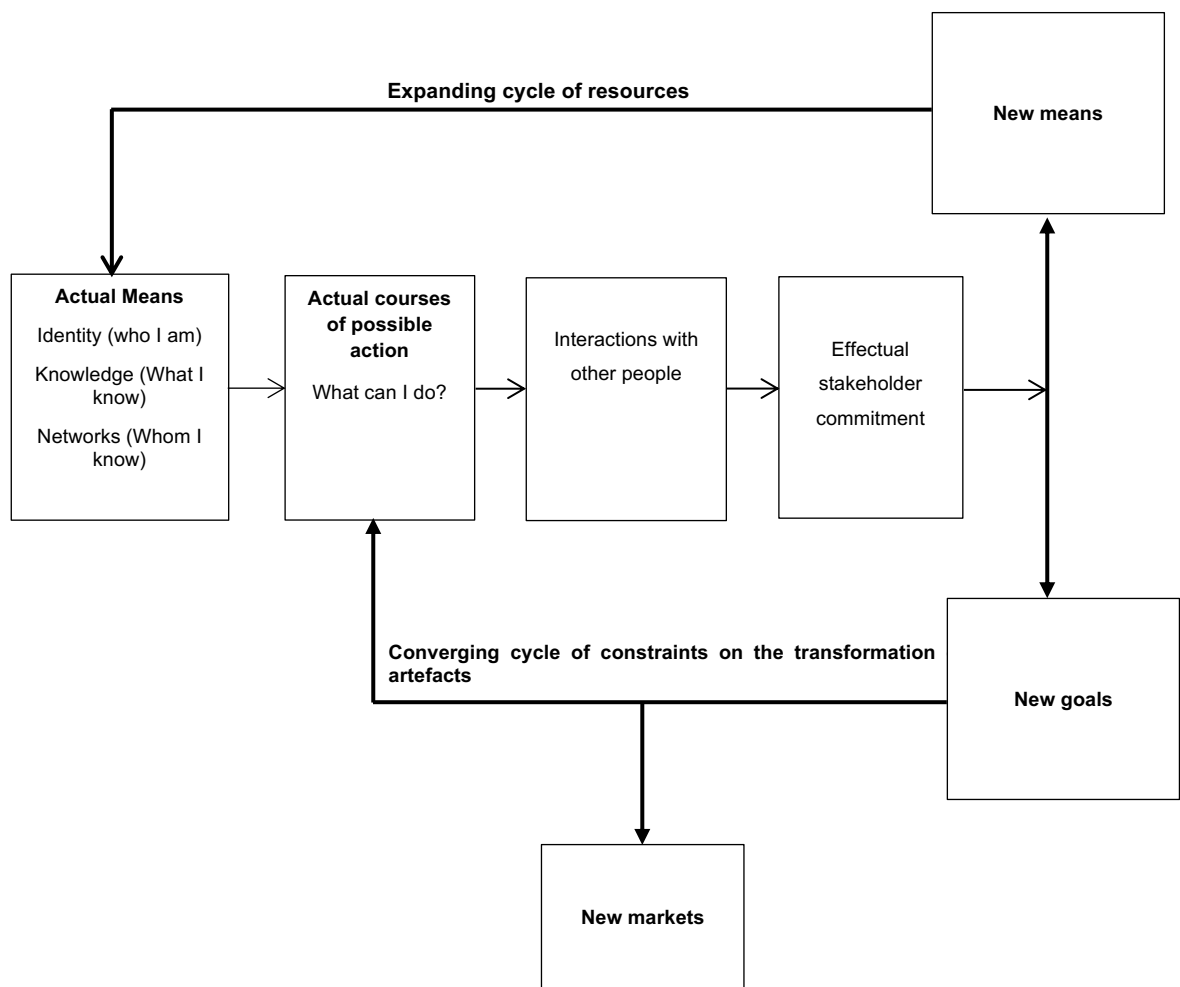
Applying an effectual decision-making framework in this way comes with many advantages. For example, it controls an unpredictable future by determining the maximum affordable loss the firm is willing to take (Martina, 2020). Furthermore, being means-driven initially during periods of uncertainty may improve firm performance (Furlotti et al., 2020). Finally, the firm can leverage unexpected opportunities by not being focused only on specified predetermined goals (Bai et al., 2021).

Effectuation has been studied categorically in the literature leaning theoretically more towards the principles of effectuation and how they relate to means (Jiang & Rülling, 2019). However, insights on how the evolution and transformation of means influence the goals of a firm are sparse. Specifically, insights about the dynamics of this process.

This relationship between means and goals is influenced by the principles of effectuation because means increase by applying the principles of effectuation (Sarasvathy, 2001). It is the result of increasing the means of a firm that adds to its resources. However,

increased means also influence the goals of the firm over time (Kalinic et al., 2014). Therefore, the dynamic model of effectuation consists of two contrasting cycles. The first is a continuous cycle of adding resources to the firm while the second is a converging cycle into new goals (Sarasvathy & Dew, 2005). The dynamic model of effectuation is illustrated in Figure 2 below.

Figure 2: The Dynamic Model of Effectuation



Source: Sarasvathy and Dew (2005).

Most new projects are, by their very nature, uncertain (McMullen & Shepherd, 2006). For example, a firm can face market uncertainty when it starts a new project (Kriz & Welch, 2018). A firm also faces market uncertainty when it is not clear in which international

market to sell its products or services (Kriz & Welch, 2018). Furthermore, firms may face resource limitations during early internationalisation (Kumar et al., 2020).

The dynamic model of effectuation alluded to above in Figure 2 can be useful in reducing uncertainties by controlling rather than trying to predict the future (Smolka et al., 2018). The reason why the dynamic model of effectuation in Figure 2 above can be useful for reducing uncertainty is that it is means-driven initially (Furlotti et al., 2020). In other words, by applying an effectual decision-making framework, a firm reduces uncertainty by controlling an unpredictable future rather than trying to predict it (Martina, 2020). The firm can control an unpredictable future by assessing what possible effects can be created with its available means and control the downside risk by determining beforehand the maximum it can afford to lose (Sarasvathy & Dew, 2005). This implies applying the principles of effectuation. These principles are now briefly explained in the context of the relationship between means and goals.

A firm starts the effectuation process by determining the effects it can create with its available means (Sarasvathy, 2001). Theoretically, these means consist of who I am - this is mostly made up of resource-based capabilities (Read et al., 2009), what I know - this is mostly made up of knowledge and whom I know - this is mostly made up of networks (Prashantham et al., 2019). These sets of means might not initially be sufficient to create desirable effects or goals (Sarasvathy et al., 2014). A need may, therefore, arise in the firm to increase these initial means by engaging in effectual behaviour by applying the other principles of effectuation.

Affordable loss is an effectuation principle whereby a firm determines beforehand the maximum it is willing to risk before starting a project (Martina, 2020). In some instances, it is not possible to determine beforehand how profitable a new project will be (Martina, 2020). Therefore, during the initial stages of the effectuation, the principle of affordable loss suggests that to the extent that a firm can control the future, there is no need to predict it (Chetty et al., 2015). By applying the principle of affordable loss, a firm can control the future by budgeting for the maximum monetary amount it is willing to risk on a new project. Therefore, the principle of affordable loss typically illustrates the core of an effectual decision-making framework whereby firms are means-driven initially instead of goal-driven during uncertainty (Wiltbank et al., 2006).

Controlling an unpredictable future refers to an effectuation principle whereby firms seek to control uncertainty by taking a set of means as a given (Sarasvathy, 2001). The firm will typically then seek to create effects or goals that are possible within this given set of

means (Jiang & Riling, 2019). The principle of controlling an unpredictable future also emphasises decision-making that is means-driven initially instead of goal-driven (Wiltbank et al., 2006).

Strategic partners refer to an effectuation principle whereby the interactions and commitments of new external partners may result in a reduction of uncertainty and additional resources (Bai et al., 2021). The principle of strategic partners implies that the firm can partner with someone who brings additional means to the firm (Bai et al., 2021). The interactions and commitments with these new partners often lead to new goals (Jiang & Riling, 2019; Sarasvathy & Dew, 2005).

Leveraging unexpected opportunities refers to an effectuation principle whereby firms seek to exploit opportunities that may arise at any time from contingencies (Jiang & Riling, 2019). Firms often gain knowledge and other resources by leveraging unexpected opportunities that may cross their path (Chetty et al., 2015). Interactions and commitments with new partners can, for instance, lead to unexpected opportunities that may result in a change in means and goals (Bai et al., 2021; Jiang & Riling, 2019).

Due to a lack of information in an uncertain environment and limited initial means, entrepreneurs tend to develop different scenarios (Kalinic et al., 2012). Goal setting at this point is limited. It is the action of increasing the means of the firm by applying the principles of effectuation that results in new goals (Kalinic et al., 2014).

2.3. Internationalisation and Effectuation

The literature on international business only recently started to embrace effectuation as a theory to explain certain internationalisation phenomena (Vahlne & Johanson, 2017). Despite effectuation being an entrepreneurial theory and its fundamental assumption of uncertainty also being fundamental to the origin of the international entrepreneurship literature as well (Knight & Cavusgil, 2004; Mcdougall, 1989).

International entrepreneurship proposed a different approach to internationalisation that challenged the incremental approach of building knowledge and experience over time to internationalise (Johanson & Vahlne, 1977). It was the capabilities, knowledge and technology at the time that enabled smaller, less resource-equipped firms to internationalise successfully (Knight & Cavusgil, 2004). The reliance on capabilities and knowledge to internationalise is in line with effectuation theory (Sarasvathy et al., 2014).

I argue that scarce resources (Kumar et al., 2020) and uncertainty (Kitching & Rouse, 2020; Kriz & Welch, 2018) link effectuation with internationalisation (Sarasvathy et al., 2014). This is important because internationalisation is often characterised by scarce resources (Yu et al., 2018) and uncertainty (Magnani & Zucchella, 2019), amongst others. However, Karami et al. (2020) argue that firms that engage in effectual behaviour are not always resource-constrained but instead mean-driven. While these firms might in some instances be resource-constrained it is important to study effectuation through its core underlying assumption which is controlling an uncertain future rather than trying to predict it by being means-driven.

Uncertainty is specifically increased by resource scarcity, for instance, knowledge. For example, during the process of internationalisation (Bai et al., 2021). This lack of knowledge may typically lead to Knightian uncertainty (Dibiasi & Iselin, 2021). Knightian uncertainty is a fundamental assumption of effectuation (Sarasvathy, 2001). Sarasvathy (2001) argue that effectuation provides a decision-making framework to cope with this uncertainty by focusing on the effects that can be created with the means in possession of the firm. I will now discuss both scarce resources and uncertainty in the context of internationalisation.

Scarce resources

Both resources and means are of importance in both the effectuation and international business literature. However, means are foundational in effectuation and, therefore, carry more weight in this study. Therefore, it is important to differentiate between resources and means through an effectuation lens.

The literature defines resources as tangible and intangible assets tied to the firm (Wernerfelt, 1984). In the refined resource-based view theory, it was articulated that competitive resources should be valuable, rare, imperfectly imitable and non-substitutable (Barney, 1991). Valuable, rare, imperfectly imitable and non-substitutable resources, according to the resource-based view, will give a firm a competitive advantage (Barney, 1991). These competitive advantages may include, for example, partnerships, international alliances and foreign licenses (Gupta et al., 2021).

Effectuation is a continuous process of controlling uncertainty by being means-driven and in the process adding resources to the firm (Sarasvathy & Dew, 2005). Resources in the form of an initial set of means do not have to be valuable at the start of effectuation (Karami et al., 2020). This is in contrast with the resource-based view (Barney, 1991).

Effectuation theory suggests that all resources may become valuable, as they are not consistent but develop over time (Deligianni et al., 2017). This emphasises the dynamic nature of the effectuation process. For example, Jiang and Ruling (2019) found that a CEO in their study was invited to a seminar through interactions with doctors in his network. This led to the negotiation of medical doctors distributing his product (Jiang & Ruling, 2019). This is one example where an initial set of means of little to no economic value like someone you know in your network, can turn into a valuable resource over time.

It is the result of increasing the means of the firm by applying the principles of effectuation that may add resources to the firm (Sarasvathy & Dew, 2005). The addition of resources to a firm has an important role to play in internationalisation. For instance, firms with resource limitations may seek to acquire strategic assets by internationalising (Luo & Tung, 2007). Furthermore, resources in the form of knowledge and capabilities enable small firms to internationalise efficiently (Knight & Cavusgil, 2004; Mcdougall, 1989) . Therefore, if the desired outcome of effectuation is to control uncertainty by being means-driven and resources are added to the firm in the process it makes a strong case for the theoretical link between effectuation and internationalisation.

Uncertainty

Internationalisation is also characterised by uncertainty (Kitching & Rouse, 2020; Kriz & Welch, 2018). Specifically, Knighthian uncertainty, where it is not possible to predict an unpredictable future (Dibiasi & Iselin, 2021), is a fundamental assumption of effectuation (Sarasvathy, 2001).

This uncertainty can be reduced by applying the effectuation principle of reducing uncertainty by controlling an unpredictable future rather than trying to predict it (Welter & Kim, 2018). For example, at the start of a new project, a firm can reduce uncertainty by determining beforehand the maximum amount it is willing to lose. Determining beforehand the maximum amount that the firm is willing to lose on a new project reduces uncertainty (Kalinic et al., 2012; Karami et al., 2020). Therefore, I argue that uncertainty also links effectuation to internationalisation.

2.4 The unclear relationship between means and goals

I argue that the process of effectuation is dynamic. In other words, the means of a firm evolves dynamically over time. I also argue that the goals of the firm evolve when its means evolve. However, the theoretical categorisation of goals that emerge during the

process of effectuation is not yet established in the current literature. Furthermore, the current effectuation literature also lacks insights into the dynamics of effectuation and how the evolution of means influences the goals of the firm during this process. I propose four reasons for this lack of insights.

Firstly, the different types of means that may emerge during effectuation are well-refined in the effectuation literature (Karami et al., 2020). Theoretically, these means are: who I am - identity, what I know - knowledge and whom I know – networks (Sarasvathy, 2001). However, such a theoretical categorisation has not yet been agreed on in the current literature for goals despite previous scholars identifying goals that emerge during the process of effectuation (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012).

Secondly, the effectuation process is made up of several principles. These principles are to start with initial means, affordable loss, controlling an unpredictable future, strategic partners and leveraging unexpected opportunities (Sarasvathy, 2001). Most studies examine effectuation categorically and focus only on one of these principles (Jiang & Ruling, 2019). For instance, Galkina and Chetty (2015) argued that entrepreneurs increase their means by networking with interested parties. Similarly, Jiang and Ruling (2019) argued that strategic partners increase the means of the firm. These studies do not seem to consider or find evidence of the other principles of effectuation that may increase the means of a firm. My study examines the process of effectuation holistically. In other words, I do not focus on the principles of effectuation categorically but rather on effectuation as a process.

Thirdly, effectuation is rarely studied as a process. In her seminal work, Saravathy (2001) positioned effectuation as a process. In fact, Sarasvathy (2001) defined effectuation as a process of taking a set of means and focusing on the effects that can be created with that set of means. This implies a process (De Villa & Langlely, 2024) where applying the principles of effectuation to increase these initial means will lead to different outcomes. Yet, effectuation is rarely being studied from a process perspective. As a result, we have limited insights into the dynamics of this process and how the means of a firm relate to its goals during this process.

Fourthly, I argue that scarce resources (Kumar et al., 2020) and uncertainty (Kitching & Rouse, 2020; Kriz & Welch, 2018) link effectuation with internationalisation (Sarasvathy et al., 2014). While not all firms are resource-constrained during the process of internationalisation, they will most likely face uncertainty. Small and medium-sized

enterprises specifically face this uncertainty as a result of limited knowledge (Bai et al., 2021; Yu et al., 2018).

2.5 Research Questions

Based on the arguments above following research questions were asked:

Research question 1: How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals?

Sub-question 1a: How do the means of early internationalising small and medium-sized enterprises evolve during the process of effectuation?

Sub-question 1b: How do the goals of early internationalising small and medium-sized enterprises evolve during the process of effectuation?

2.6 Conclusion

In this chapter, I gave a focused literature review of effectuation from a process perspective. Effectuation is a continuous process of controlling an unpredictable future by being means-driven (Sarasvathy, 2001). The literature on effectuation mostly focuses on how the firm increases these means by applying the principles of effectuation (Bai et al., 2021; Jiang & Ruling, 2019; Karami et al., 2020). However, I have argued a more holistic approach to studying the process of effectuation. In other words, studying effectuation as a process of increasing the means of the firm rather than studying its principles categorically. It will become evident that the means of the firm evolve and transform dynamically over time. Therefore, I have argued that the goals of a firm should also evolve dynamically over time in line with its means during the process of effectuation.

Furthermore, I have provided a theoretical link between the theory of effectuation and the international business literature. I have argued that scarce resources (Kumar et al., 2020) and uncertainty (Kitching & Rouse, 2020; Kriz & Welch, 2018) link effectuation with internationalisation (Sarasvathy et al., 2014). This is important because it provides a theoretical foundation for the next chapter, where I will go into detail about why I have chosen to study internationalisation through the theoretical lens of effectuation.

3. Research Methodology

3.1. Introduction

Strong theory-building research should not simply just test a theory but instead generate theoretical insights (Welch et al., 2011). These observations should be useful by providing original insights into a phenomenon (Corley & Gioia, 2011). The objective of this study was to develop a theory. Specifically, I contributed to the theory of effectuation by offering a more precise categorisation of the goals that emerge during this process as general and specified. Furthermore, I contributed to the theory of effectuation by confirming that the goals of the firm evolve when its means transform and evolve during this process.

Internationalisation (Bai et al., 2021; Vahlne, 2020) and emerging markets (Ault et al., 2021; Wu & Deng, 2020) are both characterised by uncertainty. Effectuation is an effective decision-making framework for firms during uncertainty (Sarasvathy, 2001). By applying the principles of effectuation, uncertainty may be reduced while the means of the firm transform and evolve during the process (Read et al., 2009; Sarasvathy et al., 2014).

Internationalising small and medium-sized enterprises is often hindered by scarce resources and uncertainty (Ault et al., 2021; Wu & Deng, 2020). Scarce resources and uncertainty may require these internationalising small and medium-sized enterprises to be means-driven initially by applying the principles of effectuation (Galkina & Chetty, 2015). Therefore, internationalising small and medium-sized enterprises was a fitting context to examine how the transformation and evolution of means influence the goals of a firm during the process of effectuation (Sarasvathy, 2001).

Well-defined research questions answered by qualitative data systematically collected over time provide a foundation for extending theory (Welch et al., 2011). I subsequently collected longitudinal qualitative data from eight cases sampled for maximum variation along predefined criteria (Yin, 1981). This longitudinal approach to data collection also added to the trustworthiness of my findings because it illustrates that my findings were deeply grounded in diverse empirical evidence (Burgelman, 2011; Cuervo-Cazurra et al., 2016). The sampling criteria for these eight cases were theoretically grounded in effectuation theory (Sarasvathy, 2001; Sarasvathy & Dew, 2005).

I followed Read et al. (2016) with a pragmatic philosophical orientation for this study. A semi-structured interview guide was developed and used for data gathering in this study

to answer the overarching research question: “How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals?”. Semi-structured interviews were conducted systematically with research participants over 12 months to examine the changes in their means and goals over time.

As mentioned in previous chapters, ethical considerations were observed throughout the data-gathering process. One of these ethical considerations was to protect the identity of all research participants. Therefore, to hide the identity of the research participants, I have used abbreviations to refer to the various cases used in this study. I came up with these abbreviations by dividing all the cases that were selected for this study into three categories. These categories were based on whether the means of a particular case increased, decreased, or remained unchanged during the period of data gathering. Henceforth, I will refer to the cases used in this study based on the abbreviations assigned to specific cases as per Table 1 below based on the movement of means during the period of data gathering.

Table 1: Abbreviations assigned to the cases

Abbreviation	Full name
ICM1	Increase Means One
ICM2	Increase Means Two
ICM3	Increase Means Three
ICM4	Increase Means Four
ICM5	Increase Means Five
UCM1	Unchanged Means One
UCM2	Unchanged Means Two
DM1	Decrease Means One

3.2. Research Philosophy

Some effectuation scholars perceive the world as in the making and makeable through human actions (Read et al., 2016). For example, firms react to an uncertain environment, as explained in section two of this study, by controlling an unpredictable future rather than trying to predict it (Sarasvathy, 2001).

Pragmatism assumes that actors understand their environment and can act on their understanding of this environment (Reuber et al., 2016). Methodological choices for pragmatic research are based on the best approach to answer research questions rather than committing to specific ontological and epistemological stances (Bryman, 2006;

Wahyuni, 2012). In other words, pragmatic research suggests that there are many ways to understand the world, and often, it is best to choose a method that will work best to answer research questions.

Pragmatic research, in addition to perceiving the world as in the making through its actors (Read et al., 2016), also encourages the possibility of being open-minded to adopt research strategies slightly if needed (Jiang & Ruling, 2019). For example, Jiang and Ruling (2019) used insights from their initial semi-structured interviews to probe for more accurate information in follow-up interviews, an approach I also followed in my data gathering. Therefore, pragmatism was a good philosophical fit for this study.

3.3. Research design and strategy

The basis for developing theory is to ask well-defined research questions that enable the collection of specific data systematically (Welch et al., 2011). This is typically a research design with “how” type of questions often encountered in case study research to collect qualitative data (Creswell et al., 2007; Kriz & Welch, 2018; Yin, 1981). Case study research, in particular, can be useful for theory development and establishing causal relationships (Yin, 1981). I was interested in developing theory, but I was also interested in examining effectuation from a process study perspective. I aimed to achieve theoretical saturation by systematically obtaining data from multiple cases (Reuber & Fischer, 2021). I followed the research strategy of Kalinic (2014) and compared multiple cases in a systematic way. Later in this chapter, I explain the criterion that I have used to select these multiple cases. Therefore, I have studied effectuation from a process perspective to examine its dynamics over time.

The research design in this study was based on a focused literature review of the effectuation literature. Several effectuation scholars opted for case study research when they were confronted with the task of extending the theory (Chetty et al., 2015; Galkina & Chetty, 2015; Kalinic et al., 2014; Kalinic & Forza, 2012). However, most of these studies lack a process perspective (De Villa & Langley, 2024), even though effectuation is portrayed as a process (Sarasvathy & Dew, 2005). Instead, most scholars studied the principles of effectuation categorically (Gregoire & Cherchem, 2020; Karami et al., 2020). Therefore, to examine the transformation and evolution of the means of a firm and how it influences the goals of firms as well as what type of goals emerge during this process, longitudinal qualitative data obtained from multiple cases was methodologically the best fit for this study.

Process studies provide for replication through data collected longitudinal as the process unfolds (De Villa & Langley, 2024; Langley, 1999). Therefore, I have positioned effectuation as a process in this study which enabled replication because data were collected longitudinally from multiple cases. This approach is also supported by other effectuation scholars. For example, Jiang and Ruling (2019) proposed that effectuation studies should focus more on paths of actions and therefore, make use of longitudinal data.

3.4. Sampling strategy and population

I have followed a purposeful sampling approach (Welch et al., 2011), aiming for maximum variation (Gentles et al., 2015; Harsh, 2011) for this study. Sampling for maximum variation enabled a robust cross-case analysis (Kriz & Welch, 2018). It was important to purposefully sample cases that may engage in effectual behaviour to answer my research questions. The reason why this was important was that I needed cases where it was likely that their means would transform and evolve and, as a result, how their goals as well (Sarasvathy & Dew, 2005).

To ensure the best possible chance of selecting cases that may engage in effectual behaviour, I have developed a sampling criteria based on the theoretical link between effectuation and internationalisation, as I have explained in Chapter 2.3. above. These theoretical links were scarce resources and uncertainty (Kriz & Welch, 2018; Sarasvathy, 2001; Vahlne & Johanson, 2017).

The following four criteria explain and justify why I have decided to use small and medium-sized enterprises from South Africa as research participants. The first criterion was cases from an emerging market. Small and medium-sized enterprises from emerging markets are likely to struggle with scarce resources (Wu & Deng, 2020) and uncertainty (Ault et al., 2021) during internationalisation (Bai et al., 2021). Bai et al. (2021) argue that uncertainty is specifically increased by a lack of knowledge. This lack of knowledge typically leads to Knightian uncertainty (Dibiasi & Iselin, 2021). Following Yu et al. (2018) I argued that small and medium-sized enterprises from emerging economies face tremendous uncertainty based on a lack of knowledge. The United Nations Conference on Trade and Development report classifies South Africa as an emerging market (UNCTAD, 2022). In line with these justifications, the sample and population in this study were made up of small and medium-sized enterprises from South Africa.

Small and medium-sized enterprises are more likely to face scarce resources and uncertainty (Wu & Deng, 2020). Therefore, cases that fit the definition of small and medium-sized enterprises were the second sampling criterion for this study. Although the context of this study was South African small and medium-sized enterprises internationalising to various host countries, an internationally accepted definition was more fitting. This is because the results of this study should be relevant to an international audience and not a South African-only audience. Defining small and medium-sized enterprises by having less than 250 full-time employees is in line with prior effectuation studies in an internationalisation context (Chetty et al., 2018; Galkina & Chetty, 2015). Less than 250 full-time employees are also in line with the European Union recommendations for defining small and medium-sized enterprises. Therefore, I defined small and medium-sized enterprises as enterprises with less than 250 full-time employees.

The third criterion was to select different host countries where these small and medium-sized enterprises were seeking to internationalise. The variation in different host countries was meant to provide a heterogeneous sample for maximum variation (Gentles et al., 2015).

The fourth criterion was the stage of internationalisation of the selected cases. Kalinic et al. (2014) argue that it is reasonable to assume that it takes about three years for firms to internationalise. But, emerging market small and medium-sized enterprises may, in some instances, take longer to internationalise (Ramamurti, 2012). Furthermore, older and established firms also engage in effectual behaviour by increasing their means, especially during periods of uncertainty (Radziwon et al., 2022). Therefore, I was concerned that limiting the stage of internationalisation and the time it took to internationalise does not capture other important characteristics of small and medium-sized enterprises, namely how old they are before they start to internationalise, i.e., the so-called “born-globals” (Knight & Cavusgil, 2004). Although I did want to capture these important characteristics, I did not base my criteria for early internationalisation on the fact that the firm started to internationalise at or near its inception like Knight and Cavusgil (2004). Instead, I defined early internationalisation as a firm’s initial internationalisation to a new country. This was important for firms that started to internationalise before this study. This enabled me to capture the process of internationalisation as it happened for these firms in real time.

Table 2 summarises the predefined sampling criteria from which cases for this study were selected to be theoretically useful.

Table 2: Criteria for Selecting Cases

Criteria
1). Home country of cases must be from an emerging market (South Africa).
2). Cases defined as small and medium-sized enterprises (fewer than 250 employees).
3). Cases with different host countries for maximum variation.
4). Cases that were early in their internationalisation process.

Eight cases had the theoretical characteristics of the predefined sampling criteria as explained above in Table 2. I selected these cases after having engaged with 83 small and medium-sized enterprises to establish whether they met my criteria and whether they were willing to take part in this research. Case study research only requires a few cases to deliver fruitful results and data saturation (Creswell et al., 2007). However, using multiple cases increases the robustness of findings by replicating them across cases (Piekkari et al., 2009). Furthermore, theoretical saturation should be reached anywhere between four and ten cases (Kalinic et al., 2014). More than ten cases typically result in too large and complex volumes of data to handle. In prior effectual internationalisation studies, five cases were sufficient for data saturation (Galkina & Chetty, 2015; Kalinic et al., 2014; Kalinic & Forza, 2012). I ended up collecting data from eight cases for this study. These eight cases resembled maximum variation where five had increased their means, two had unchanged means, and one had decreased its means during the period of data gathering. These eight cases were also from different industries and internationalised to various host countries. Table 3 below summarises the cases selected for this research based on the above-mentioned criteria.

Table 3: A profile of the cases in this study

Cases	Industry	Number of employees	Year of inception	Host countries (Actual and considered)	Year of initial internationalisation
ICM1	Manufacturing	24	2014	United Kingdom European countries Indonesia Saudi-Arabia US Australia African countries	2022
ICM2	Financial	75	1998	Australia Philippines Kenya India	2020
ICM3	Technology	17	2022	UK	2022
ICM4	Financial	139	1998	Mauritius	2019
ICM5	Technology	60	2017	Kenya United Kingdom	2012
UCM1	Financial	15	2015	United States	2016
UCM2	Manufacturing	83	2017	Kenya Zimbabwe	2017
DM1	Technology	5	2022	United Kingdom	2022

All the cases are South African, and half have fewer than 25 employees, with only one having more than 100 employees. Half the cases are “born-globals” (Knight & Cavusgil, 2004), having internationalised virtually upon inception, the other half waited some years – two of them for more than two decades. The firms are from a range of industries, and most are seeking to establish wholly-owned subsidiaries. They are targeting a range of host countries, namely the United Kingdom, Zimbabwe, Kenya, Mauritius, Australia, The United States of America, and The Philippines.

3.5. Unit of analysis and observation

The research design of this study was from the onset to collect longitudinal qualitative data from cases purposefully selected with theoretical relevance for maximum variation. Therefore, to gather data, reducing my argument to a unit of analysis required clear parameters to be set (Crowe et al., 2011).

Effectuation studies are mostly concerned with decision-making behaviour during uncertainty (Karami et al., 2020). However, I was interested in examining how the transformation and evolution of means influence the goals of a firm during the process of effectuation. Furthermore, I was interested in categorising the type of goals that emerged during the process of effectuation. As mentioned before, in chapter 3.4. the sampling population of this study was early internationalising small and medium-sized enterprises from South Africa. Thus the unit of analysis for this study was the internationalisation decisions of the foreign subsidiary branches of the selected early internationalising small and medium-sized enterprises from South Africa.

The internationalisation decisions of foreign subsidiary branches as a unit of analysis are unique compared to most effectuation studies, where the unit of analysis is often based on the firm as a whole (Karami et al., 2020). In my study, subsidiary branches were mostly standalone wholly-owned subsidiaries with their own goals. Although resources were provided by the parent small and medium-sized enterprises that owned these foreign subsidiaries, these resources were still scarce, thus triggering effectual behaviour. To put this into perspective, the parent companies of the cases in this study were all small and medium-sized enterprises from South Africa – an emerging market. Furthermore, the cases in this study, which were mostly made up of standalone wholly-owned subsidiaries, only received startup capital most of the time from their parent company which meant that resources such as knowledge and capabilities were often scarce.

The subsequent unit of observation was data obtained from the semi-structured interviews with the managing individual(s) that had a significant influence over the internationalisation decisions of these cases. In my study, it was often the founders and CEOs of the selected small and medium-sized enterprises that had either full or significant control over wholly-owned subsidiaries abroad.

3.6. Data gathering

In this study, I was interested in systematically asking interview questions about how the means and goals of internationalising small and medium-sized enterprises transform and evolve during their early internationalisation.

I started the data-gathering process by developing a semi-structured interview guide. Semi-structured interviews were developed and informed by a detailed literature review. This ensured that the data collected from these semi-structured interviews were consistent with effectuation theory (Sarasvathy, 2001; Sarasvathy & Dew, 2005).

I have piloted the initial semi-structured interview guide on three small and medium-sized enterprises (referred to as SME 1, SME 2 and SME 3 below) that were not part of the cases selected for this study. These pilot interviews aimed to see how research participants make sense of means and goals. The semi-structured interview questions with responses were as follows:

Question 1: How would you describe the goals of your business?

Answer SME 1: To make a profit, to grow the business.

Question 2: How would you describe the available means in your business?

Answer SME 1: Client base and the gap in the market.

From the pilot interview with SME 1, I've noticed that the interviewee did not understand the term means. This led me to the second and third pilot interviews where I started the interview by doing an introduction about my research which naturally included a very broad definition of what is meant by means. The answers to the second and third pilot interviews were as follows:

Question 1: How would you describe the goals of your business?

Answer SME 2: To take my practice international.

Answer SME 3: The goal is to grow the business.

Question 2: How would you describe the available means in your business?

Answer SME 2: Knowledge and networks.

Answer SME 3: Networks, partnerships and knowledge.

Therefore, the pilot interviews help me to prepare for semi-structured interviews from the perspective of a practitioner not familiar with the theoretical arguments in this thesis. I have fine-tuned my semi-structured interviews to first give the research participants a broad introduction to my study where I deliberately lay the foundation for what is meant by means. I have also learnt from the pilot interviews that the research participants talk easily about their plans (in other words, goals). Therefore, I decided to ask research participants about their internationalisation goals first and only then proceed to ask them about the means available at their disposal to achieve these goals.

From these lessons learned during pilot interviews, I've developed an improved semi-structured interview guide. The semi-structured interviews always started with a broad introduction to my research followed by the following core questions:

Question 1: How would you describe your internationalisation goals?

Question 2: How would you describe the means available at your disposal to achieve your internationalisation goals?

Question 3: Were there any changes in your means of goals since our previous interview?

In this study, I wanted to examine effectuation from a process perspective. Therefore, I wanted to answer these three questions for all the selected cases over at least a 12 month period at different time intervals. Therefore, I have followed most of the cases selected for this study for twelve months and conducted interviews with the decision-makers in the firms approximately every two months. I have decided to follow the selected cases for 12 months because all the cases in my study would have had a financial year end in 12 months. The financial year end meant that goals would have been reviewed, making the twelve months of data gathering perfect for examining the goals of these cases. I have decided on a two-monthly interval to have some form of structure while collecting data. In an instance where there were no changes in the means or goals of a case, there would have been no reason to interview the particular case again. However, by interviewing all of these cases every second month, I was able to track their means and goals in real time, even if they did not change. This contributed to the quality of my data.

The period of data gathering was systematically over 12 months for each case. This meant that I had to consistently probe research participants based on the responses of their previous interviews, although the core semi-structured interview questions

remained the same. For instance, during later interviews, I would typically start the semi-structured interview by following up on the goals and means shared with me during previous interviews. Only after this follow-up would I proceed to the three core interview questions as mentioned above. This pragmatic approach to semi-structured interviews enabled me to truly capture how dynamically the means of these cases evolved over time and how they have influenced the goals of these cases. This also ensured data that were more insightful and richer in meaning and interpretation. Table 4 summarises the interview data collected over twelve months.

Interviews were mostly done over internet video calls and recorded and transcribed afterwards. Gray et al. (2020) argue that collecting qualitative data by conducting a semi-structured interview over video call has advantages. These advantages include access to research participants from various geographical locations and flexibility in terms of the interview time and length (Gray et al., 2020; Lobe et al., 2020).

My research was based on South African small and medium-sized enterprises in the early to mid stages of internationalisation. Some of the small and medium-sized enterprises in my research already had wholly owned subsidiaries abroad. For this reason, it made logistical sense to conduct semi-structured interviews over video conference. It was also my experience that research participants were more open to setting up interviews when they did not have to drive to a certain location or host me at their offices.

Importantly, researchers did find that the quality of face-to-face interviews does not differ from video conference interviews. However, conducting semi-structured interviews over video calls does come with challenges (Archibald et al., 2019). Gray et al. (2020) argue that technical difficulties can be problematic for these types of interviews. In my experience, technological difficulties did play a role.

Interview times for each case varied according to the transformation and evolution of means. When there were little to no changes in means during the specific interview interval the total interview time tended to be shorter. One of the research participants cancelled the last two planned interviews due to time constraints but did give written permission for me to use data from prior interviews. Three cases did not predict any changes in either their means or goals for the remaining period of the scheduled interviews and therefore I decided not to interview them any further.

Table 4 below summarises the data collected from different the various cases. For each case, the profile of the research participant that was interviewed is indicated for the various interviews.

Table 4: Data sources

Case	Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
ICM1	Interview with CEO	Interview with CFO	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO
ICM2	Interview with VP	Interview with VP	Interview with VP	Interview with VP	Interview with CEO	Interview with VP
ICM3	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	**
ICM4	Interview with MD	Interview with MD	Interview with MD	Interview with MD	Interview with MD	Interview with MD
ICM5	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	*	*
UCM1	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	**
UCM2	Interview with CFO	Interview with CFO	Interview with CEO	Interview with CEO	Interview with CFO	**
DM1	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO	Interview with CEO

Except for cases marked by *, all interviews were about two months apart.

* The interviewee cancelled the last two interviews due to time constraints on his side.

** No expected changes in means or goals and also not planned in the near future

3.7. Analysis of data

Drawing from effectuation theory (Sarasvathy, 2001), I inductively analysed the longitudinal qualitative data gathered from the semi-structured interviews conducted for this study (Welch et al., 2022). The following three steps explain how I analysed the data and proceeded to report on the findings from this analysis.

Step 1: Develop a data structure following the Gioia Methodology

The starting point of the analysis was to develop a data structure for both the means and goals that emerged from the data following the Gioia Methodology (Gioia, 2021; Magnani & Gioia, 2023). The Gioia Methodology provide for a more rigorous and systematic approach to analysing data. Following the Gioia Methodology data structures were developed by creating analytic codes and categories into a data structure that contains 1st order codes (informant-centered) and 2nd order themes (theory-centred) and aggregate dimensions.

I started developing the data structures by first reading through all the interview data. Thereafter, I loosely assigned codes to the interpretations of the research participants that resembled either means or goals. I used the software Atlas.ti for assigning codes to quotations. Appendix E contains examples of these codes over all the categories of means and goals used in this study.

It was important to examine how both the means and goals of the selected cases transformed and evolved during the process of effectuation. Subsequently, I developed two separate data structures for both means and goals. The first data structure resembles means, and the second data structure resembles the goals. By separating the data structure for means and goals, I was able to determine what type of means and what type of goals emerged during the process of effectuation. The insights from these two data structures provided the foundation for within-case analysis for each case.

Step 2: Using the data structure for within-case analysis

Within-case analysis provided an opportunity to fully immerse in the uniqueness of each case (Ayres et al., 2003). It also ensured that the data collected were in line with effectuation theory (Sarasvathy & Dew, 2005) and consistent with the research questions of this study (Yin, 1981). Within-case analysis captured the uniqueness of each case by chronologically looking at how the means and goals of the cases in this study changed during the process of effectuation (Ayres et al., 2003; Baxter & Jack, 2015).

To conduct a within-case analysis for each case I started by loosely reading through each transcript to get a good understanding of the uniqueness of each case. Thereafter, I have written a background followed by an overview of the means and goals of each case. I meticulously highlighted any changes in both the means and goals of each case as it has been captured during the data-gathering process.

Finally, I drew a table containing quotations from research participants that illustrate how they made sense of both means and goals per interview. In these tables, I was mindful to highlight any changes in either the means or goals during different interviews.

Step 3: Looking for patterns across-cases

In this step, I have conducted a cross-case analysis to look for emerging patterns among the various cases to draw meaningful conclusions. The cross-case analysis also helped to ensure that the data analysis was trustworthy and rigorous (Magnani & Gioia, 2023). During this step, I build on the findings from step 2 above, presented in the within-case analysis for each case, by exploring patterns across these cases. I started by identifying patterns that align with the means already established in the literature. Next, I have identified patterns for the means that I have refined. I then analysed the cases to look for patterns that aligned with both general and specified goals. Finally, I concluded this step by comparing how the evolution of means influenced the goals of the cases analysed.

3.8. Ethical Considerations

Ethical considerations were applied consistently during all phases of the data-gathering and analysis phases. To ensure consistency and relevance the ethical considerations were divided into three phases. Each phase was relevant to a different part of the data-gathering process. The following three phases of the data collection process summarise how I have categorised and applied ethical considerations during this study.

Phase 1: Ethical considerations prior to data collection

Before commencing with any form of data-gathering research participants were asked to sign a permission letter that enabled me to conduct research and collect data from them. The permission letter was usually signed by the CEO. In one particular instance, I had to sign a non-disclosure agreement in addition to the permission letter.

I was careful not to pressure any research participant to sign the permission letter. For example, in two instances research participants selected for data gathering did not send me back their signed permission letter after initially agreeing to participate in the research project. Cautious not to put pressure on them, I removed them as potential research participants after a follow-up was done.

Eight research participants did provide me with signed permission letters. I have subsequently made sure that these research participants had a well-written summary of what this research was about, the intended outcome and what they should expect during the semi-structured interviews. Lastly, it was important that they also knew that they could withdraw from the research at any given time. One research participant decided to withdraw from the research during the fifth interview but did give me permission to use data obtained from our previous interviews.

The development of a semi-structured interview guide was also an important consideration to collect data that was relevant to the research questions. I have ensured the relevance of the semi-structured interview guide by developing it grounded in effectuation theory and by running three pilot interviews before collecting data in the field. The pilot interviews helped tremendously to understand how someone not close to the theory understands and interprets the research questions. After the pilot interviews, I made some adjustments to my semi-structured interview guide.

Phase 2: Ethical considerations during data collection

To ensure that the data collected from interviews were the views and experiences of the research participants I have avoided leading questions and rather opted for open-ended questions. In some instances, I did probe the interviewees.

Interviews were done via video call and in person depending on the location and preference of the research participant. In both instances, I informed the research participant that I would be recording the interview before we commenced with the interview.

Due to the volume of data collected during the semi-structured interviews in this research project, I have used transcribers. Transcribers were requested to sign a non-disclosure agreement before commencing with transcribing data. Part of this non-disclosure agreement with transcribers was a request that they destroy all data on their personal computing devices once transcribed.

Some of the research participants were more comfortable in answering the research questions in Afrikaans. I am fluent in both Afrikaans and English. In these instances, I conducted the interview in Afrikaans. Translators (who were the same persons as the transcribers) translated these Afrikaans interviews into English. Quality control was important for every translation from Afrikaans to English to ensure that rich data did not get lost during translation. To ensure quality I have asked transcribers to first transcribe the audio recording of Afrikaans interviews in Afrikaans. Thereafter, the transcribers proceed to translate the transcribed Afrikaans interview into English. Thereafter, I would personally listen to the Afrikaans interview again while simultaneously reading the written English version. In some instances, I had to correct some words and industry jargon. This ensured quality and rich data.

Phase 3: Ethical considerations after data collection

After data were collected and transcribed the confidentiality of research participants became important. Not only is this an ethical consideration but according to the Protection of Personal Information Act 4 of 2013 in South Africa it is also a legal consideration. Therefore, all the identifiers from the data collected were removed and the data were cleaned before storage. The data were cleaned in such a way that a person not close to the data would not be able to identify the research participant.

This ensured the confidentiality of research participants. Transcripts and recordings were stored in a cloud storage solution which is password protected. I've purchased additional cloud storage for this purpose. As per the regulations and policies of the University of Pretoria, I will also upload all the data on the designated data storage solution. This will enhance data integrity and also add to the protection of data from unauthorised access.

3.9. Conclusion

In this chapter, I have explained in detail the methodological choices that I have made for this study. In particular, I position this study as a process case study. In line with the foundational assumptions of effectuation theory, (Sarasvathy, 2001) the cases selected for this study were made up of small and medium-sized enterprises from South Africa.

Semi-structured interviews were conducted with these cases over a period of 12 months. This data was then analysed following three steps (developing a structure, using the data from the data structure to conduct within-case analysis and finally looking for patterns across the cases). In the next chapter, I report on the findings from the above-mentioned data collected and analysed.

4. Findings

4.1 Introduction

In this chapter, I report on the findings from the data that were obtained for this study. Data were obtained from the semi-structured interviews with the managing individual(s) that had a significant influence over the internationalisation decisions of the selected cases for this study. The findings in this chapter are based on an analysis of the data following the three steps as explained in Chapter 3.7. above. However, in this chapter, I only discuss the findings from two of the data analysis steps explained in Chapter 3.7. above. These steps are Step 1, which is the development of a data structure following the Gioia Methodology (Magnani & Gioia, 2023) and Step 2, which is conducting a within-case analysis for each case. Step 3, which deals with finding patterns across the cases by conducting cross-case analysis, will be discussed in detail in Chapter 5.

I start this chapter by, developing a data structure for both the means and goals that emerged from the data following the Gioia Methodology (Magnani & Gioia, 2023). Thereafter, I proceed with within-case analysis to capture the uniqueness and sequence of events of each case that lead to their means and goals to change (Ayres et al., 2003).

4.2. Means and Goals Data Structures

The main objective of this study was to generate theoretical insights (Welch et al., 2011; Yin, 1981) by examining how the transformation and evolution of means influence the internationalising goals of small and medium-sized enterprises during the process of effectuation (Sarasvathy, 2001). Therefore, both the means and goals that emerged from the data were important for this analysis. Subsequently, I have developed two separate data structures for both means and goals. These data structures were developed following the Gioia Methodology (Magnani & Gioia, 2023) by first developing first-order terms obtained from the data. Thereafter, these first-order terms were further developed into second-order themes and finally into aggregated dimensions. The first data structure in this study (see Figure 3) represents a data structure for the means that emerged from the data. The second data structure in this study (see Figure 4) represents the goals that emerged from the data. By separating the data structures for means and goals I was able to categorise what type of goals emerged during the process of effectuation and a

4.2.1. Means data-structure

Theoretically, there is a difference between resources and means (Sarasvathy, 2001). I highlighted this distinction in Chapter 2.3 already. Resources tend to be valuable, rare,

imperfectly imitable and non-substitutable (Barney, 1991). However, means do not have to be valuable initially (Karami et al., 2020). In fact, effectuation is a process of controlling an unpredictable future by increasing the means of a firm by applying the principles of effectuation (Sarasvathy & Dew, 2005). I highlight this distinction again because the research participants in this study tended to refer to resources in some instances instead of means from a purely theoretical perspective. But in the minds of these research participants, they were referring to means, and therefore, it was important to include this in the data structure but still ensure consistency with effectuation theory. For example, employees were important for most of the firms to achieve their goals. However, in most of these instances, the research participants meant that the expertise, experience and competence of the employees were important. Positioning employees as a collective source of knowledge within a firm is consistent with effectuation theory (Sarasvathy & Dew, 2005).

My evidence suggests that identity in the form of a unique product or service was, in most cases, an important set of initial means that enabled them to internationalise. In most cases, the product or service that enabled their initial internationalisation was complimented over time by adding means in the form of knowledge and networks. It was particularly clear that most of the cases in this study needed to increase their knowledge in order to internationalise their unique product or services efficiently. Furthermore, most of these cases also needed to increase their networks abroad to help distribute their products and services or facilitate meetings.

Following the Gioia Methodology (Magnani & Gioia, 2023), Figure 3 below represents the data structure for means that emerged from the data. This data structure aimed to identify the means that emerged during the process of effectuation from a higher theoretical perspective. The first-order terms are shortened quotes from the interview data grouped according to various themes. The second-order themes were developed from the first-order terms consistent with effectuation theory (Sarasvathy & Dew, 2005). Lastly, aggregated dimensions were developed based on the second-order themes and the three categories of means according to effectuation theory. These three categories of means are identity, knowledge and networks (Sarasvathy, 2001). Figure 3 below is a representation of the data structure developed for means.

Figure 3: Means data structure

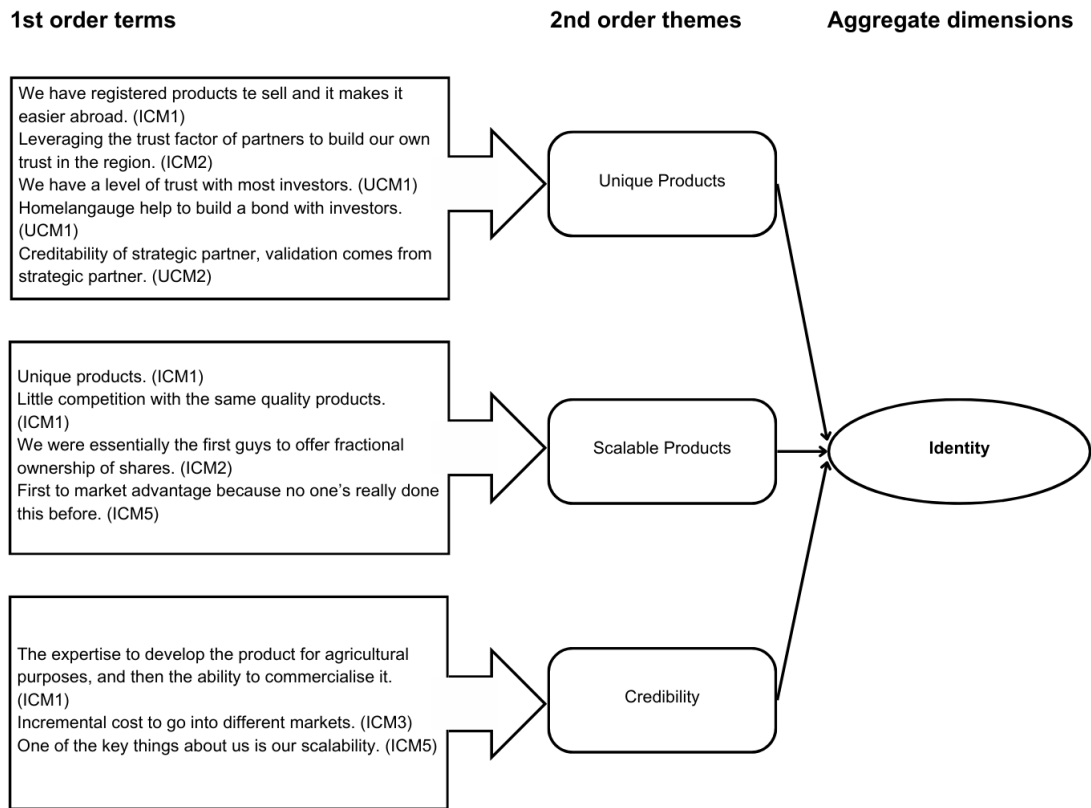
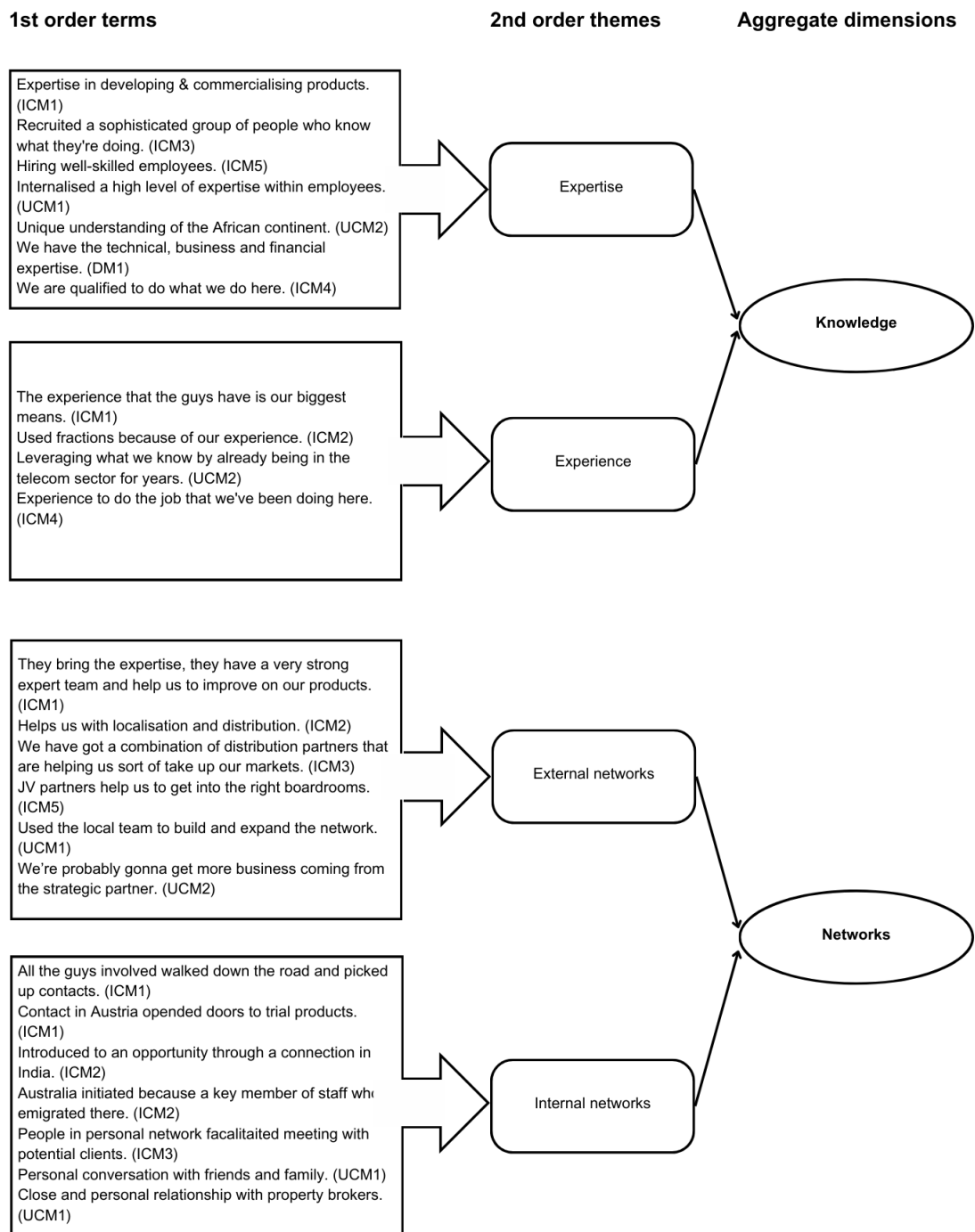


Figure 3: Means data structure continued



4.2.2. Goals data-structure

The objective of the goals data structure was to identify the goals that emerged during the early internationalisation of small and medium-sized enterprises during the process of effectuation. As mentioned in Chapter 2.1 above, the effectuation literature does not ignore the existence of goals (Furlotti et al., 2020; Jiang & RÜling, 2019; Kalinic et al., 2012). However, the current literature places less emphasis on goals and focuses more on means and does not seem to agree on the categorisation of goals during the process of effectuation.

I have built on the argument of Kalinic et al. (2012) that the general goals of firms develop into different sub-goals when new means and resources are acquired. I borrow the concept of general goals from Kalinic et al. (2012) but further develop sub-goals into specified goals. I argue that a general goal is a vague goal without any specified targets and time frames to achieve this goal. General goals are typically goals that involve growth that is not specified. I argue that specified goals are goals with a target and time frame to achieve these goals. Specified goals are typically input and output targets type of goals. Subsequently, I've categorised the goals that emerged during the process of effectuation as general goals and specified goals.

In this goals data structure, first-order terms resembled how the research participants made sense of goals. Terms that resembled something that the firm wanted to achieve regarding their internationalisation were included as first-order terms. First-order terms were then developed into second-order themes. Finally, second-order themes were developed into aggregate dimensions. Based on the goals that emerged from the data and drawing from the effectuation literature on goals, aggregated dimensions were categorised as general goals and specified goals. Figure 4 below illustrates the data structure for the goals that emerged from the data.

Figure 4: Goals data structure

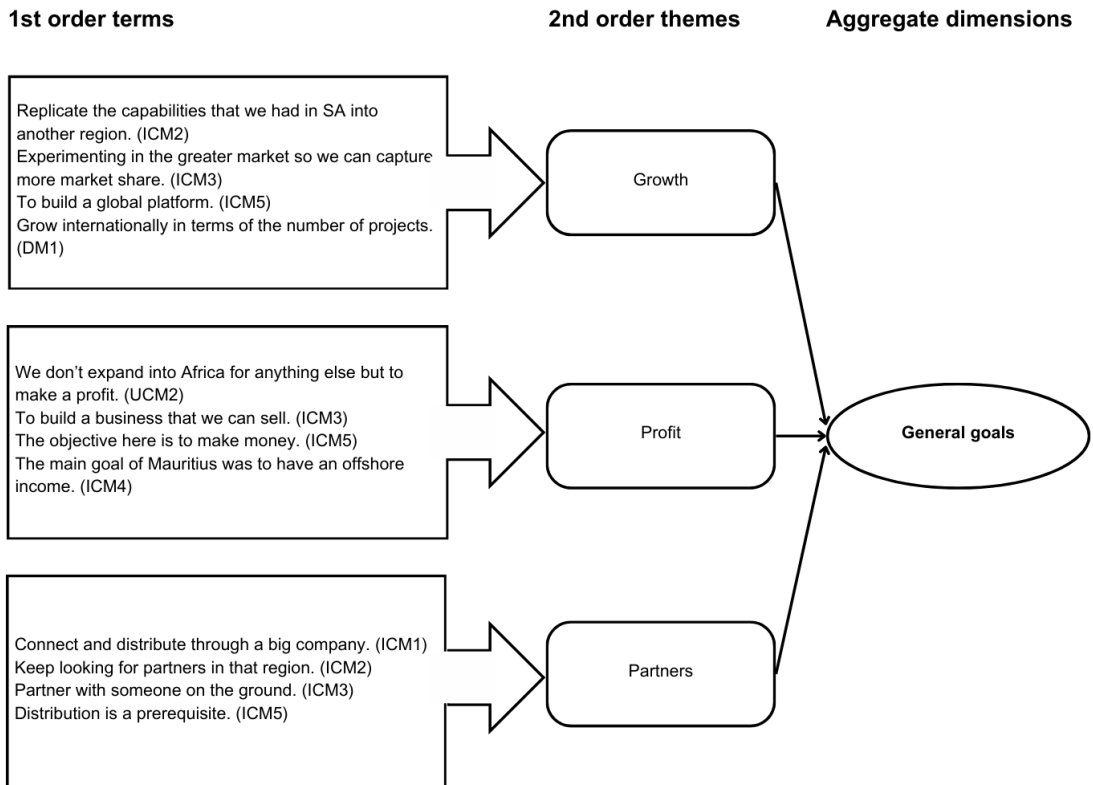
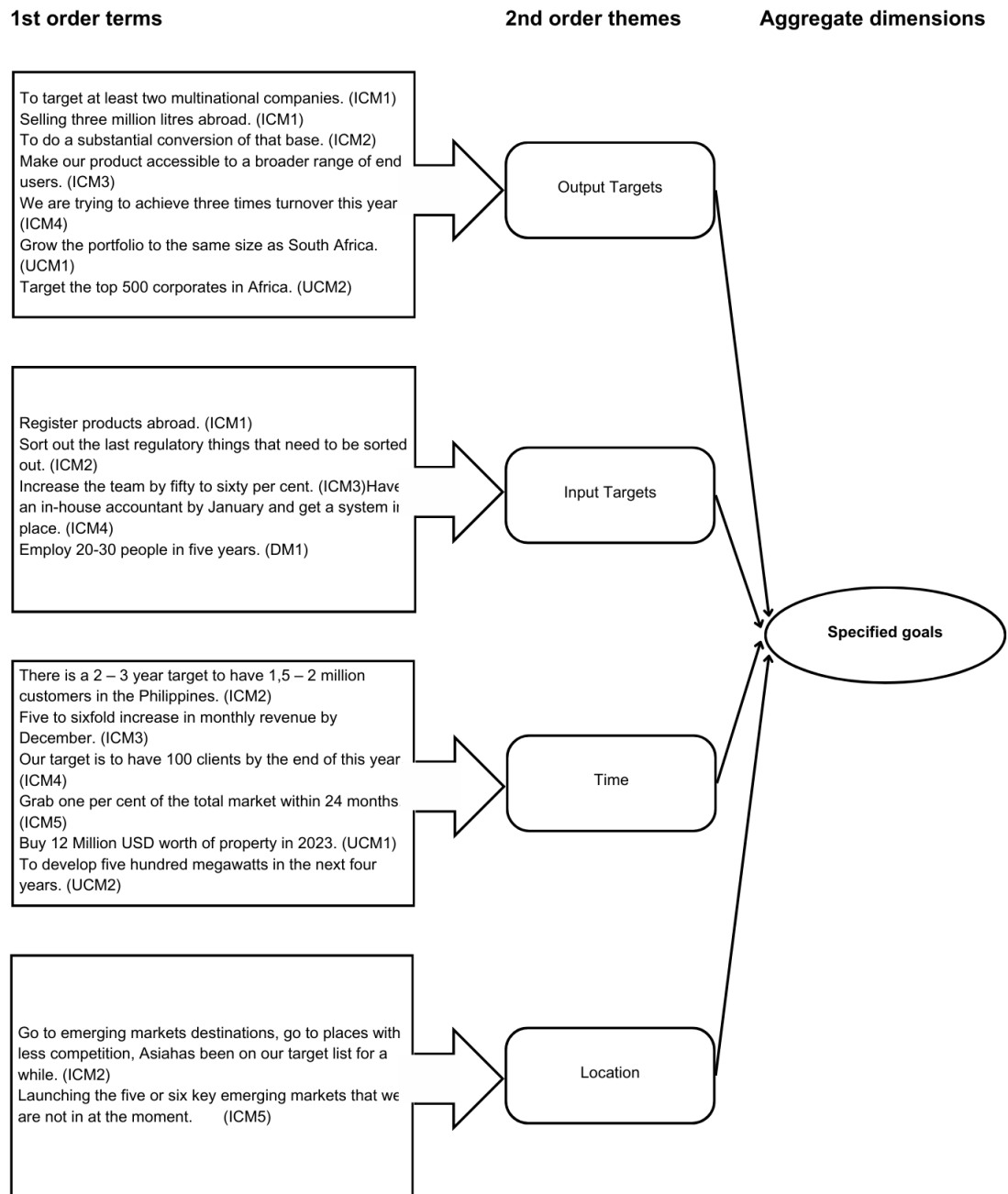


Figure 4: Goals data structure continued



4.2. Within-case analysis

The purpose of this within-case analysis was to fully capture the uniqueness of each case (Ayres et al., 2003) by explaining how the transformation and evolution means influence its goals during the process of effectuation. It also ensured that the data that was collected was in line with effectuation theory (Sarasvathy & Dew, 2005) and consistent with the research questions of this study mentioned in Chapter 2.5.

In Chapter 1.6. I have explained that I have divided the cases used in this study into three different categories according to the growth of their means. These categories were cases where their means - increased, decreased or remained unchanged. It was also an ethical requirement in this study to hide the identity of the research participants. Therefore, I have used abbreviations to refer to each case used in this study. Abbreviations were ICM for increased means, UCM for unchanged means and DM for decreased means.

I started this analysis with the cases that had an increase in means (ICM), then proceeded to the cases that had unchanged means (UCM) and finally, the case that had a decrease in means (DM). For each case, I will start by giving a background of the case. I then identify the means that emerged for each case based on the means data structure in Figure 3 above. Thereafter, I proceeded to identify the general and specified goals that emerged for each case based on the goals data structure in Figure 4 above. Finally, I concluded with how the transformation and evolution of means for each case influenced its goals during the process of effectuation.

4.2.1. ICM1 Means and Goals during the process of effectuation

Background of the firm

ICM1 manufactures and distributes products that are used in the agriculture and forestry industries. Some of these products are manufactured with a unique formula that ICM1 obtained through an exclusive distribution rights agreement with a pharmaceutical company that owns the patent for this formula. However, this distribution rights agreement was initially only for Southern Africa. Therefore, ICM1 perceived it as a risk that a multinational enterprise could acquire the distribution rights for other countries abroad. Subsequently, ICM1 decided to acquire the worldwide distribution rights themselves to use this unique formula. This triggered the internationalisation of ICM1.

What followed was a general goal to internationalise that grew into more specific goals over time.

The nature of the products that ICM1 distributes requires regulatory approval in various countries abroad before they may be distributed. Therefore, the registration of its products was a general internationalisation goal for ICM1. But this also meant that there were periods where ICM1 had to wait for these registrations before they could further set more specific goals. I refer to these periods as periods where the goals of ICM1 remained unchanged in Table 5 below.

Means that emerged

(i) Identity as means

ICM1 felt that they stood a chance to compete internationally with the unique products that they were distributing. According to ICM1, its products were unique because it was of a higher quality than any of its competitors. Over time the successful trials of their products (which was a regulatory requirement abroad) gave ICM1 the opportunity to prove their claims about the higher quality of their product and subsequently, it meant their credibility increased as well. However, the results of these trials took time and did not happen all at once. In fact, as the networks of ICM1 grew over time they managed to meet the right people in various countries that helped them to trail their products in these countries.

(ii) Knowledge as means

The experience and expertise of ICM1 enabled them to internationalise - especially the experience and expertise to commercialise the unique product that they were distributing. ICM1 explained that the ability to commercialise the unique product that they were distributing opened the doors for them initially to internationalise. Although ICM1 had the experience and expertise to develop products and commercialise them, it was still important for them to strengthen these abilities. At the end of the data-gathering period, serendipitous opportunities resulted in ICM1 forming partnerships with two other firms abroad and locally. These partnerships resulted in ICM1 strengthening its marketing abilities abroad and their technical abilities relating to product development and research.

(iii) Networks as means

From the onset, ICM1 was building and expanding its networks abroad. The majority of the individuals in the networks of ICM1 abroad started with people that some of the employees within ICM1 knew from their personal networks. Some of these individuals from personal networks eventually progressed into partnership commitments over time that opened doors for ICM1 and increased other means. For instance, as was mentioned above, the knowledge of ICM1 increased as a result of partnership commitments locally and abroad. Locally in its home market, for instance, a university professor of one of their employees who was busy with a PhD at the time facilitated an introduction that eventually became a joint venture partner on the technical side of product development and research for ICM1. Abroad, an individual in Austria opened the doors for ICM1 to trial their products in various countries, specifically within forestry.

Table 5: ICM1 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We actually have three things. The uniqueness of the product or of the building supports, the expertise to develop the product for agricultural purposes, and then the ability to commercialise it.</p> <p>We have also joined hands with a company that has very good international marketing abilities... and</p>	<p>I think we're a unique product in South Africa for sure there's no another product that's on the type of quality that we are. And I think there is very little companies overseas which is on the same quality as us.</p> <p>Our knowledge and the years of experience that the guys have is our</p>	<p>We have a good, contact, through someone in Austria, who is a rather known figure in the European forestry industry...he also opened the door for us to trial these products... and then there are a few companies, where we did (trials) here in South Africa who are part of multinationals.</p>	<p>We made a JV with two companies, that means a lot for our products and product development.</p> <p>We actually just strengthen our technical team with, the product development and the research.</p> <p>The things in Ireland are about-- they are more on the sales side, you know, it is more about</p>	<p>We are actually better off than any time in the previous five years, because we have now registered products to sell and it just makes it easier abroad too.</p>	<p>Unchanged</p>

they even have a good network operated within forestry, in Europe.	biggest means. All the guys involved have walked down the road and have picked up contacts.		the marketing and the international business.		
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Goals that emerged

(i) General goals

During its initial internationalisation, the general goal of ICM1 was to find distribution partners and they were actively looking for large distribution partners to whom they could sell their products. To sell their products to potential distribution partners abroad ICM1 had to register these products with various regulators first. However, the regulators abroad would only register products after successful trials. Therefore, initially, it was a general goal for ICM1 to get their products registered in as many countries as possible otherwise it would not have been possible for them to distribute their products abroad. Simultaneously, it was also a general goal for ICM1 to build networks with as many as possible potential distribution partners abroad that could potentially distribute their product after successful trials and registration in various countries.

(ii) Specified goals

Over time as product registration was approved by the various regulators abroad the goals of ICM1 became more specified. During the end of the data-gathering period, ICM1 had two different internationalisation strategies. Both strategies had their own specified goals. Firstly, ICM1 wanted to sell the licensing rights of its products to at least two multinational companies abroad for twenty-five million dollars. Secondly, ICM1 also had a specified goal to enter the forestry industry specifically in Europe and directly sell at least three million litres of their products to this market themselves.

Table 6: ICM1 Goals from interview data

Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>To go to large suppliers and producers of sulfonic acid and instead sell them our sulfonic acid and all the benefits that goes with that.</p> <p>Our strategy will be there because you have to register it abroad and then you have to build a whole new marketing network there and you still have to compete.</p>	<p>To get some of that products into the forestry and to connect with a big company to almost distribute through them and to use their distribution network.</p>	<p>Our goal in that product line is to produce the product ourselves and to sell it to multinationals.</p> <p>We actually want to be, let's say, the direct seller to large forestry companies there, internationally.</p>	<p>Unchanged</p>	<p>Offshore, the end goal is we want to target at least two multinational companies with two of our products and the goal with it is actually that we sell those products and the licence rights to them.</p> <p>And we think of at least twenty-five million dollars, and then, that is on the one side and on the other side to enter the forestry industry and there we speak of selling three million litres abroad on the forestry side.</p>	<p>Unchanged</p>

Transformation and evolution of ICM1 means influence on its goals

ICM1 started their internationalisation process with a specific set of initial means. These were the uniqueness of the products that they were distributing (identity), the expertise to develop and commercialise these products (knowledge) and the personal networks of its employees (networks). During their initial internationalisation, ICM1 had general

goals. These goals included registering their products abroad with various regulators and finding distribution partners abroad.

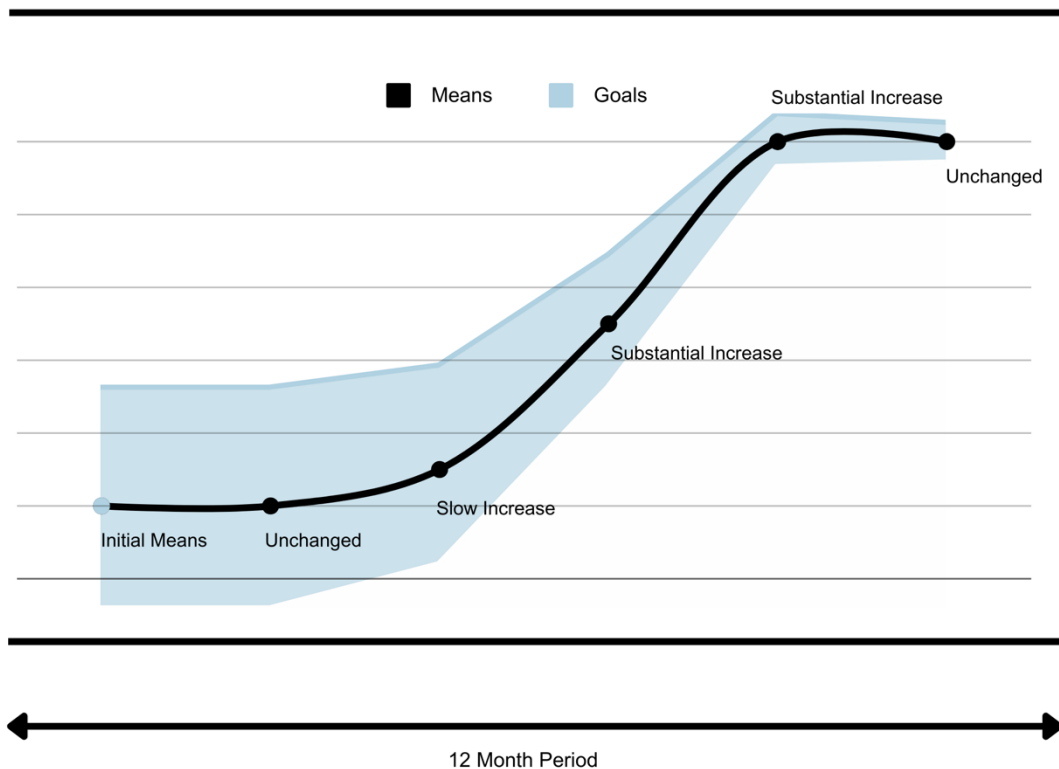
During the earlier period of data gathering ICM1 approached almost any regulator and distribution partner abroad that showed an interest in their products. During later periods of the data gathering the general goal to get regulatory approval for products abroad became a very important set of means. Not only was the registration of their products a regulatory requirement but the registration of their products also increased the credibility of ICM1 which enhanced their ability to sell their products abroad. Means, therefore grew dynamically during early internationalisation because while waiting for regulatory approval it seemed like nothing was happening. But once regulatory approval was in place for various products ICM1 rapidly grew its means.

An individual in the personal network of an employee of ICM1 from Austria who was a known figure specifically within forestry initially opened the doors for ICM1 to trail their products in various countries. As a result ICM1 later had a specified goal to enter the forestry industry abroad and sell three million litres of their products specifically in this forestry.

In conclusion, during its initial internationalisation, ICM1 had a general goal to distribute its products in as many countries as possible. However, the nature of their products required them to also register their products with various regulators abroad. As the initial means of ICM1 increased their goals became more specified.

In Figure 5 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling six data points over a period of 12 months (interviews were conducted more or less every two months with research participants). The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 5: ICM1 relationship between means and goals



4.2.2. ICM2 Means and Goals during the process of effectuation

Background of the firm

ICM2 provides financial services to its clients. These services include among others stockbroking, insurance and loans. Fractional shares were a unique product that ICM2 developed and offered to their clients. Fractional shares allow a client to buy partial ownership of a share in a company. Therefore, clients were able to participate in the stock market with smaller amounts of capital. These fractional shares were the first in the world for retail clients according to ICM2 and this competitive advantage set them apart from their competitors. Market maturity in its home market for these financial services initially triggered ICM2 to internationalise. However, the financial services industry is heavily regulated in most markets abroad. Therefore, ICM2 had to get licenced first before they could internationalise to new markets abroad.

(i) Identity as means

An easy-to-use platform and product was an important means for ICM2 that enabled it to initially internationalise effectively. This easy-to-use platform also increased the referability of new clients by its existing clients. Organisational culture was also an important means for ICM2 to achieve its goals. ICM2 described their organisational culture as the magic ingredient that helps its business move forward. For example, most of the senior management is still the original team that was part of the business since its inception. As a result, the original vision of the business is still in place which inspires the rest of the team as well.

(ii) Knowledge as means

The founders of ICM2 had previous knowledge and experience in the development of fractional shares. These fractional shares set ICM2 apart from its competitors and enabled it to internationalise with a unique product. ICM2 also managed to recruit employees with certain attributes that enabled it to internationalise more efficiently. For instance, in the Philippines, ICM2 recruited local employees which was more cost-effective.

(iii) Networks as means

ICM2 was actively busy networking and looking for partners in both Australia and East Africa during the time of data gathering. The Philippines came with a partner and later ICM2 also secured partners in East Africa. The partnership agreement in the Philippines was with a large financial institution. The products and services of ICM2 complemented those of its new partner in the Philippines. This increased the distribution network of ICM2 for its products and services.

But other partnership agreements also increased the means of ICM2 in several ways other than just being a partner for the distribution of its products and services. For example, in East Africa, ICM2 leveraged its partners for local licensing requirements, marketing and building a trusted brand by leveraging the brand of its new partner. Personal networks were also an important means for ICM2 to internationalise. For example, personal networks opened the door for ICM2 to internationalise to Australia.

Table 7: ICM2 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>One of the things specifically that we focused on was the platform itself. So create an interface that's not intimidating.</p> <p>We use some of the knowledge that we gain there to create a CFD that's a hundred percent margin to enable fractional share ownership.</p> <p>The magic ingredient in what we do is really our people and our culture.</p>	<p>We did a deal with a big Philippine digital wallet provider... massive distribution.</p> <p>We are busy doing a JV with a local stockbroker that will ultimately give us the licenses so that we can do local and international stocks in East Africa.</p> <p>One of the biggest benefits in our business is referability of our customers.</p>	<p>So it's through a connection. So, [...] owns a life insurance business in India and that business also has a stock broker business associated with them.</p> <p>There is a local broker with whom we, partner there, for the licenses, but obviously they also have a team that we can leverage, it's part of the partnership</p> <p>In terms of marketing messages and conversions, things like that, for that type of things we have that local broker connection that will help us with it.</p>	<p>We are actually busy building a team there, we are already 20 people in our Philippine office.</p>	<p>We've been able to leverage the trust factor of our partners to build our own trusting region.</p> <p>Australia was a very opportunistic. We had a key member of staff who was emigrating and we just said it's one guy, he is going to Australia, let's put up an office, get licensed in the region.</p>	<p>Unchanged</p>

Goals that emerged

(i) General goals

Initially, ICM2 had a goal to replicate its business abroad because it has reached market maturity in its home country. ICM2 was convinced during their early internationalisation that they could replicate their business model in other markets abroad and that this would assist them in diversifying their business. Therefore, the early internationalisation goal of ICM2 was to replicate their business model of fractional shares and the diversification to other markets.

However, ICM2 had learnt early in their internationalisation journey that it is difficult to internationalise without local partners abroad. Local partners did not only assist ICM2 with distribution but also licencing in a heavily regulated financial market. For example, ICM2 internationalised opportunistically early on to Australia without a distribution partner. Australia is a struggling business of ICM2 and at the end of the data gathering period still had a general goal to find a distribution partner in this region. Likewise, the internationalisation goal in the East Africa region was to find partners (any partner). In fact, at the time of data gathering, ICM2 cold-called anyone who they had thought might be a suitable partner abroad.

(ii) Specified goals

In instances where ICM2 did manage to find partners abroad, it tended to influence their goals significantly. For example, the goals in the Philippines got more specified with the commitment of a partner in the region. After the commitment of this partner, ICM2 set a 2 – 3 year target for themselves to acquire 1,5 – 2 million clients in the Philippines.

Although ICM2 was still looking for new partners abroad during later periods of data gathering they started to focus more on the committed partnership in the Philippines. The reason for this was because firstly, ICM2 believed that there was a large untapped market in the Philippines. According to ICM2 a potential market larger than their home market in South Africa. ICM2 wanted to be the first to grab this market. Secondly, the partnership commitment in the Philippines came faster than ICM2 initially expected. For these reasons, ICM2 set itself specified goals as mentioned above in the Philippine market. The result of this during the data gathering period was that the goals of ICM2 remained unchanged for the remainder of the time.

Table 8: ICM2 Goals from interview data

Internationalisation Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We've got bigger aspirations than just South Africa, we think, what we've learned here, we can apply to other markets and other regions as well.</p>	<p>So we have got very big goals to do a substantial conversion of that base.</p>	<p>Sort out these last regulatory things that we need to sort out before we actually can turn it on.</p>	<p>The goal was, firstly, to replicate the capability that we had in SA into another geographic region and to diversify.</p> <p>If you look at the physical targets, there is a 2 – 3 year target to have 1,5 – 2 million customers in the Philippines.</p>	<p>Australia...part of the goal was to get a partner. We haven't stopped looking for partners, we'll keep looking for partners in that region and at some point we will find one and when we do, then it will significantly influence our goals in that region, because depending of the size of the partner and the nature and how many customers they've got and what distribution they bring and who they are.</p> <p>Philippines we did the partnership first so the whole region came with that goal.</p>	<p>Unchanged</p>

Transformation and evolution of ICM2 means influence on its goals

The growth of ICM's initial means had a direct influence on its goals. In some instances, ICM2 managed to grow its means (committed partners) faster than expected which resulted in its goals to become more specified in that particular region. In other instances, ICM2 did not manage to grow their means (committed partners) in a particular region which resulted in the goals to remain general in that region. This is a good example of how the means of early internationalising small and medium-sized enterprises grow dynamically.

Through networking (personal contacts and cold calling) ICM2 managed to increase these initial means with committed partners. These partners had a significant influence on the goals of ICM2 during its early internationalisation. The reason why these partners had a significant influence on the early goals of ICM2 was that it was not possible to determine the potential of a partnership beforehand. Especially, where ICM2 had done cold calls to land any potential partner. It is only after the commitment of a partner that ICM2 were able to set more specified goals. The Philippines is a good example where the addition of a committed partner in the region significantly influenced the early goals of ICM2 to become more specified over time. Initially, ICM2 had a goal to find a distribution partner in the Philippines. However, they landed a distribution partner much sooner than expected, which meant that the region came with a distribution partner which in turn influenced their early goals to become more specified.

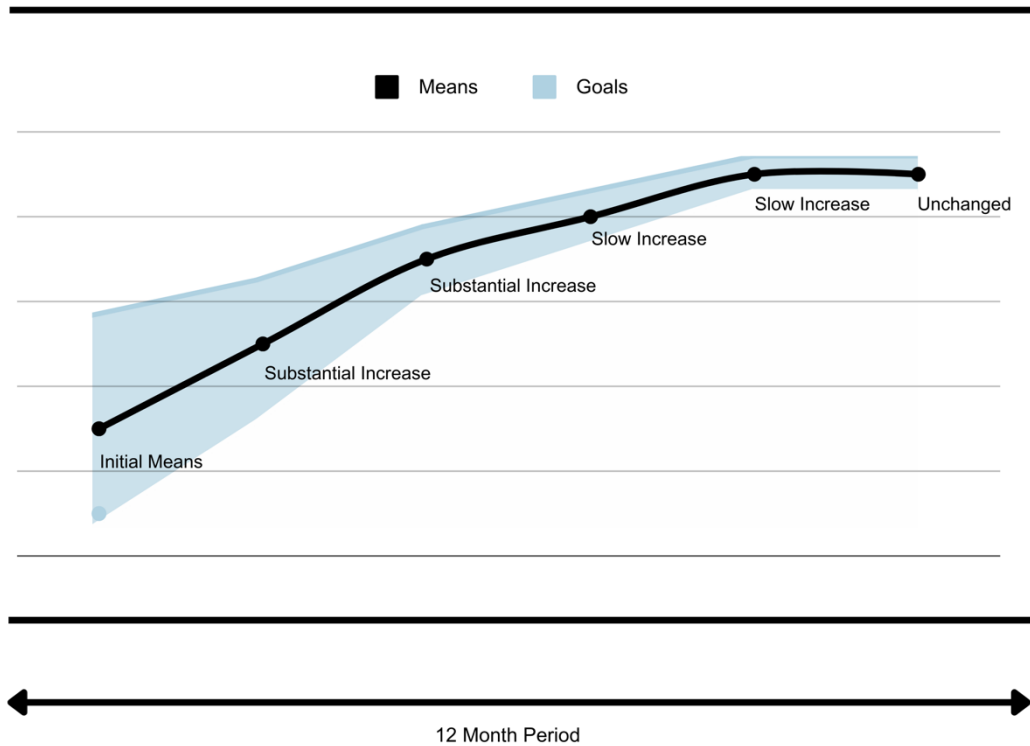
The early internationalisation to Australia is an example where ICM2 struggled to grow its means in terms of networks and subsequently, the goal in this region remained a general one to find any distribution partner.

Although it was never mentioned as a direct goal or means, regulatory requirements such as a licence to operate did have an impact on the goals of ICM2. For example, in the Philippines, there were some stumbling blocks from a regulatory perspective that forced the CEO to fly over to the regulators and try and solve the problems before the planned launch date. In other regions like East Africa, local partners increased the means of ICM2 by allowing it to trade on their local licence which in return made the early goals of ICM2 more country-specific specifically in Africa.

In Figure 6 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling six data points over a period of 12 months (interviews were conducted more or less every two months

with research participants). The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 6: ICM2 relationship between means and goals



4.2.3. ICM3 Means and Goals during the process of effectuation

Background of the firm

ICM3 has developed a well-being platform that focuses on the physical and mental health of employees in the workplace. With the business model essentially being a platform on the internet that is not heavily regulated ICM3 could internationalise to various countries without incurring substantial costs. However, this also meant that ICM3 was reliant on quality engineers to develop and maintain its platform the more they internationalised. Furthermore, ICM3 has been internationalised since its inception. Since its inception, ICM3 had operations in both South Africa and the United Kingdom. ICM3 was initially triggered to internationalise because they needed a client base not only isolated to South Africa to create a business on the scale and size they initially planned. There were

periods when ICM3 did not grow their means or change its goals. Specifically, during interviews four and five. The reason for this unchanged means and goals during interviews four and five was that ICM3 decided to focus on their core markets which were South Africa and the United Kingdom at the time instead of growing its means.

Means that emerged

(i) Identity as means

Because ICM3 is an internet platform business not heavily regulated they had the advantage to internationalise at inception without incurring substantial additional costs. This was an important set of initial means for ICM3 because they could scale their business effectively wherever they saw an opportunity worldwide. ICM3 also had an easy-to-understand product which also enhanced their ability to internationalise. These means (i.e., scalability and easy-to-understand product) remained unchanged during the period of data gathering.

(ii) Knowledge as means

Being a platform business meant that quality engineers were needed to develop and maintain the platform of ICM3. ICM3 started with high-quality engineers and was still recruiting additional engineers during the period of data gathering. As time progressed ICM3 added more engineers to their team. ICM3 also had a specialised section on their platform that required the expertise of a medical professional and likewise recruited a medical professional. Knowledge in the form of employees was an important set of means for ICM3 which they have managed to grow during the period of data gathering.

(iii) Networks as means

Personal networks have been an important means for ICM3 since its initial internationalisation. These personal networks facilitated introductions to clients and investors. These introductions snowballed further with the investors and in turn, opened up their networks to ICM3 as well for introductions to potential clients. ICM3 did not grow their networks during the period of data gathering. In fact, the initial networks of the ICM3 were sufficient at the time to sustain the business.

Table 9: ICM3 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>I've managed to recruit, like sophisticated group of people who know what they're doing.</p> <p>We've got like really high-quality engineers...</p> <p>We've got a chief medical officer on board.</p> <p>Because the businesses is purely software related, it's like incremental costs to go into a different market.</p> <p>Our product is like, it's fairly easy to understand.</p>	<p>Maybe like engineering resources, I guess just the team in general, but I would say specifically engineering.</p> <p>Since we last chatted, I think we brought four more people on board...three engineers and then one person in sales.</p> <p>We have got a combination of distribution partners that are helping us sort of take up our markets.</p>	<p>Unchanged</p>	<p>Unchanged</p>	<p>We've got a few more engineers in the team but I mean that's the mobile engineering side that we've expanded to capacity.</p> <p>People in our network that could facilitate introductions to potential clients from the beginning, so that was helpful.</p> <p>As we brought on investors they open up their networks to us as well.</p> <p>The team that we brought on, I would say, if we're talking about means.</p>	<p>Unchanged</p>

Goals that emerged

(i) General goals

Although it was only mentioned later during the period of gathering data, the initial goal of the founders of ICM3 was to build a business that they could eventually exit and sell. Therefore, initially, the general goal of ICM3 was as general as to build a business and

sell it. To put this in perspective the initial general goal of ICM3 was to develop a product (in this case an internet platform product) that they could make accessible to a wider range of end users in various markets abroad.

(ii) Specified goals

During the initial round of data gathering, ICM3 specifically targeted Nigeria and Kenya for internationalisation. However, this goal changed and during the second interview, ICM3 decided to only focus on their initial two markets which were South Africa and the United Kingdom. During the later periods of the data-gathering, ICM3 got more specific with their goals related to this new focused strategy. For example, ICM3 set a goal for itself to expand its employees in the engineering department by fifty to sixty per cent as well as increase its monthly revenue by sixfold by December in that particular year (+- 6 months to achieve the goal).

Table 10: ICM3 Goals from interview data

Internationalistion Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
The goal is, so we obviously have presence in the UK, and in South Africa, from a internationalisations perspective, and the areas I'm going to be going after is potentially Nigeria and Kenya, to start, because there's quite a big opportunity in African markets.	We're trying to focus, at the moment on, specifically on South Africa and the UK markets. And then once we've got those two right then we're gonna, sort of, start looking elsewhere. That part of the strategy has changed a little.	Unchanged	From where we are now probably about five to six fold increase in monthly revenue by like December and then potentially looking at, increasing our team by about fifty to sixty percent. I would say that those are the two shorter term goals.	The plan is definitely to exit. Timeline was, that kind of remains to be seen. Make our product more accessible to a broader range of end users and companies. The expansion of the existing markets, hiring a slightly bigger team and then obviously just like experimenting in the greater	Unchanged

				market so we can capture more marketshare.	
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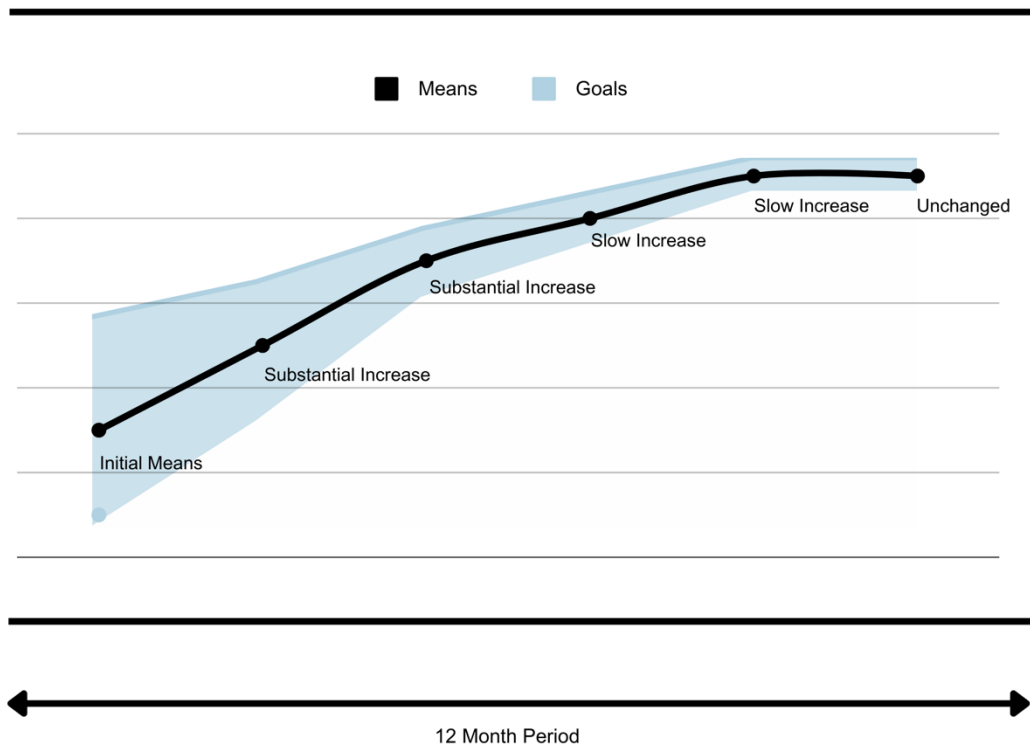
Transformation and evolution of ICM3 means influence on its goals

ICM3 has been internationalised since its inception. The reason for this was because the general goal of ICM3 was from the onset to make their product available to a broad range of end users in various markets abroad. The scalability, low regulatory requirements and ease of use of their product enabled this internationalisation early on.

By deciding to only focus on South Africa and the United Kingdom the recruitment of quality engineers became a specified goal for ICM3. ICM3 did manage to recruit quality engineers and these engineers became important means for ICM3 to maintain the quality of their product in South Africa and the United Kingdom. It was also evident that the more ICM3 was able to run their platform efficiently (with the help of the additional quality engineers) the more they started to set specified goals for themselves like increasing their revenue six-fold. However, there was a lag in time from the recruitment of the engineers to the goals becoming more specified. Therefore, it is evident from the data that the more the means of ICM3 increased (knowledge in the form of engineers that makes the platform more efficient) the more specified the goals of ICM3 became (setting revenue targets to be achieved within a certain time frame). In the case of ICM3, only their knowledge grew during the period of data gathering. The other categories of means (identity and networks) remained unchanged.

In Figure 7 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling six data points over a period of 12 months (interviews were conducted more or less every two months with research participants). The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 7: ICM3 relationship between means and goals



4.2.4. ICM4 Means and Goals during the process of effectuation

Background of the firm

ICM4 is a subsidiary in the Republic of Mauritius of a South African financial services provider. ICM4 provides financial services to corporations, funds, trusts and individuals. These financial services are highly specialised. Therefore, ICM4 needed employees with specialised knowledge to provide these services to its clients. ICM4 is the wholly owned subsidiary of a bigger group of companies specialising in financial services in South Africa. However, ICM4 had its own goals and resources and did not receive help from its parent company other than the original capital invested to start to firm.

Means that emerged

(i) Identity as means

As mentioned before ICM4 did not receive additional help or resources from their parent company other than the initial funds that were invested to start the firm. However, ICM4

did use the branding and corporate identity of its parent company. Leveraging the corporate identity of its parent company was an important means for ICM4 because the clients that it has targeted already trusted to brand. Further, means in the form of identity remained unchanged for ICM4 during the period of data gathering.

(ii) Knowledge as means

Knowledge was the most important but also the most problematic set of means for ICM4 to grow during the initial period of data gathering. Knowledge in the form of competent employees was a problem for ICM4 since the initial interview. To put this in perspective, ICM4 had to use outside networks initially for certain client instructions because they did not have the knowledge in-house at the time. During the first interview, ICM4 had three employees. During the second interview, ICM4 had five employees but at the time of the third interview, one employee with specialised knowledge resigned. During the fourth interview, it seemed like all the crucial roles were filled in terms of knowledgeable employees. Knowledge in the form of competent employees was, therefore, a dynamic set of growing means for ICM4. Therefore, growth in knowledge was not linear and had some setbacks with the resignation of competent employees.

(iii) Networks as means

ICM4 relied on the personal network of its directors to outsource specialised client instructions which they were not knowledgeable to complete. This was necessary during the period when ICM4 did not have competent employees in all the key areas of the firm yet. With the recruitment of competent employees, ICM4 was less reliant on this personal network of its directors. ICM4 also relied heavily on the networks of its parent company for client leads and referrals during its early internationalisation.

Table 11: ICM4 Means interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We are currently three staff...we need a full-time accountant, which unfortunately, we don't have right now.</p> <p>In terms of experience to do the job that we've been doing here, we qualified to do what we do here.</p> <p>I use a lot of my network here to get certain jobs done.</p>	<p>There is a full-fledged team operating now.</p> <p>I was using company networks.</p> <p>So, in terms of staff, we currently have five people here. They bring their knowledge and the experience.</p> <p>They've got over ten years' experience in the business.</p>	<p>Right now, we are four people in the office, one resigned</p> <p>We have implemented a new software.</p> <p>So, the new software allow us to capture client information, getting big clients more effectively, because there's a proper time we go in system.</p>	<p>We appointed a company secretarial manager and then we appointed an accountant also. So right now we have the key personal in each department.</p>	<p>It's from existing clients, from my referral, from the group referral, it's coming from existing networks.</p>	<p>We had one additional staff member and then we're busy recruiting new staff.</p>

Goals that emerged

(i) General goals

During its early internationalisation, ICM4 had a general goal to diversify the income stream of its parent company to USD. However, this general goal changed slightly to also survive and become a sustainable business. The goal to survive stems from the fact that ICM4 did not receive any financial help from its parent company other than the initial capital invested in the business.

(ii) Specified goals

As ICM4 became a more sustainable business its goals became more specified. For example, ICM4 had a target to increase its turnover three times from the previous year which would have meant 100% growth in 12 months.

Because of the highly specialised nature of the services that ICM4 provides to its clients, they specified a goal to recruit employees with specialised knowledge.

ICM4 also had a specified goal to develop its internal capacity for future growth. For example, ICM4 wanted to implement a new system before the end of the financial year (at the time of data gathering) that would make client onboarding more efficient.

During interview three the goals of ICM4 were unchanged. The reason for this was that ICM4 was at the end of its financial year at this time. ICM4 did not want to set any new goals until the end of that particular financial year. However, during the fourth interview, ICM4 was starting its new financial year. For the new financial year, ICM4 had a specified goal to double its revenue. This specified revenue goal also came with a goal to target 100 clients for that specific financial year.

Table 12: ICM4 Goals from interview data

Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
The goal for Mauritius was for the group to have an offshore income, like US dollar income, so they wanted to diversify the group income. In terms of figures, we are trying to achieve a three times turnover this	The primary goal was to concentrate on getting new clients and marketing and try to pitch clients and build up a portfolio of clients. That was our primary goal. We had a budget that we need to meet, we had to	Unchanged	The target for for the year now, so we are two-fifty so the target for the year is five-hundred.	We need to be aggressive on the market and our target needs to have 100 clients by the end of this year. The goal is we planning for the future in terms of growing our capacity internally to meet those clients'	It will remain the same until the end of the year. This is the goal for the year. (Unchanged)

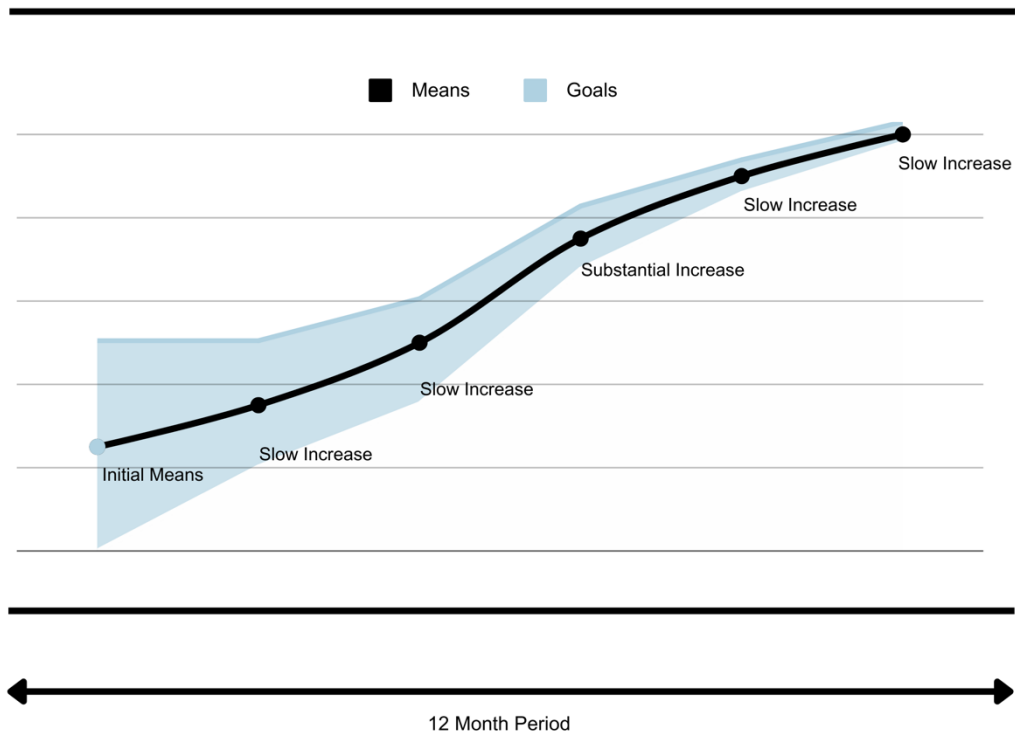
<p>year of the previous year.</p> <p>In terms of growth, we are thinking about doing 100% growth.</p> <p>We need that resources as target for 2023 January, have the in-house accountant.</p>	<p>implement new system, we had to manage our cash flows to have sufficient funds for next year. So, there was like a specific goal for this year and for next year.</p>			<p>requirements for the future.</p>	
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Transformation and evolution of ICM4 means influence on its goals

As mentioned above, knowledge was one of the most important sets of means for ICM4. The reason for this was because the services of ICM4 were highly specialised. Knowledge meant employees who were qualified to provide the services offered by ICM4. The recruitment of employees with specialist knowledge was a specified goal for ICM4 that later became an important set of means. ICM4 did manage to recruit specific employees during the period of data gathering. However, the growth of this means (knowledge) was not linear but rather dynamic because of employee resignations. At the end of the data-gathering period, ICM4 had sufficient employees to offer their services to clients.

In Figure 8 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling six data points over a period of 12 months (interviews were conducted more or less every two months with research participants). The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 8: ICM4 relationship between means and goals



4.2.5. ICM5 Means and Goals during the process of effectuation

Background of the firm

ICM5 created a mobile platform that gives its clients instant access to security and emergency services. The mobile platform picks up the user's location and sends a distress signal to the nearest response partner. The user base of ICM5 was made up of people in need of safety services. Therefore, ICM5 deliberately internationalised to countries abroad where safety was a problem. ICM5 decided to withdraw from this study during the fifth interview. Therefore, the movement on both the means and goals during interviews five and six in Table 5 below are indicated as unchanged. However, ICM5 did show effectual behaviour during the interviews prior to their withdrawal from this study. Therefore, how the means and goals of ICM5 changed during this effectual process was still important for this study.

Means that emerged

(i) Identity as means

ICM5 had a unique service that had not been done before. Therefore, ICM5 had what they referred to as a “first to the market advantage”. This gave ICM5 a competitive advantage in new markets abroad. The mobile platform itself was also scalable without incurring substantial additional costs. Therefore, a unique service and its scalability were an important set of means during the early internationalisation of ICM5. Means in the form of identity remained unchanged during the period of data gathering.

(ii) Knowledge as means

ICM5 prioritised hiring the right employees in certain key areas. For example, ICM5 made sure they have the right employees in the operations, sales, finance and human resources. During the second interview, ICM5 explained how they put in a lot of effort to hire General Managers in new markets abroad. These General Managers had to be knowledgeable about the operations of the firm and run the firm like their own and hire other employees around them. During the third interview, ICM5 hired what they called a Chief Revenue Officer. The role of the Chief Revenue Officer was to lead to global partnerships team. Therefore, during the time of data gathering ICM5 was growing in means in the form of knowledge by hiring specific employees in key areas of the firm to successfully enable their internationalisation.

(iii) Networks as means

Distribution partners were a very important set of means for ICM5. In fact, without a distribution partner, ICM5 did not enter a new region. The reason for this was that a distribution partner helps with distributing their service and in the process they reach profitability sooner. ICM5 had strategic distribution partners at the time of data gathering and added a few more during this same time in new regions. ICM5 also worked hard to get joint-venture partners. At the time of data gathering ICM5 entered into joint-venture partnerships with partners from Uganda and Ghana. The benefit of these joint-venture partnerships was that ICM5 could get into the right boardrooms early on in markets abroad and pitch their business to new potential distribution partners. Networks were also therefore a growing set of means for ICM5 during the data-gathering period.

Table 13: ICM5 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
Our platform is very scalable. We don't incur any technical costs for opening up a new market. We've always got like a fresh canvas because no one's really done this before. And you got that first to market advantage. We had a really strategic distribution from day one.	Really well skilled in operations, sales, finance and hiring.	We brought in a new chief revenue officer, she's over in Dubai. She's leading the global partnerships team.	We've just had a lot of progress with those, with those JV-partnerships. Uganda and Ghana, are going really well, we're getting into the right boardrooms really early on. It's proving so far to be the right move to have a local partner.	Unchanged	Unchanged

Goals that emerged

(i) General goals

ICM5 had a goal to develop a global business from the onset. This was a goal from the onset because ICM5 felt that the South African market was too small to reach the full potential of its mobile platform. However, ICM5 was clear that the overarching general goal of the firm was always to make money. This profitability goal was evident throughout the time of gathering data. For instance, ICM5 was focused on getting their current markets to profitability while targeting new potential markets. At the same time, ICM5 was also looking for joint-venture partners in new markets.

(ii) Specified goals

ICM5 had specific markets abroad that they targeted. Most notable were India, Indonesia, Brazil and Mexico. However, distribution for its service was a prerequisite for ICM5 before entering a new market. Therefore, finding distribution partners in new markets was a specified goal for ICM5. These new distribution partners in turn had a specified goal to grab 1% of the total market within 24 months. New joint-venture partners had specified revenue targets that they had to reach within 36 months.

Table 14: ICM5 Goals from interview data

Internationalisation Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We're going to be in 20 markets in the next two to three years.</p> <p>We are going to do this globally or we're not going to do it at all, it wasn't a South African only business from day one.</p> <p>We're actually in twelve markets, mainly Africa, but you mention the UK and we're looking at a few others for next year.</p> <p>India and Mexico specifically are</p>	<p>Based on how the markets are at the moment, our strategy is very simple.</p> <p>We are going to stay in our current markets and move into profitability.</p> <p>Start looking for distribution.</p> <p>Distribution is a prerequisite.</p>	<p>To grab one percent of the total addressal market within 24 months.</p>	<p>JV partners is given targets, and a forecast, a 36 months forecast. And they need to bring the revenue in.</p> <p>India, Indonesia, Mexico, Brazil, those are the three major developing markets which would be the lowest hanging fruit one would like to go to.</p>	<p>Unchanged</p>	<p>Unchanged</p>

<p>the lowest hanging fruits.</p> <p>The objective here is to make money. So, we're not an NPO.</p>					
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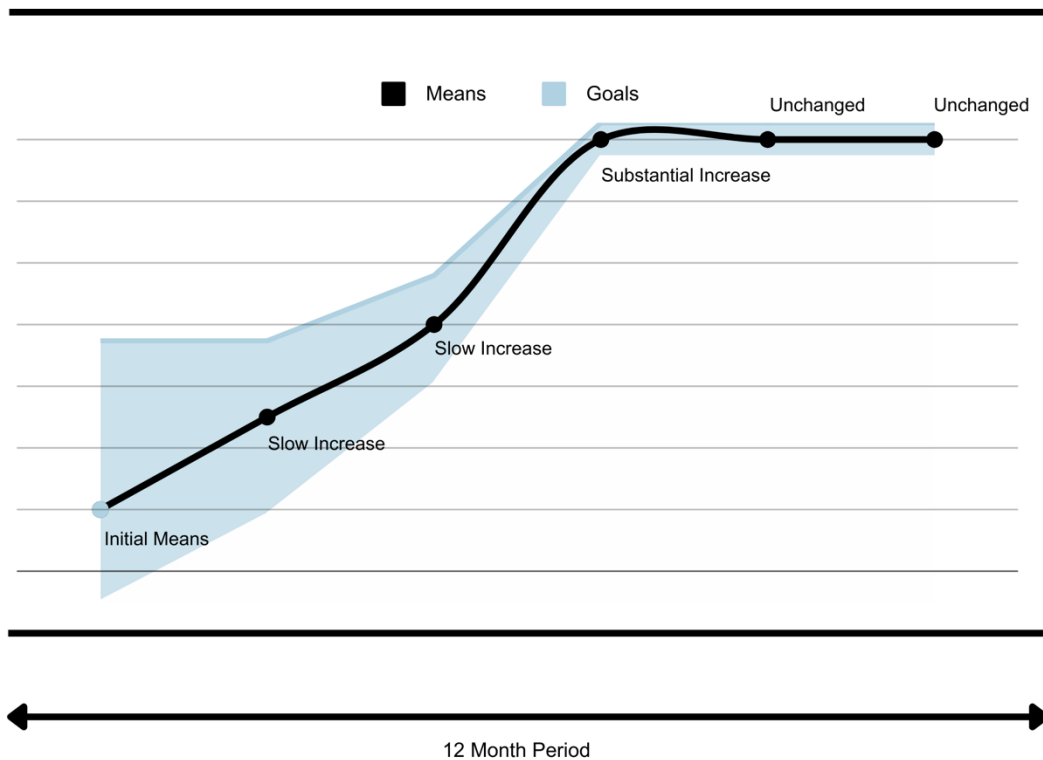
Transformation and evolution of ICM5 means influence on its goals

The general goal of ICM5 was to build a profitable global business. To achieve this goal ICM5 needed to find the right distribution partners and hire specific employees in key areas of the firm. The growth of means was also not linear for ICM5. ICM5 tended to wait for certain opportunities to grow their knowledge and networks during initial interviews, which eventually resulted in the rapid growth of these means later on.

Although distribution was a prerequisite for ICM5 to enter a market they also entered into joint-venture partnerships with partners specifically in Uganda and Ghana. Finding suitable partners for a joint-venture partnership was initially a general goal for ICM5 that became a set of means that enhanced its ability to internationalise. This general goal then became more specified with joint-venture partners having revenue targets to meet within a certain time frame.

In Figure 9 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling four data points over 12 months (interviews were conducted more or less every two months with research participants). However, as mentioned in Chapter 3 above, I have only conducted four interviews with ICM5. Therefore, goals and means are indicated as unchanged over the last two data points to stay consistent with the rest of the cases analysed in this study. The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 9: ICM5 relationship between means and goals



4.2.6. UCM1 Means and Goals during the process of effectuation

Background of the firm

Fundamentally UCM1 is in the business of asset management. They invest in property on behalf of their clients. What distinguishes this firm from its competitors is that it only gets money when its investors get their money back with interest. This created a certain level of trust with its investors. UCM1 started in South Africa with no initial intention to internationalise. However, UCM1 was triggered to internationalise by an individual in the personal network of the CEO with a large sum of capital in Switzerland who wanted to keep his capital abroad at a higher return. Subsequently, UCM1 was internationalised to the United States. Knowledge and expertise about the regulations within the financial services industry in the United States was an area where UCM1 lacked means initially. During the period of data gathering UCM1 was already within six years of initial internationalisation (initially internationalised in the year 2016). Therefore, as expected UCM1 did not have any major changes in its means during the period of data gathering. Therefore, during the fifth interview, I decided not to continue with interviewing UCM1

because no changes in either their means or goals were expected. Therefore, the means and goals are indicated as unchanged during interview six in Table 6 below.

Means that emerged

(i) Identity as means

At the time of data gathering UCM1 was already trusted by its investors. This level of trust made it easier for UCM1 to get and retain investors. The first language of the employees of UCM1 was Afrikaans and so was the first language of most of its investors which helped to build a stronger bond with clients which assisted with the level of trust in the firm by its clients. Identity as a means remained unchanged during the period of data gathering.

(ii) Knowledge as means

During its early internationalisation, UCM1 did not have sufficient knowledge to navigate the regulatory landscape specifically related to structuring and legal advice within the United States. However, UCM1 developed this knowledge in-house by hiring knowledgeable employees and paying for this knowledge by consulting with other experts. In fact, UCM1 was focused on initially developing its own in-house knowledge. For instance, UCM1 fired their brokers and started to maintain and negotiate deals with the banks themselves. During the period of data gathering UCM1 was already competent and had its own in-house team in various areas of expertise. Therefore, although UCM1 was still busy “sharpening their skillset” by hiring competent employees their means in the form of knowledge did not grow during the period of data gathering.

(iii) Networks as means

During the initial internationalisation of UCM1 personal networks in the form of conversations with family and friends helped it to build its initial client base. UCM1 also build personal relationships with property brokers in the United States. These property brokers assist UCM1 in buying up property below their market value. This is important because a property below market value often gives a good return to investors which is the value proposition of UCM1. However, these relationships were also formed prior to the period of data gathering. Therefore, UCM1 also did not have any major increase in means in terms of networks during the period of data gathering.

Table 15: UCM1 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We also have that level of trust with a lot of our investors.</p> <p>Right now it's just personal conversations colleagues, friends and family.</p> <p>And it helps if you're Afrikaans because you build a bond easier.</p> <p>We built the means between the knowledge we paid dearly for and the people who execute it.</p>	<p>He works very closely with a broker and do the buying of properties and stuff. If I say "very closely" I mean they see each other on weekends and so, at their houses.</p>	<p>I fired our brokers last year who got financing for us and now we maintain the relationships with the banks ourselves. And we learnt how to do that ourselves.</p>	<p>We have a few people who are leaving the firm. And we are looking to sharpen our skillset.</p>	<p>We started with intelligent and capable people, the founder of the business and two chartered accountants were the local team that we had and we used that to build and expand the network in the US.</p> <p>We invested a ton of money on structuring advice and legal advice and we internalised those abilities into our people. So, now we are in a position where we have a higher level of expertise than some of the US people, so we now don't need their information and can do a</p>	<p>Unchanged</p>

				<p>lot of the work ourselves.</p> <p>We knew brokers there and that's how we spread the network. We also moved people around so that we had the right type of employee to build the right type of relationship.</p>	
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Goals that emerged

(i) General goals

As mentioned above during the period of data gathering, UCM1 was already within six years of initial internationalisation. This is important because the CEO confirmed that their early internationalisation goal was to create a sustainable, long-term alternative for generational wealth creation, that is not tied to South Africa. This general goal was initially envisioned for the benefit of the end clients of UCM1 who wanted alternative investments abroad for their capital. This goal remained unchanged during the period of data gathering.

(ii) Specified goals

Keeping in mind that UCM1 were already six years from its initial internationalisation, specified goals were set during the period of data gathering. For instance, UCM1 had a specified goal to get its US property investment portfolio the same size as its South African property portfolio. To achieve this UCM1 was specific that they wanted to buy 12 Million USD worth of property by the year 2023. However, this goal remained the same during the data-gathering period.

Table 16: UCM1 Goals from interview data

Internationalistion Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
Our future goals is grow the portfolio so that the portfolio is the same size as South Africa.	In 2023 we want to buy USD12 million worth of property.	Unchanged	Unchanged	By getting the US portfolio to the size of the SA portfolio, within 10 years. How we described it was: “create a sustainable, long-term alternative for generational wealth creation, that is not tied to SA”.	Unchanged

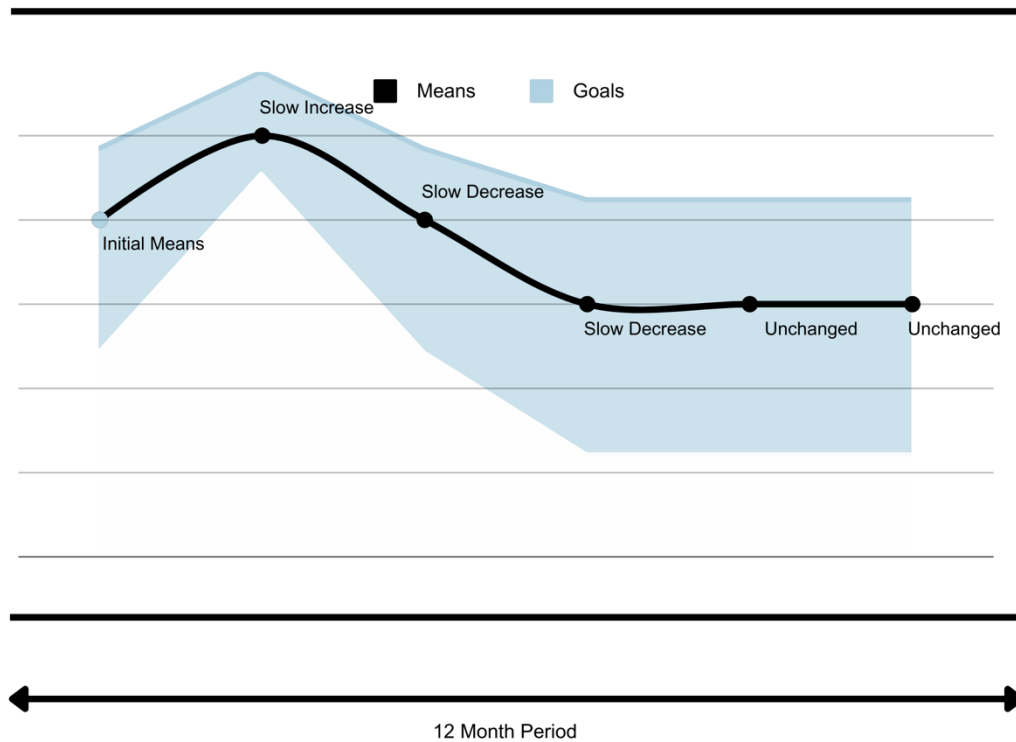
Transformation and evolution of UCM1 means influence on its goals

UCM1 is unique from the previous cases above (ICM – Increase Means Cases), which were in the process of increasing their means (mostly knowledge and networks) during the period of data gathering by engaging in effectual behaviour. In the previous cases, the increase in their means was mostly dynamic. UCM1 already had a sufficient set of means during the period of data gathering. These means were knowledge and networks and were consistent during the period of data gathering. Subsequently, the goals of UCM1 were also more specified and consistent during the period of data gathering.

In Figure 10 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling four data points over 12 months (interviews were conducted more or less every two months with research participants). However, as mentioned in Chapter 3 above, I have only conducted five interviews with UCM1. Therefore, goals and means are indicated as unchanged over the last data point to stay consistent with the other cases analysed in this study. The wide

blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 10: UCM1 relationship between means and goals



4.2.7. UCM2 Means and Goals during the process of effectuation

Background of the firm

UCM2 is in the renewal energy sector. UCM2 forms part of a parent company that built data centres across Africa. UCM2 was established to be the renewal energy side of the parent company that provides data centres with renewable energy. Because UCM2 is following the footprint of its parent company it essentially internationalises in the footprints of the group. However, UCM2 also take on other clients that are not part of the group. At the time of data gathering UCM2 was already five years into its initial internationalisation (initially internationalised in the year 2017).

Means that emerged

(i) Identity as means

UCM2 had a unique understanding of how to do business on the African continent. This enhanced UCM2's ability to internationalise into Africa. This is important because UCM2 explained that if a business does not understand the various cultures within different African countries that business often struggles to survive. For instance, UCM2 would appoint expatriate managers in various African countries who have a better understanding of local culture.

UCM2 also had the trust of the brand of their parent company that they could leverage. Furthermore, UCM2 also strategically sourced investors that will enhance their credibility from the perspective of their clientele. However, these means in the form of identity were already in place and did not increase during the period of data gathering.

(ii) Knowledge as means

During the period of data gathering UCM2 already had knowledge and experience that enabled them to internationalise. For instance, UCM2 understood the telecom space of their commercial and industrial clientele well. This set of means in the form of knowledge did also not increase during the period of data gathering.

(iii) Networks as means

Networks were also an important set of means for UCM2 that enhanced its ability to internationalise. For instance, the clients of its parent company were also the initial clients of UCM2. Furthermore, strategic investors also opened up their networks to UCM2 which gave UCM2 access to employees with experience and knowledge and also potential clients. This set of means in the form of networks did also not increase during the period of data gathering.

Table 17: UCM2 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>We leveraged on the internal business first before we went outside.</p> <p>We have someone who has the understanding of the layer of the land.</p> <p>We then had to brought in strategic investors (we wanted to go out there with a big name behind us).</p> <p>To really be credible out there, proceed with the, credibility ... you need a strong parent that also backs you.</p>	<p>The strategic partner [...] are a lot more involved in what we do.</p> <p>We do believe that given this year we're probably gonna get more business coming from the strategic partner as well.</p>	<p>We have a unique understanding of the continent (Africa), more than most companies.</p> <p>You do look for people with deep local knowledge but you also infuse with particularly at the top leadership level you have to infuse with, what they call expatriates managers.</p>	<p>We understand the telecom space, we understand the technology space, we understand the commercial and industrial clientele.</p> <p>We have got experience in the continent (Africa).</p> <p>We've managed to gather formidable strategic partners who can bring in a lot of value both in technology and in scale.</p> <p>We have got probably one of Africa's most prolific business, people who has got access to a lot of, quality talent and networks.</p> <p>We have got a brand- that we</p>	<p>Unchanged</p>	<p>Unchanged</p>

			can build on and we've got a brand we can ride on.		
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Goals that emerged

(i) General goals

During the period of data gathering, UCM2 had a general goal to make a profit and grow the largest renewable energy platform in Africa. UCM2 did not have many general goals during the period of data gathering.

(ii) Specified goals

At the time of data gathering UCM2 already had specified goals. For instance, its five-year goal was to deploy 500-plus megawatts of renewable energy within Africa. UCM2 also wanted to validate its business model as a sustainable investment platform for renewable energy. UCM2 measured its goals in various markets based on the maturity of the business unit in that particular market. For example, in less mature markets UCM2 still gave specific but limited KPIs for managers to achieve (for example to get the brand known and deploy a limited number of megawatts). While in mature markets the targets and KPIs tended to be more aggressive (for example deploying a higher specific number of megawatts).

Table 18: UCM2 Goals from interview data

Internationalisation Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>Our target in terms of five year business plan, we're looking at deploying 664 megawatts.</p> <p>Our target, actually, if you were to ask me, is we are targeting the top 500 corporates in Africa, and most of them have roots in South Africa.</p>	<p>We really want to just, be deeply embedded in the markets that we are in, scale in the markets we are in, but also at the same time without ignoring the gross trajectory together with [...] or any other opportunity that may present themselves.</p> <p>We also want to make sure that we- really validate our model as a sustainable investment platform for renewable energy.</p>	<p>We expand into Africa to make profit, we don't expand into Africa for anything else but to make profit.</p> <p>I only care about one or two KPIs (new markets). One of them is, get the brand known maybe, second one is, get five megawatts for me and in the next one year.</p> <p>One of our most mature markets is Zimbabwe. So there, the manager has got a full QNL.</p>	<p>Our goal is to develop and to deliver 500 megawatts in the next four years of renewable energy to the top five hundred commensuring industrial operators in Africa.</p>	<p>Unchanged</p>	<p>Unchanged</p>

Transformation and evolution of UCM2 means influence on its goals

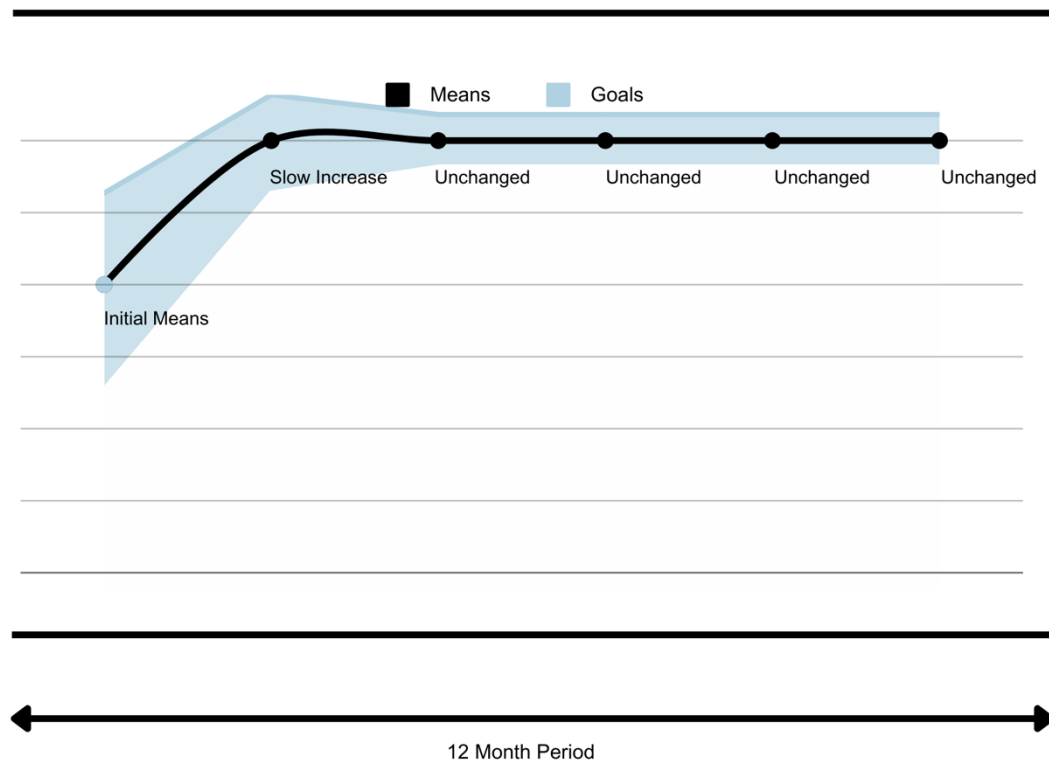
UCM2 forms part of a bigger group of companies. This bigger group of companies will usually go first and install data centres for their clients. UCM2 will then follow up on these installations and provide the data centres with renewable energy. This is a good example

where networks (in the form of a parent company) influenced the goals of UCM2 because UCM2 would internationalise to a specific country where its parent company was already established.

UCM2 already had means in the form of identity, knowledge and networks that enabled it to internationalise successfully during the period of data gathering. Although UCM2 had an overarching general goal (to make a profit and grow the largest renewable energy platform in Africa) they also had many specified goals during the period of data gathering. The means of UCM2 did not grow much and were consistent during the period of data gathering and as a result neither did its goals.

In Figure 11 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling four data points over 12 months (interviews were conducted more or less every two months with research participants). However, as mentioned in Chapter 3 above, I have only conducted four interviews with UCM2. Therefore, goals and means are indicated as unchanged over the last data point to stay consistent with the other cases analysed in this study. The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals.

Figure 11: UCM2 relationship between means and goals



4.2.8. DM1 Means and Goals during the process of effectuation

Background of the firm

DM1 did consulting work in the telematics industry. They did development work for customers who wanted to develop their internet platforms or add new additions to existing internet platforms. During the period of data gathering DM1 did work for only one client abroad in the United Kingdom. They worked remotely for this client and were paid for the actual hours of work that they did per project. This meant that the revenue of DM1 was made up of only the actual billable hours that they could invoice.

Means that emerged

(i) Identity as means

DM1 delivered high-quality services for its clients. This high-quality service was based on delivering projects on time and according to the needs of the client. Based on this high-quality service DM1 was hoping to get more work from the same client.

(ii) Knowledge as means

From its inception, DM1 had the technical expertise to deliver its services to its clients. The founders of DM1 not only had the technical experience relating to programming and software development but also the experience of managing the business and a remote team. During the second interview, DM1 grew its means in the form of knowledge by hiring a new employee with technical expertise and experience. However, during the fourth interview, DM1 asked a senior employee with technical knowledge and expertise to resign. The means in the form of knowledge of DM1 therefore, did not evolve linearly but rather dynamically by increasing and decreasing during the period of data gathering.

(iii) Networks as means

Networks were a very important set of means for DM1 that also did not grow linearly but rather dynamically during the data-gathering period. The networks of DM1 decreased rapidly during this period. DM1 has built their business based on one strong personal relationship that the CEO had with an individual in a senior managing position with their only client. However, because of a restructuring after a merger with another firm, this individual lost his senior managing position. As a result, DM1 lost their direct relationship

with the senior management of its only client. Therefore, DM1 had a drastic decline in means in the form of networks during the period of data gathering.

Table 19: DM1 Means from interview data

Means					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
<p>I have business expertise and experience and a little bit of financial expertise ... that I can bring to the table.</p> <p>On the technical side the CT guy of the business has years of experience and he also has his master's degree in engineering.</p> <p>Our means is actually our expertise on the one side and then network and client relations on the other, that allows us to do business.</p>	<p>We have the next person, he should start in the next 3 months and then we might want to hire 2 or 3 extra people. And that's how we measure, our goals., with our people.</p> <p>I think for us means, we are very capable in terms of human capital.</p>	<p>Network...because on the client's side it has now changed a lot so where I used to work directly with the CTO of [...], he is now actually kind of an employee in that company. He no longer fulfils his management role.</p>	<p>One guy, he was in a sort of senior position, but we had to ask him to go.</p> <p>There's new relationships and those kinds of things, in that regard, things are going really well, we've built on those new contact persons and new management,</p>	<p>The core of our business was a deal with a CTO from the business that the overseas client bought over, and that CTO terminated his contract end of January this year, and I think that a core part of our means, in terms of network in that specific business, was lost since that guy finished up, he was the key to the deal.</p>	<p>No Means</p>

Goals that emerged

(i) General goals

Primarily DM1 wanted to expand their foreign client basis and also get more projects abroad. Therefore, the general overarching goal for DM1 was to expand its number of billable hours over time.

(ii) Specified goals

During the early internationalisation of DM1, there was still scope for more work from its only client in the United Kingdom. Therefore, DM1 initially had a specified goal to get more projects from its clients in the United Kingdom. In addition to this DM1 also had a specified goal early in their internationalisation to appoint 20-30 employees within five years. The reason for this was that DM1 could only grow if they could invoice more billable hours. Therefore, the more employees DM1 appoints the more they can grow.

During the third interview, DM1 started to decrease its specified goals by adjusting its own revenue targets downward. DM1 did not share with me the actual revenue targets but these targets were adjusted downwards during interview fourth and fifth interviews as well. Eventually, at the time of the sixth interview, DM1 decided to decrease its target to a point where it decided to close the doors of the business.

Table 20: DM1 Goals from interview data

Internationalisation Goals					
Interview 1	Interview 2	Interview 3	Interview 4	Interview 5	Interview 6
We are trying to get foreign clients. We would like to expand the client basis and projects that we do abroad. Our goal is to get further projects in that	We would like to grow as fast as possible actually around so for me the five year target is 20-30 people and at least 5 clients.	I think we had to make some adjustments downwards.	Little downwards adjusted. We had to adjust the bottom line downwards.	In terms of concrete numbers, we've had to adapt backwards.	We've decided to close the doors.

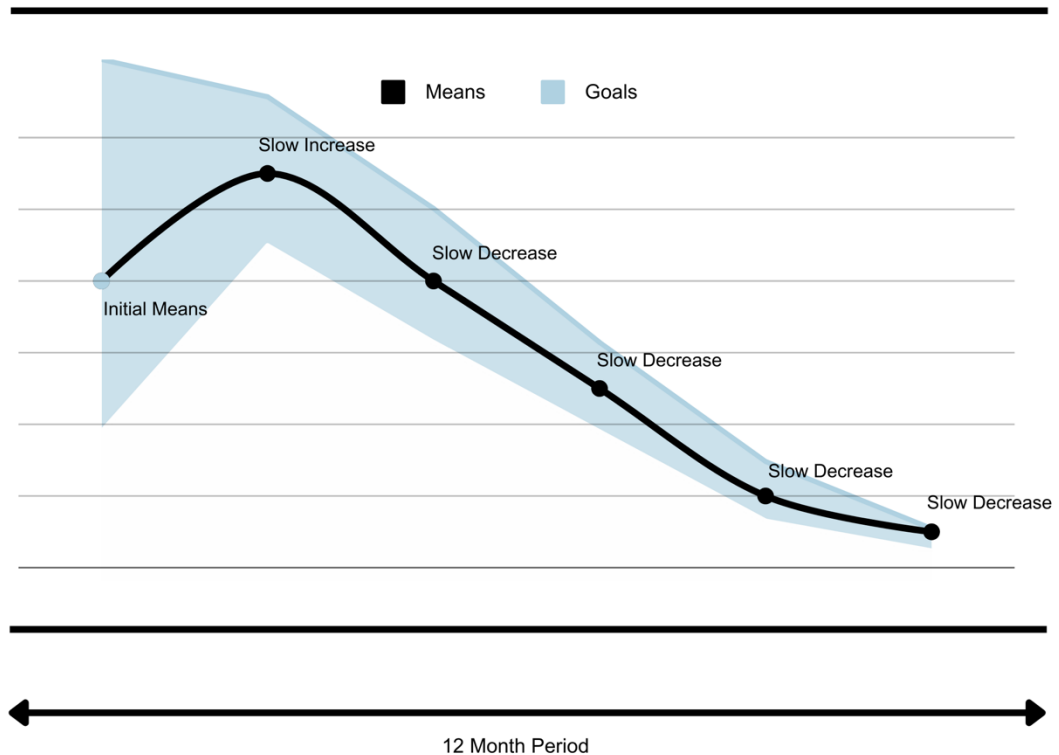
<p>group and to work within them.</p> <p>The goal in terms of growth has always been to expand the number of billable hours, over time.</p>					
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Transformation and evolution of DM1 means influence on its goals

DM1 had sufficient means in the form of knowledge, experience and personal networks to internationalise from its inception. Subsequently, DM1 also had specified goals since its inception. However, the decrease in the networks (in the form of a personal relationship with an individual in a senior management position at their client) resulted in DM1 gradually reducing its specified goals. These specified goals were reduced to a point where DM1 decided to close the doors of the business.

In Figure 12 below, the black line indicates the dynamic evolution of means over 12 months. Each point on the black line indicates a data point resembling six data points over 12 months (interviews were conducted more or less every two months with research participants). The wide blue space indicates a period where the firm had more general goals. The narrow blue line indicates a period where the firm had more specified goals. DM1 is different from the other cases in terms of when means were specified. In the case of DM1, the more its means decrease, the more specified its goals become. To close the doors of a firm is a very specified goal. However, a substantial decrease in means led to the decision to close the doors of the firm.

Figure 12: DM1 relationship between means and goals



4.3 Conclusion

In this chapter, I have developed two separate data structures for both means and goals following the Gioia Methodology (Magnani & Gioia, 2023). Consistent with effectuation theory, the means that emerged from my data were identity, knowledge and networks (Sarasvathy, 2001). However, the goals that emerged from that data could be categorised as general and specified goals with output targets, input targets, time and location as dimensions of these specified goals.

The data structures developed for means and goals gave me a foundation to conduct a within-case analysis for each case individually. In the next chapter, I will use the findings from the within-case analysis to look for patterns between the cases by conducting cross-case analysis.

5. Cross-case analysis

5.1. Introduction

In this chapter, I will use the findings from the within-case analysis in Chapter 4 above to look for patterns between the cases by conducting a cross-case analysis. I start this cross-case analysis by looking for patterns across the cases where I can confirm the means already known in the literature. I then proceed to look for patterns across the cases where I have refined some of the means in the literature. I then proceed to look for patterns across the cases in terms of general and specified goals. Finally, I conclude this chapter by comparing how the means of the cases relate to their goals during the process of effectuation.

I found that the cases in this study that were later in their internationalisation (UCM1 and UCM2) still had limited means but have managed to somewhat increase their means to a point where they did not increase or decrease substantially during the period of data gathering. Subsequently, UCM1 and UCM2 had more specified goals during the period of data gathering.

The cases that were earlier in their internationalisation (all the ICM – Increase Means Cases and the DM- Decrease Means Case) had limited means initially. Subsequently, these cases had more general goals during the initial period of data gathering when they had limited means. These goals only became more specified as the means of these cases increased as a result of applying the principles of effectuation. In other words, the more means these cases acquired, the more specified their goals became. But the means of these cases tended to increase dynamically. In some instances, the means of these cases increased, decreased or remained the same in no particular order.

5.2. Means cross-case analysis

I found that the different categories of means that emerged from the data were consistent with effectuation theory and, therefore also categorised the means in this study as identity, knowledge and networks (Sarasvathy, 2001). Within this theoretical categorisation of means I confirm means that is already known in the literature and refine some of the means to the literature.

5.2.1. Confirmation of means in the literature

(i) Knowledge

I found that knowledge in the form of expertise and experience was an important set of means for all the cases in this study to internationalise. This was evident for all the types of cases in this study. I also found that the cases that were earlier in their internationalisation (all the ICM – Increase Means Cases and the DM- Decrease Means Case) focused on increasing their knowledge. For these cases, expertise and experience were mostly obtained by recruiting additional employees.

I found that knowledge tended to increase dynamically. Knowledge especially increased dynamically during early internationalisation. In other words, knowledge tended to increase or decrease rapidly for some of these cases during their early internationalisation. The reason for this is that knowledge came mostly in the form of new employees who were recruited and, in some instances, resigned again or in one particular case (DM1) were asked to resign. I will now proceed to discuss the characteristics of knowledge in the form of expertise and experience in turn.

Expertise

Expertise to offer certain products or services was important for all the cases in this study. For instance, UCM1 explained that they have invested heavily into developing the knowledge of its employees internally in order to conduct certain expensive outsourced tasks in-house:

We invested a ton of money on structuring advice and legal advice and we internalised those abilities into our people. So, now we are in a position where we have a higher level of expertise than some of the US people, so we now don't need their information and can do a lot of the work ourselves.

UCM2 had a unique understanding of the African continent in which they operate. It was this unique understanding of the African continent that UCM2 believed gave them a competitive advantage to internationalise:

We have a unique understanding of the continent (Africa), more than most companies.

I also found that the cases that were earlier in their internationalisation (all the ICM – Increase Means Cases and the DM - Decrease Means Case) not only focused on expertise as an important set of means to internationalise but also to increase their expertise. This expertise was mostly increased by recruiting competent employees. For instance, ICM4 increased their expertise by hiring employees for key positions:

We appointed a company secretarial manager and then we appointed an accountant also. So right now we have the key personnel in each department.

Similarly, ICM5 increased their expertise by hiring a specific employee for a key position:

We brought in a new chief revenue officer, she's over in Dubai. She's leading the global partnerships team.

Experience

I found that experience was important for all of the cases to internationalise in this study. The management teams that were mostly made of the founders for most of the cases had the experience within the specific industry to offer their products and services to clients. For instance, DM1 explained how the background and experience of its two key employees were important to operate the business:

I have business expertise and experience and a little bit of financial expertise that I can bring to the table.

On the technical side, the CT guy of the business has years of experience and he also has his master's degree in engineering.

ICM1 explained that the experience of their management team was an important set of means for them to operate their firm:

Our knowledge and the years of experience that the guys have is are our biggest means. All the guys involved have walked down the road and have picked up contacts.

ICM2 explained how the financial products that they are offering clients abroad were developed based on the prior experience of its founding team:

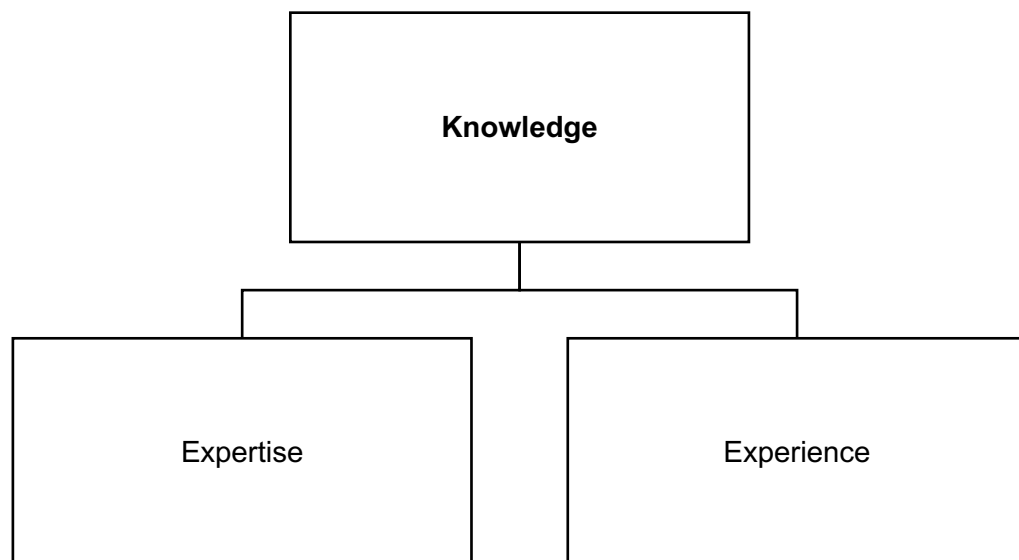
We use some of the knowledge that we gain there to create a CFD that's a hundred per cent margin to enable fractional share ownership.

ICM4 explained how the key employees that they have recruited for their expertise also brought with them experience within the industry:

So, in terms of staff, we currently have five people here. They bring their knowledge and experience. They've got over ten years of experience in the business.

Figure 13 below illustrates knowledge as a confirmed set means in the effectuation literature.

Figure 13: Confirmed Means (Knowledge)



(ii) Networks

I found that networks were an important set of means for all the cases to internationalise. I also found that networks often consisted of external and internal networks. For most of the cases in this study networks also increased dynamically during the period of data gathering. In other words, in some instances (for example DM1) networks have decreased rapidly.

Sarasvathy (2001) described networks on an individual level as social networks and on a firm level as organisational resources. Karami et al. (2020) also differentiate between networks as partnerships, while Jiang and Ruling (2019) found evidence of both external

and social networks utilised during effectuation. I will now discuss internal and external networks in turn as characteristics of networks.

External networks

External networks were mostly partnerships that cases entered into agreements with for several strategic benefits. I found that most cases entered into partnership agreements to establish distribution networks for their products and services abroad. In fact, a distribution network was often a prerequisite for cases before internationalising. For instance, ICM2 leveraged their partners abroad to help them distribute their services:

We did a deal with a big Philippine digital wallet provider... massive distribution.

Similarly, ICM3 also leveraged their partners abroad to help them distribute their services:

We have got a combination of distribution partners that are helping us sort of take up our markets.

I also found that some of the cases partnered with external networks to increase their own internal capabilities. For instance, ICM1 partnered with an external firm to strengthen its internal product development and research capabilities:

We made a JV with two companies, which means a lot for our products and product development.

We actually just strengthen our technical team with, product development and research.

ICM2 also leverage their external partners for regulatory requirements such as regional licensing in the finance industry as well as the trust factor of their partner in the specific region:

There is a local broker with whom we, partner there, for the licenses, but they also have a team that we can leverage, it's part of the partnership.

We've been able to leverage the trust factor of our partners to build our own trusting region.

Internal networks

I also found that internal networks were an important set of means for most of the cases to internationalise. Internal networks were mostly made up of personal connections of the founding and management team that introduced the cases in this study to various opportunities. This is consistent with the theory of effectuation. Sarasvathy (2001) describes my explanation of internal networks as social networks.

Internal networks were a set of means that did not increase much for most of the cases during the period of data gathering. Internal networks were mostly made up of the initial management team of the cases. Therefore, internal networks as a means were mostly constant for the majority of the cases.

For instance, a contact of one of the members of the management team of ICM1 facilitated introductions and opened the doors to internationalise to Europe:

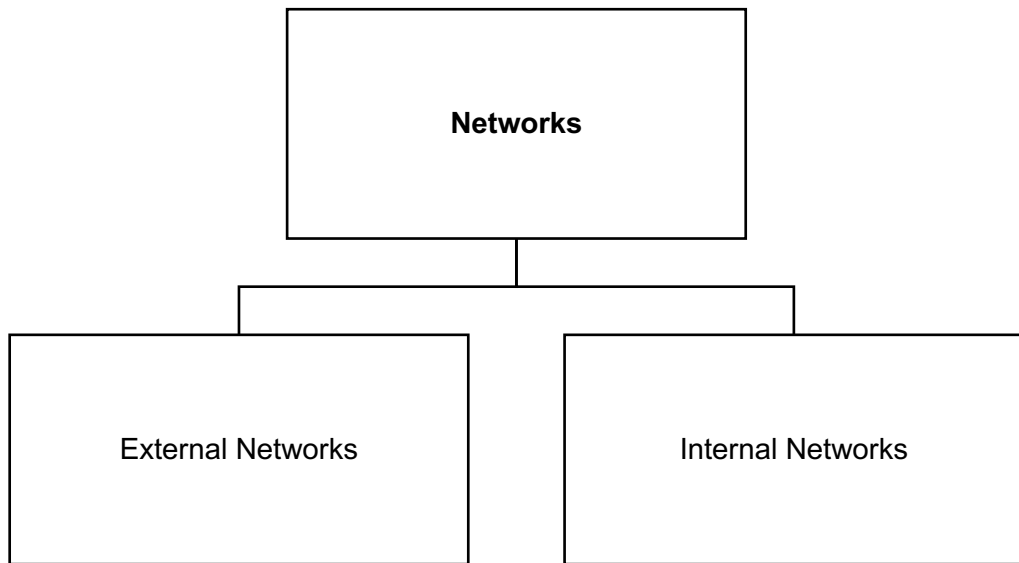
We have a good, contact, through someone in Austria, who is a rather known figure in the European forestry industry...he also opened the door for us to trial these products.

ICM2 had a key member of their staff who emigrated to Australia. Through this key staff member, ICM2 was introduced to an opportunity to internationalised to Australia:

Australia was very opportunistic. We had a key member of staff who was emigrating and we just said it's one guy, he is going to Australia, let's put up an office, get licensed in the region.

Figure 14 below illustrates networks as a confirmed set means in the effectuation literature.

Figure 14: Confirmed Means (Networks)



5.2.2. Refined Means

(i) Identity

Sarasvathy (2001) described identity at an individual level as traits, tastes and abilities and at a firm level as physical resources. Identity as a theoretical categorisation of means has rarely been studied in the literature. For instance, in a recent study Jiang and Rülling (2019), referred to identity as a reflection of who the research participants were.

I found that unique products, scalability and credibility were a prominent initial set of means that emerged for most of the cases in this study. These initial means in the form of unique products, scalability and credibility are consistent with Sarasvathy's description of identity which includes traits, tastes abilities and at a firm level physical resources.

Except for one case (ICM1) these means in the form of identity did not grow much during the period of data gathering and remained consistent. These initial sets of means in the form of identity enhanced the ability of the cases to internationalise. I will now discuss unique products, scalability and credibility in turn as characteristics of identity.

Unique products

Unique products were what gave most of the cases in this study a competitive advantage and a chance to succeed abroad. For example, the CFO of ICM1 explained that their product is unique and competitive worldwide:

I think we're a unique product in South Africa for sure there's no other product that's of the type of quality that we are. And I think there are very few companies overseas which are of the same quality as us.

The vice president of ICM3 explained that their product was unique because they were the first in the world to offer fractional share ownership to retail clients:

So that was really one of the big unlocks. And nowadays everyone does it. But we were essentially the first guys to offer fractional ownership of shares.

Similarly, the CEO of ICM5 explained that their product is unique and first to market which gives them a competitive advantage:

We've always got a fresh canvas because no one's really done this before. And you got that first-to-market advantage.

Scalability

The ability to scale unique products as mentioned above at minimal cost also gave most of the cases in this study a competitive advantage to internationalise. I found that the cases that internationalised more successfully had a scalable product. In fact, the ability to scale a unique product gave some of the cases a better chance to succeed abroad. For instance, the CEO of ICM1 explained that they had a unique product but also could scale (commercialise) it:

The uniqueness of the product or the building supports, the expertise to develop the product for agricultural purposes, and then the ability to commercialise it.

The CEO of ICM3 explained that as a result of the scalability of their product, they can internationalise to a different market at minimal costs:

Because the business is purely software-related, it's like incremental costs to go into a different market.

Similarly, the CEO of ICM5 explained that they also incurred little cost to internationalise to new markets abroad as a result of the scalability of their products:

Our platform is very scalable. We don't incur any technical costs for opening up a new market.

Credibility

I found that credibility was also an important set of means in the form of identity for the cases when internationalising. I also found that most of the cases already had some form of credibility when they were first internationalised. The exception was ICM1 which had to do product trials to prove their claims on the quality of their products to regulators in the markets where they were internationalising. The rest of the cases already had some form of credibility during their initial internationalisation.

UCM1 had a level of trust with its investors that was built over years of doing business locally first. These same clients now trusted the company and followed them abroad. The CEO explained this level of trust as follows:

We also have that level of trust with a lot of our investors.

UCM2 deliberately partnered with a strategic investor with credibility in the industry before their initial internationalisation. As a result, the credibility of UCM2 was also enhanced:

We then had to bring in strategic investors (we wanted to go out there with a big name to us).

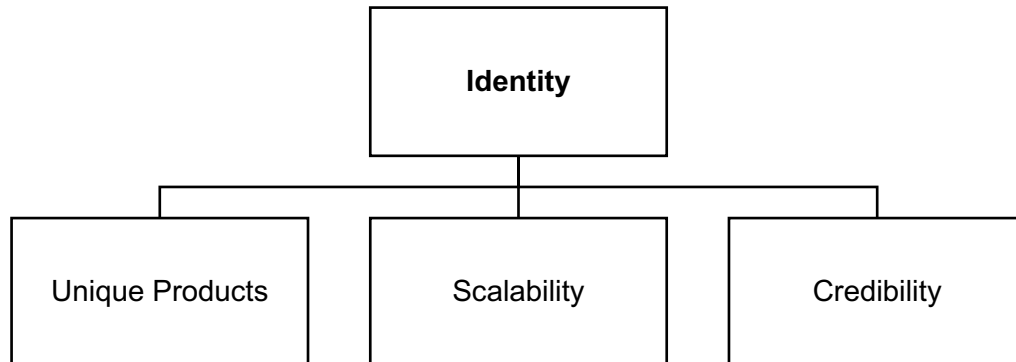
To really be credible out there, proceed with the credibility... you need a strong parent who also backs you.

Similarly, the CEO of ICM2 explained how they would leverage the trust of local partners in certain markets abroad:

We've been able to leverage the trust factor of our partners to build our own trusting region.

Figure 15 below illustrates unique products, scalability and credibility as refined characteristics of identity as a theoretical category of means.

Figure 15: Refined means (Identity)



5.3. Goals cross-case analysis

The cases in this study tended to set general goals at the start of the effectuation process when they had limited means. These goals became more specified the more the means of these cases increased as a result of applying the principles of effectuation.

5.3.1. General goals during the process of effectuation

In this study, the initial goals were typically very general with no target or time frame. The dimensions of general goals that emerged from this study were growth, profit and finding partners. I will now discuss each of these characteristics in turn.

(i) Growth

I found that during early internationalisation most of the cases (ICM cases and the DM1 case) had a general internationalisation goal to grow. I have categorised this goal as general because none of these cases during their early internationalisation had any form of target attached to this goal. ICM2 successfully grew certain means (means in the form of identity and knowledge) in its home country South Africa and initially set a goal for itself to replicate this abroad. At this point, ICM2 had no specific target attached to this goal:

We've got bigger aspirations than just South Africa, we think, what we've learned here, we can apply to other markets and other regions as well.

ICM3 is another example where its initial internationalisation goal was general and more aimed towards growth. Although ICM3 identified Nigeria and Kenya as markets this was not yet a target but rather where they saw opportunity for growth.

The goal is, so we obviously have a presence in the UK, and in South Africa, from an internationalisations perspective, and the areas I'm going to be going after is potentially Nigeria and Kenya, to start, because there's quite a big opportunity in African markets.

(ii) Profit

I found that the overarching internationalisation goal for all the cases was to make a profit. However, most of the cases (especially the ICM cases) did not initially have a target to define this profitability goal. Therefore, I categorise profit as a general goal. ICM4 initially had a goal to have a profitable firm with a USD dollar income:

The goal for Mauritius was for the group to have an offshore income, like US dollar income, so they wanted to diversify the group income.

Similarly, ICM5 initially only had a goal to make a profit:

The objective here is to make money. So, we're not an NGO.

I also found evidence from one case (ICM3) that it had a general goal of building a profitable firm which initially did not have any targets attached to this goal because the founders wanted to exit at some point and sell:

The plan is definitely to exit. Timeline was, that kind of remains to be seen.

(iii) Partners

Finding partners was a general goal for most of the cases early in their internationalisation (ICM cases). I found that although these cases did not initially describe the partners, they still preferred these partners to be distribution partners. For example, ICM1 wanted to find partners to help them distribute their products. However, at this point, ICM1 did not put a target on this goal for example the location of distribution partners:

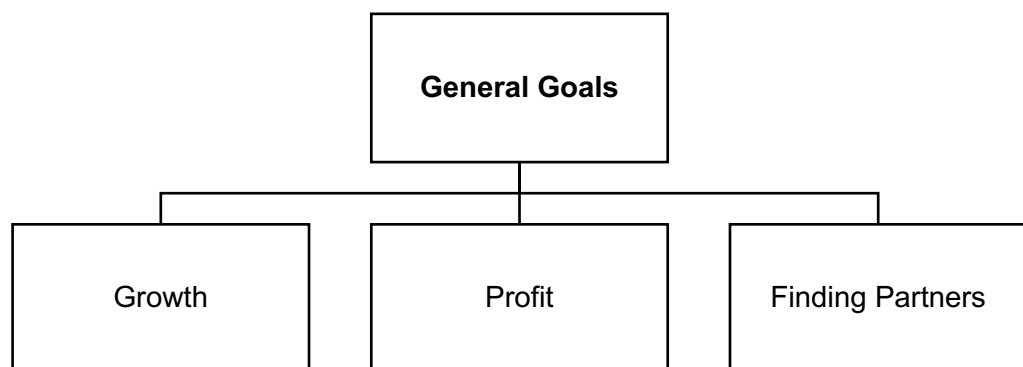
To get some of those products into forestry and to connect with a big company to almost distribute through them and to use their distribution network.

ICM2 described that they wanted to find a partner in Australia. This goal is general because ICM2 also described that they do not know what type of characteristics the partner must have and therefore did not attach any targets to the goal:

Australia...part of the goal was to get a partner. We haven't stopped looking for partners, we'll keep looking for partners in that region and at some point we will find one and when we do, then it will significantly influence our goals in that region, because depending on the size of the partner and the nature and how many customers they've got and what distribution they bring and who they are.

Figure 16 below illustrates the general goals that emerged from this study.

Figure 16: General Goals Characteristics



5.3.2. Specified goals during the process of effectuation

In this study, the specified goals that emerged were goals that had a target or time frame. The characteristics of these specified goals were output targets, input targets, time and locations. I will now discuss each of these characteristics in turn.

(i) Output targets

I found that most of the cases in this study had some form of output target. I defined an output target if achieved will result in some form of output for the firm by achieving this goal. For example, ICM4 had an output target that would increase their revenue should they achieve it:

In terms of figures, we are trying to achieve a three times turnover this year of the previous year.

UCM1 had an output target that would result in its portfolio in the United States being the same as its South African portfolio should it achieve this goal:

Our future goal is to grow the portfolio so that the portfolio is the same size as South Africa.

UCM2 has an output target to do business with the top 500 corporates in Africa:

Our target, actually, if you were to ask me, is we are targeting the top 500 corporates in Africa, and most of them have roots in South Africa.

(ii) Input targets

I also found that most of the cases in this study had some form of input target. I defined an input target as a target that if achieved will increase the means of the firm. For example, ICM3 had an input target to recruit more employees that would ultimately result in an increase in means in the form of knowledge:

From where we are now probably about a five to six-fold increase in monthly revenue by like December and then potentially looking at, increasing our team by about fifty to sixty per cent. I would say that those are the two shorter-term goals.

Similarly, DM1 had an input target to recruit more employees. For DM1 more employees would result in more billable hours:

We would like to grow as fast as possible actually around so for me the five-year target is 20-30 people.

(iii) Time

I also found that most of the firms tend to attach a certain time period to specified goals they set for themselves. For instance, ICM2 had a specified output target that they wanted to achieve within a specified time frame:

If you look at the physical targets, there is a 2 – 3 year target to have 1,5 – 2 million customers in the Philippines.

Similarly, UCM2 also had a specified output target that they wanted to achieve within a specified time frame:

Our goal is to develop and deliver 500 megawatts in the next four years of renewable energy to the top five hundred commensurate industrial operators in Africa.

ICM4 had an input target that they wanted to achieve within a specified time frame:

We had a budget that we needed to meet, we had to implement a new system, and we had to manage our cash flows to have sufficient funds for next year. So, there was like a specific goal for this year and next year.

(iv) Location

I also found that some of the firms have set goals where they have specified the location. For instance, ICM3 changed their goal to only focus on their two initial markets which were South Africa and the United Kingdom at the time:

We're trying to focus, at the moment on, um, specifically on South Africa and the UK markets, at the moment. And then once we've got those two right then we're gonna, sort of, start looking elsewhere, um, that part of the strategy has changed a little.

ICM5 also specified the locations to which they want to internationalise:

We're actually in twelve markets, mainly Africa, but you mention the UK and we're looking at a few others for next year. India and Mexico specifically are the lowest-hanging fruits.

Figure 17 below illustrates the characteristics of specified goals that emerged from this study.

Figure 17: Specified Goals Characteristics



5.4. Transformation and evolution of means and its influence on goals

Evidence from the analysis conducted in both chapters 4 and 5 confirms several of my arguments in this study. For instance, I can clearly explain that the transformation and evolution of means are dynamic during the process of effectuation. I will now explain each of these two arguments in turn. Furthermore, I can also clearly explain how the transformation and evolution of means influence the goals of a firm during the process of effectuation.

The dynamic transformation and evolution of means during the process of effectuation

My evidence confirms the effectuation literature that explains that firms apply the principle of effectuation during periods of scarce resources and uncertainty (Sarasvathy, 2001). The outcomes of applying the principles of effectuation are increased means and eventually adding resources to the firm. However, I can also clearly explain that means do not always increase linearly. Instead means transform and evolve dynamically during the process of effectuation. Furthermore, I can clearly explain that while the means transform and evolve dynamically, these increases are sometimes slow and, at other times, rapid. In other words, in some instances, firms slowly increase their means usually as a result of waiting for something to happen for example regulatory approval for a product or service. In other instances, means can increase rapidly in a short period of

time. For example, ICM2 partnered with a big financial services provider faster than expected which increased their means rapidly in a short period of time.

How the transformation and evolution of means influence the goals of a firm during the process of effectuation

I can confirm the effectuation literature that goals change when the means of the firm change. However, I have found that the goals of the firm change in line with its dynamically evolving means. In other words, this evolution of goals also does not happen linearly. Instead, firms tend to transform their goals between general and specified goals in no particular order depending on the available means of the firm. Therefore, the evolution of goals is, therefore, dynamic like the means of the firm.

My evidence suggests that the goals of a firm become more specified as the means of the firm increase. In contrast, when the firm has limited means the goals of the firm tend to be more general. For instance, both UCM1 and UCM2 had managed to increase their means prior to the data-gathering period of this study and, therefore, had more specified goals initially than the other cases in this study. ICM2 struggled to find a distribution partner in Australia and subsequently, the goal of ICM2 was general for their Australia subsidiary. Figure 18 below illustrates the relationship between means and goals.

Figure 18: How the transformation and evolution of means influence goals

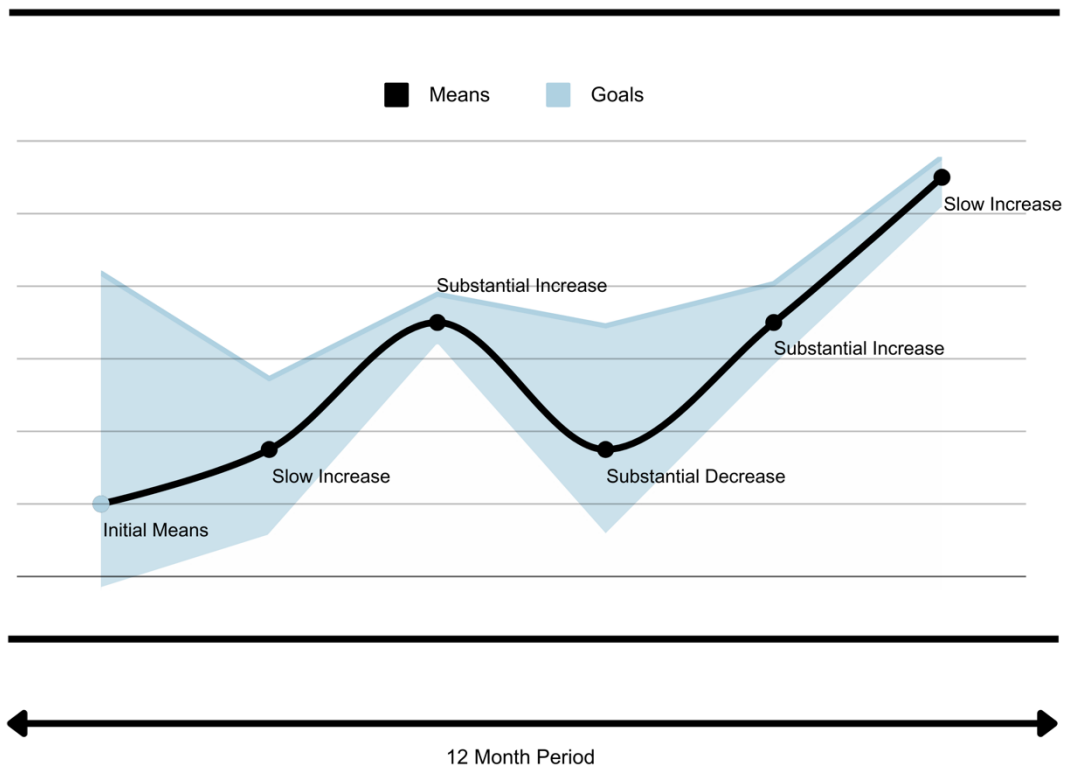


Figure 18 above illustrates how the evolution transformation influences the goals of a firm during the process of effectuation. The black line in the graph illustrates the dynamic growth of means (identity, knowledge and networks) during the process of effectuation over an extended period of time. The blue space illustrates how the goals of these firms change in relation to means during the process of effectuation. The wide blue space indicates general goals and the more narrow blue space indicates more specified goals.

In Figure 18, I illustrate several important claims about how the evolution and transformation of means influence the goals of the firm during the process of effectuation. Firstly, means transform and evolve dynamically. In other words, means can increase and decrease in no particular order. This increase or decrease can be substantial, or it can be slow. Thus, means transform and evolve dynamically. This is illustrated by the black line that increases and decreases several times over the period illustrated. Secondly, the goals of the firm change in line with the means of the firm. When means increase, goals become more specified and when means decrease, goals become more general. This is illustrated by the blue cloud that dynamically follows the dynamic transformation and evolution of means in the illustration.

5.5. Conclusion

In this chapter, I have confirmed expertise and experience as known characteristics of means in the literature under the theoretical categorisation of knowledge. I have also confirmed external and internal knowledge as known characteristics of means in the literature under the theoretical categorisation of networks. Furthermore, I have refined the characteristics of identity as unique products, scalability, and credibility.

My evidence can clearly explain that the means of a firm transform and evolve dynamically during the process of effectuation. Means may increase or decrease slowly or substantially in a very short period of time. Means may also decrease or remain unchanged during certain periods. My evidence suggests that the goals of the firm evolve in line with its dynamically evolving means. During periods of limited means the goals of the firm tend to be general, and during periods of increased means the goals of the firm tend to be more specified.

6. Discussion

6.1. Introduction

In this chapter, I will discuss the findings of this study in relation to the entrepreneurship and international business literature. I offer three original contributions to the literature and, specifically, the theory of effectuation. The first contribution is to offer a more precise categorisation of the goals that emerge during the process of effectuation. I've categorised the goals that emerged during the process of effectuation as general and specified goals. A general goal is a vague goal without a target or period to achieve it, for example, growth and profit. A specified goal usually has a target to be achieved within a certain period. Furthermore, I have identified growth, profit and partners as characteristics of general goals. For specified goals, I have identified output targets, input targets, time and location as characteristics of this type of goal.

This more precise categorisation of goals allowed me to make my second contribution, namely, to confirm the claims of the current effectuation literature that the goals of the firm change when its means change. Specifically, I show that when means increase, goals become more specified. Similarly, when means decrease or in periods of limited means the firm tends to have more general goals. Even though effectuation theory proposes a process, few studies have mapped the evolution between means and goals over time. For instance, goals that were more specified when means increase will revert to more general goals if means for some reason were to decrease. Finally, I show that this evolution of means and goals is a dynamic process and one that does not play out linearly. In other words, the goals of the firm tend to evolve as its means evolve. I will now discuss each of these three original contributions in relation to the entrepreneurship and international business literature.

6.2. Precise categorisation of goals

In this study, I show that the goals that emerge during the process of effectuation can be categorised more precisely as general and specified goals. I have identified unique characteristics for each of these two categories of goals. General goals have characteristics such as growth, profit and partners. These characteristics are general. In other words, there are no specified targets or time attached to these goals. An example of a general goal will be, "We want to grow the firm by internationalising". In contrast, specified goals have a target or time attached to them. Characteristics of specified goals include output targets, input targets, time and location. An example of a specified goal

can be, “We want to grow by internationalising and double our current revenue before the end of the current financial year”. Note how both the general and specified goal is at its core the same, i.e., to grow by internationalising. But the specified goal takes this goal further by attaching some form of target or time period to it.

Prior effectuation studies have vaguely explained goals during effectuation (Furlotti et al., 2020; Jiang & Ruling, 2019; Kalinic et al., 2012), none of them categorised them precisely or explained the characteristics of these goals. Furthermore, goals categorised as general and specified are more transferable to various studies in the entrepreneurship literature.

The process of goal setting has been overlooked in the international business literature. I propose that a reason for this might be the lack of process studies in international business, as I have alluded to earlier in this study. Although I have developed a more precise categorisation of goals (general and specified) from an effectual lens, they can easily be applied to broader international business studies. The reason for this is that there are clear theoretical links between effectuation and international business that have been overlooked by several international business scholars. In particular, scarce resources (Kumar et al., 2020) and uncertainty (Kitching & Rouse, 2020; Kriz & Welch, 2018) link effectuation with internationalisation (Sarasvathy et al., 2014). Therefore, goal setting is ripe for further research from both an international entrepreneurship and international business lens which I will explain in chapter 7.

6.3. The relationship between means and goals

My findings confirm the current effectuation literature that the goals of the firm change when its means change (Furlotti et al., 2020; Sarasvathy et al., 2014). Karami et al. (2022) argue that the goals of the firm get more fine-tuned when the firm gains more knowledge. Furthermore, prior literature shows that the outcomes of increased knowledge clarify the firm’s goals over time (Chandra et al., 2012). This knowledge can, for instance, be gained by intentional networking (Karami et al., 2022) (Vahlne & Johanson, 2017).

Consistent with my findings, Furlotti et al. (2020) argue that the general aspiration of the firm moves towards more specific goals as a result of entrepreneurial actions. In other words, a specified goal emerges as the means of the firm increase by applying the principles of effectuation. This entails that firms only set specified goals once they have successfully increased their means. This is a typical effectual approach towards goal setting (Sarasvathy & Dew, 2005). In contrast, a causal approach to goal setting

entails setting more specified goals from the onset, albeit with more sufficient resources available (Shah & Tripsas, 2007). However, prior research has already found that firms tend to move between this effectual and causal approach in setting goals and that these two approaches to decision-making are not mutually exclusive but rather complement each other (Racat et al., 2023).

We also know from prior research in international business that goals get more clarified as firms acquire knowledge over time (Johanson & Vahlne, 1977, 2009; Vahlne & Johanson, 2017). However, very little has been written to date about goals in the international business literature. On the other hand, much has been written about resources (Barney et al., 2011) and capabilities (Teece, 2014). Although, as mentioned before, there is a clear theoretical difference between means and resources, my findings in this study suggest that in the mind of the entrepreneur, they are the same. Therefore, the relationship between means and goals might easily be applied between resources and goals should causal approaches be examined.

6.4. The dynamic evolution of means and goals

From my findings, I can clearly explain that the means of a firm evolve dynamically over time. In other words, firms may engage in effectual behaviour and then successfully increase their means. However, then something may happen that results in the means of the firm declining again. For example, by appointing experienced and knowledgeable employees ICM4 managed to increase their means in the form of knowledge. However, ICM4 also had experienced and knowledgeable employees who resigned during the same time which resulted in a decline in means. Therefore, means do not increase linearly as the current literature portrays but instead, transform and evolve dynamically over time.

As mentioned above, my findings confirm the current effectuation literature that the goals of the firm change when its means change (Furlotti et al., 2020; Sarasvathy et al., 2014). But, while I can confirm that the goals of the firm change when its means change, I can also clearly explain that this is not a linear process. Instead, this is a dynamic process where the goals of the firm may become more specified as a result of increased means. But the same firm can lose some of its means as well, whereby the goals of the firm may revert back to more general goals again. Simply put, if a firm loses its largest distribution partner abroad, it would be foolish to set specified sales goals based on an imaginary distribution partner abroad. By default, this firm will face uncertainty whereby the effectuation process will start again with general goals and an objective to increase its

means. Similarly, much has been said about capabilities through the lens of dynamic capabilities. For instance, firms are able to build and rebuild their capabilities by adapting to a changing business environment (Teece, 2014). It is the action of being means-driven and transforming means into valuable resources that make the process of effectuation dynamic much like Teece's dynamic capabilities.

Foreign disinvestment has, to date, not received much attention in the mainstream international business literature (Sethuram & Gaur, 2024). Although it is agreed upon that foreign disinvestment can be either a voluntary or forced decision, the triggers for such decisions remain uncertain (Sethuram & Gaur, 2024). The dynamic evolution of means and goals can provide some insights into what triggers foreign disinvestments. For instance, I can clearly explain that the goals of the firm change when its means change. But I can also clearly explain that firms might disinvest when they lose means that are crucial to their survival. For instance, DM1 in this study closed their business after losing means that were crucial to their survival. Although keeping track of how the means of the firm evolve over time might probably not give a full explanation for foreign disinvestment, it may provide insights into early triggers for disinvestment.

6.5. Conclusion

In this chapter, I have discussed the findings of this study in relation to both the entrepreneurship and international business literature. I built on the current stream of entrepreneurship literature by categorising the goals that emerge during the process of effectuation more precisely as general and specified goals. I confirm the current effectuation literature that the goals of the firm change when its means change (Furlotti et al., 2020; Sarasvathy et al., 2014). Finally, I showed that the means and goals of the firm evolve dynamically, which holds exciting insights for explaining the triggers of foreign disinvestment.

In the next chapter, I discuss the theoretical, methodological and practical contributions of this study. I will also discuss the limitations and recommendations for further research as identified in this study.

7. Conclusion

7.1. Introduction

In this chapter, I summarise the theoretical, methodological and practical contributions of this study. In this study, I have examined how the transformation and evolution of means influence the goals of small and medium-sized enterprises in the context of internationalisation during the process of effectuation. The cases examined in this study were often faced with resource scarcity and uncertainty. This was especially evident during the early internationalisation of these cases. By applying the principles of effectuation, these cases dealt with scarce resources and uncertainty by increasing their means.

This study provides three theoretical insights into the current effectuation literature. Firstly, this study provides a more precise categorisation of the type of goals that emerge during the process of effectuation. Secondly, this more precise categorisation of goals allowed me to provide insights into how the means of the firm evolve in relation to its goals during the process of effectuation. Thirdly, I show that this evolution of means and goals is a dynamic process.

Theoretical insights were generated by answering the main research question in this study, which was: “How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals?”. Sub-research questions were: “How do the means of early internationalising small and medium-sized enterprises evolve during the process of effectuation?” and “How do the goals of early internationalising small and medium-sized enterprises evolve during the process of effectuation?”.

A qualitative study was conducted by collecting data from eight small and medium-sized enterprises from South Africa that were in their early internationalisation. Semi-structured interviews were conducted approximately every second month for 12 months with individuals in the firms with a significant influence on internationalisation decisions.

The semi-structured interviews were inductively analysed. I followed three steps to analyse these semi-structured interviews. The first step was to develop two data structures resembling the means and goals that emerged from the semi-structured interviews following the Gioia Methodology (Gioia, 2021). The second step was to conduct a within-case analysis for each case (Yin, 1981). The third step was to look for patterns that emerged among all the cases by conducting cross-case analysis. The

results of the analysed semi-structured interviews provided answers to each of the research questions mentioned above.

Regarding, “How do the means of early internationalising small and medium-sized enterprises evolve during the process of effectuation?”. I have found that the means of early internationalising small and medium-sized enterprises transform and evolve dynamically. Means can, therefore, increase and/or decrease substantially during early internationalisation. Conversely, the small to medium-sized enterprises that were internationalised longer in this study tended to have more consistent means that did not increase or decrease as dynamically as their early internationalising counterparts.

Regarding “How do the goals of early internationalising small and medium-sized enterprises evolve during the process of effectuation?”. I have found that the small and medium-sized enterprises in this study set general and specified goals during their early internationalisation. General goals were often set during periods of uncertainty and limited means, while specified goals were set when the firm had managed to successfully increase its means.

Regarding “How does evolving means enable small and medium-sized enterprises to evolve their internationalisation goals?”. I have found that the goals of these firms evolve as their means evolve during their early internationalisation. However, as mentioned before, the means of these firms transform and evolve dynamically. In other words, the means of these firms may increase and/or decrease substantially in a short period of time. The subsequent goals of these firms, therefore, also tend to evolve in line with their dynamically evolving means. The goals of these firms tend to be general goals during periods of limited means. General goals only evolve to specified goals once the firm increases its means.

This study has, therefore, answered its research questions. In the rest of this chapter, I will discuss the theoretical, methodological and practical contributions of this study as well as its limitations.

7.2. Contributions

In this study, I have made several theoretical, methodological and practical contributions to the literature. I discuss each of these contributions in turn.

7.2.1. Theoretical contributions

The results of this study make three original contributions to the effectuation literature. Firstly, I have categorised the goals that emerged during the process of effectuation more precisely. I have categorised these goals as general and specified goals. A general goal is a vague goal without a target or time period to achieve it. For example, simply having a goal to make a profit without an actual numerical value attached to it. Furthermore, I have identified growth, profit and partners as important characteristics of general goals. A specified goal has a target to be achieved within a certain period of time. For example, to get a certain amount of new clients by the end of a financial year. I have also identified output targets, input targets, time and location as important characteristics of specified goals. By categorising the goals more precisely, I was able to make my second contribution which was to show how the transformation and evolution of means influence the goals of a firm during the process of effectuation.

Therefore, secondly, this study confirms the current effectuation literature that the goals of a firm change when its means change (Sarasvathy & Dew, 2005). However, I built on this argument by adding that firms tend to set general and/or specified goals during the process of effectuation. General goals typically emerge when the firm has limited means. Specified goals tend to emerge when a firm has successfully increased its means.

Thirdly, this study offers insights into the dynamics of how the means and goals of the firm evolve during the process of effectuation. My evidence suggests that the means of the firm evolves dynamically during the process of effectuation. In other words, the mean of the firm can increase but then something happens and the means of the firm decrease again. For example, if the firm loses an important distribution partner abroad. My evidence also suggests that the goals of the firm then evolve in line with the means of the firm. In other words, the goals of the firm may become more specified as its means increase and then revert back to be more general again when the means of the firm decrease for some reason.

7.2.2. Methodological contributions

Scholars in the past studied effectuation categorically, mostly focusing on the principle of effectuation (Grégoire & Cherchem, 2020) (Karami et al., 2020). Grégoire and Cherchem (2020) argue that rigorous research on the antecedents and consequences of effectuation will deliver more fruitful results than simply reporting on some of these categories of effectuation.

The majority of the data used in effectuation studies tend to be cross-sectional (Karami et al., 2020). Reliance on longitudinal data is sparse. My study contributes methodologically to the entrepreneurship literature by being one of a few studies that capture the process of effectuation and how it unfolds over time. It was as a result of examining effectuation from a process perspective that I was able to show how dynamic this process is.

The context of this study was early internationalising small and medium-sized enterprises. By taking a process perspective on the internationalisation of these firms I also make a methodological contribution to the stream of international business literature. Specifically, process-orientated studies are called for and sparse in the international business literature (Welch & Paavilainen-Mäntymäki, 2014). I showed that internationalisation is a dynamic process that evolves over time.

7.2.3. Practical contributions

The findings of my work suggest that small and medium-sized enterprises should not set specified goals with targets during early internationalisation, especially when they have scarce resources and face uncertainty. Instead, they can rather have a general goal to internationalise with no specified targets. The focus of these early internationalising small and medium-sized enterprises should rather be to control an unpredictable future (as a result of uncertainty) by being means-driven. Practically, this would entail working with limited means/resources and determining beforehand what is the maximum the firm is willing to lose.

The means of the firm should transform and evolve during effectual behaviour (i.e., applying the principles of effectuation). This results in an increase in the means and resources of the firm. Setting specified goals will become a natural consequence of increased means and resources as per the findings of this study.

For example, means in the form of expertise were typically increased by the cases in this study by recruiting knowledgeable employees. The recruitment of these new employees results in higher sales targets because the firm now has the expertise to offer a specific service. Therefore, it is advisable for firms with scarce resources during periods of uncertainty to not set a specified goal (for example, sales targets) when their resources are limited to achieve these specified goals. Instead, focus on being means driven to control uncertainty and increase means. Increased means will eventually result in increased specified goals such as sales targets.

7.3. Limitations and recommendations for future studies

In the previous chapter, the theoretical, methodological and practical contributions of this study were discussed in turn. However, this study also has a few limitations which might result in fruitful results for future studies.

The focus of this study was not on goal setting as a process but rather on how goals change during the process of effectuation as a result of the transformation and evolution of means. Therefore, much work remains to be done on the actual process of setting goals during effectuation. As per the call of previous scholars (Arend et al., 2015), it might be useful to build on this study and incorporate the goal-setting literature (Locke & Latham, 2019) into the actual decision-making of general and specified goals.

Goal setting is also an area of research that is understudied in the international business literature stream. It might, therefore, also deliver fruitful results to build on my findings on the categories and characteristics of goals in the international business literature. For instance, we do not currently know how goals in various subsidiary branches align in a firm.

In this study, I have examined effectuation from a process perspective (De Villa & Langley, 2024) and made use of longitudinal data to answer the research question. However, I have only followed the cases in this study for 12 months. By following a suitable case for an extended period, future studies can build on my study and better document the dynamism of evolving means. Furthermore, I have mostly only interviewed one decision-making individual within each firm selected to be a case in this study. Interviewing only one decision-making individual within each firm was a limitation of this study because interviewing more than one decision-making individual may generate new insights into how goals in various subsidiary branches align in the firm. Furthermore, the level of analysis can provide new and fresh overlooked perspectives (Zucchella, 2021). For instance, by interviewing more managing individuals in firms it will also be possible to determine how the goals of various subsidiary branches align within the firm.

The research setting of this study was based on small and medium-sized enterprises from South Africa which is an emerging market. However, previous scholars have found that effectuation is also a developed market phenomenon. The cases in this study were also limited to small and medium-sized enterprises in the early phases of internationalisation. Therefore, it would be interesting to duplicate this study in more developed markets with cases that are in more advanced stages of their internalisation.

7.4. Conclusion

This study confirms the current effectuation literature that the goals of a firm evolve as its means evolve. However, I have found that the means of the firm evolve dynamically during early internationalisation when firms face scarce resources and uncertainty. Furthermore, I have found that firms set general goals during early internationalisation when they have limited means. Specified goals tend to be set when these firms have successfully increased their means.

8. References

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Appendix A: Ethics Approval Letter

**Gordon
Institute
of Business
Science**
University
of Pretoria

15 August 2022

Theuns Mans

Dear Theuns

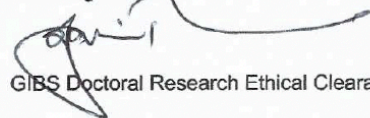
Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards



GIBS Doctoral Research Ethical Clearance Committee

Appendix B: Informed consent



12 June 2022

Dear Sir/Madam,

Re: Permission to conduct research at [the name of the firm].

My name is Theuns Mans.

I am studying for a PhD at the Gordon Institute of Business Science at the University of Pretoria. I am seeking permission to do research at [name of the firm]. The aim of my research is to determine how the internationalisation goals of small and medium-size enterprises change when their means (or resources) change. The findings of my thesis will be valuable for small and medium-size enterprises in the early stages of internationalisation. During the early stages of internationalisation, goals tend to be vague and resources scarce. Guidance on how to prioritise goals in relation to means (or resources) should provide more granular advice to the entrepreneur seeking to internationalise.

The main research question of my thesis asks how the available means of small and medium-sized enterprises influence their internationalisation goals. Sub-research questions ask what the goals and means of internationalising small and medium-sized enterprises are and how these goals change when their subsequent means change. To answer these research questions, I aim to collect primary as well as secondary data from internationalising small and medium-sized enterprises that are willing to participate in my research.

Primary data will be obtained from semi-structured interviews with the managing individual(s) that have a significant influence on the internationalisation decisions of your firm. These managing individual(s) will be invited to take part in this study. If they agree, I will conduct semi-structured interviews with them every other month over a 12 months period. An interview is expected to last for 1 hour. There is no need for participants to prepare for these interviews in advance. Participants will be asked to give their written or verbal consent before the interviews commence. Participants will not be advantaged or disadvantaged in any way and

Informed consent continue

will be reassured that they can withdraw their permission at any time during this project without any penalty. There are no foreseeable risks in taking part in this study. The participants will not be paid for this study. Interviews will be recorded and transcript for analysis purposes. All responses and identities will be treated confidentially. Individual privacy will also be maintained in all published and written data resulting from this study. Data will be stored without identifiers to protect the identity of the research participants and your firm in accordance with the ethical standards of the University of Pretoria.

Secondary data will be obtained from archival records such as financial statements, social media posts, strategic plans, minutes of meetings etc.

I, therefore, request permission in writing to conduct my research at your firm by conducting semi-structured interviews with the managing individual(s) that have a significant influence on internationalisation decisions and to access relevant secondary data that are available.

Should you agree to grant me access to conduct my research at your firm, kindly sign this permission letter.

Yours sincerely,

Name and surname:
Job title:
Signature:
Date:

Researcher: Theunis Gerhardus Mans
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Appendix C: Example of a semi-structured research questionnaire

The interview starts with an introduction and/or summary of the previous interview.

Question 1

How is your progress with the means you planned to increase since my last interview?

Question 2

How is your progress with the goals that we have discussed since my last interview?

Question 3

Tell me about your current goals/internationalisation goals.

Question 4

Tell me about the means you have available to achieve these goals/internationalisation goals.

Question 5

How do you plan to increase your means?

Appendix D: Example of an interview

Case: ICM2

Extraction of interview 5/6 with the CEO discussing internationalisation goals

Interviewer

Thanks. I also want to discuss a little bit your, um, offshore business, um, that's also on my list today, I want to discuss. Um, I have a bit more structured approach for that, um, that's actually what my whole thesis is about and your business fits perfectly into that. Um, I've spoken to the CPO a lot about your offshore business, but for the purpose of this discussion, I am just going to pretend I don't know anything because I want to hear your perspective on it. Um, but you know broadly offshore, you know, why and- and what's the goal for you to go offshore, broadly? I know you have the Philippines and Kenya and so forth, but just broadly speaking, why and what's the goal?

CEO

Well, [inaudible 00:19:42 - 00:19:45] I- I- I've had the privilege over the last couple of years to speak to the biggest capital allocators in venture capital in the world, so, even though they don't invest into businesses like ours and people that invest in businesses like ours so all of them, um, and they're very complementary about a whole lot of things that we do, so they can't believe we've created this business with such little capital, so you know, we built something out of a very small capital base and they're very impressed by that. They're also very impressed by the ongoing cost of operating the business and the technology scale, that we've achieved with very little, so um, and the func- the functionality stack that we've built relevant, uh, in reference to our competitors, is far more. So, for example, if you pitch up at [company name] or [company name] you can do more in [company name], than you can do with [company name] and they're like, how the hell did you do that? Like [company name] has raised a billion dollars, your acts are not even worth a billion dollars, so they're very complementary about us, but they've got one criticism and, you know when people criticise you, you can either ignore them or you can listen closely and I prefer to listen closely and their only criticism is, why are you only in South Africa? Like, what's wrong with you? Like is there-- you've built this incredible business, this incredible tech stack, you've

got the experienced, uh, and wonderful team, but you're sitting on the arse end of the world, where there is a very small runway, relative to what your opportunity set is, so you know-- even the stockbroking industries, one point three trillion-dollar industry. South Africa captures less than two per cent of that entire opportunity and you're sitting in - with this great opp - this great platform capability, but you're sitting in a very small market. And so, you know, when the first person says that to you, you, kind of, nod your head, but by the tenth time it's said to me and it wasn't just - it wasn't just international venture capitalist, I mean, a person who is a big mentor and friend of mine is [name] and you know, [name] kept saying CEO, you're never going to achieve the success you deserve here in South Africa, you're going to have to take this business internationally. So, it was-- and- and then the other inside is, how many times do you have to win the Currie Cup before you're just prepared to go and win the World Cup? You know, how many times must you play in your own backyard and win to give you the confidence that you're good enough to compete in-- on the world stage? And I think South Africa is-- it's interesting, South African businesses have got this fear that they are less, um, sophisticated, less impressive than international businesses, and we always-- the reason we've got this is that the media talks about our failures overseas, but they don't talk about the successes that South Africans have achieved.

Interviewer

Yes...

CEO

So it's-- the realisation is that you know, it's time for us to go and win the World Cup, it's time for us to go and take our platform to places where there are the same needs and desires and wants, um and so that's the kind of push back, is to say guys there's no point in building this incredible digital capability and just leave it in South Africa. And then how do we go about international, because you know, we're not [company name 9], so you know, when we raise money, we raise ten million dollars, as we've just done when they raise the money they raise a hundred million dollars and so we don't- we don't want to be out muscled with money, we want to outmuscle them with agility and- and speed and also go to places, that need a little bit more mosquito repellent than Americans are comfortable with so your-- our largest competitors, fintech players, are all focused in first world markets and understandably, because that's where the market

opportunity is the biggest, but we look at the world and say we want to go places, where the competitive forces are low so that our capital has got a better chance of success. And so that's why places like Kenya emerge and places like Philippines, um, and others, India in time, and the-the ecosystem so that's how we pick the countries, but then in order for us to be successful, there are ingredients in the ecosystem that we can't control they have to be in place, so as a first step there must be a regulation environment in support of what we do, because even if it's difficult, they still have to be supportive, so you know, I just use South Africa as an example, there were no such things as fractional shares in South Africa before we arrived-

Interviewer

Yes...

CEO

-and- and we waited for the regulator throughout the regulation on fractional shares, we would have never launched the business so instead we gauged the regulator, got their support and brought fractional shares to the country. Now so, without doing the regulatory work, in fact, it always creates a defensive mode, uh, if you've built strong regulatory relationships, so, the first thing there must be a willing regulatory environment, even if it's not yet legal or even if it sits in the grey, then there has to be a strong, um, digital money market or money market is the wrong word, um, banking system, wallet environment, money must move easily through the economy because we don't operate in a cash economy we only operate in digital, uh, lanes and so, if-- and if that's enclosed, on that scale, then you know that we can reach customers that are a very low cost and then we would look to go in, so those are, if you like, those are the tick boxes, that we've got to apply, you know, firstly, is there a large market opportunity with low competitors? Tick. Is there a regulatory-- regulator supportive of our services? Tick. Is there a digital system, that allows money to move easily through the market? Tick. They were in. And so, when you-- through that lens, we choose our markets and- and that's how the Philippines came about, that's how Kenya comes about. Australia was very opportunistic-- we had a key member of staff who was emigrating, um, and at the time, we were operating the business only eighteen hours a day and we just said look, yeah, it's one guy, he is going to Australia, let's put up an office, get licensed in the region, give us-- will give is

twenty-four hours of operating capability, there's-- and we'll just slowly build a business in that region and we are, you know, we've got about fifteen thousand customers now in the region.

Interviewer

Okay, so it's moving.

CEO

It's moving, but it's a-- you know, the market opportunity, there, is millions of customers, but the Aussies are lazy with their money, and they're very-- they only invest with trusted organisations and their trust factor is built around how long have you been in the market. So, the longer we stay, the more chance we've got at being successful, but they don't- they don't buy into the hot cycles around things like fintech and stock-- you know, they've made all their money in slow-moving axis like property, and so they don't have that much interest in stocks.

Interviewer

And- and CEO, tell me, um, obviously if I can summarise your goal in one word, it's market-seeking, um, you know if I can use one word to summarise that. It's- it's basically market seeking offshore, and, um, and you've just explained the ingredients that must be there, you can't control it for obvious reasons, um, but from your side, um, what do you need to plug-in from your side to actually make this successful now, this market seeking goal, because you have means and resources on your side, you can utilise, um, on that side and I'm interested on that side as well.

CEO

Yes, look, we've got- we've got very scarce resources when you think about it, I mean the capital structure, the size of the team, it's small, two hundred people, um, who just raised, you know, hundred and fifty million rand, uh, but that's- that's small money in the global context. So, what-- you know for us to be successful we have to be-- we have to select our entry points very carefully and we have to have a high success rate in those market opportunities because those will lead to more capital and more opportunities. So, right now, it's about making sure that we apply our resources to our h-- most-- our highest probability, uh, projects, where-- which will have the biggest impact on our income statement. Uh, and so really, it's just about application of resources, we've got to be very, very careful,

that we don't waste money on initiatives that don't deliver results we've just-- that's really the key. Um, what does success feel like before you achieve it, I think the key thing is, um, is that we want to build a business we've-- and if you start in South Africa, if you look at our success story here and just learning from it, how did we create so much success in such a short period of time, when we've been through decades, where there has been no emerging competitor to big banks or big stockbrokers or big asset managers and, um, and there's-- I think there's a couple of things we did right is, one was our approach was easy and friendly and you know, engaging and accessible and the other thing, is we build trust through partnership, so very early on we built a platform for [company name] then we followed it up with capital from [company name] and then we did a deal with [company name] and then we did a deal with [company name] and partnership has been-- we've been able to, if you like, leverage the trust factor of our partners to build our own trusting region and so it's going to be very important, that we do the same in other markets, because trust is earned and takes a long time and if you can partner someone who is trusted, then you can earn that trust quicker and if you look at what we've done in the Philippines, I mean it, hopefully it will be the case study, is we've partnered the most trusted fintech provider in the region, I mean, they are- they're a double unicorn and they are-- there- there is only one way to pay for anything in the Philippines and it's called XYZ and so we're leveraging their brand to build trust and confidence and give us access to markets, so selecting the right partners is a key ingredient in success. We've- we've- we've dated a lot of partners here in South Africa, some very unsuccessful, and so we think we know what we're looking for in partnerships, but if I have to summarise it, it's common purpose, we have to believe in the same things so, you know, finally you see you have a partner and his only- his only thing he can talk about is his income statement and how he wants to, you know, make money out of clients and doesn't want to serve his unprofitable clients and, and, and. I've got to take a view and say, look, that's not what-- how we're built, you know, we're built very differently from, that we want-- we put our customers' needs first and then as a business we solve how we can deliver on those needs, and so we- we've got-- fifty, sixty per cent of our customers are unprofitable, do I lose any sleep about that?

Interviewer

Yes...

CEO

-that guy is probably telling that story a hundred times a month to his friends and family. So he's just an agent or changes in his community and so if I evaluate him on his economics, I'd say get rid of him, if I evaluate him on his referrals, on his marketability on-- then he is invaluable to me because that's the best form of marketing you can get- so ja, we just- if there's common purpose in a partner, we're going to find the right partners that are going to have a shared purpose and then we have to successfully partner with them and build trust quickly, if we're going to succeed internationally. Um, so we're big believers in partnerships, which I guess-- and I'm old and I say that relative to my competitors, young, I thought we can build everything ourselves and we didn't need anyone and as I've got older I realised that life is actually about community and partnership.

Interviewer

And CEO, will, um, these partnerships-- um, obviously you've just, um, I know about the partnership in the Philippines, it's all over the media, um, but does it actually influence your goals, because when you targeted the Philippines, at the beginning, you had a market seeking goal and now you've- you have a partnership commitment, I think it's more of a commitment than an agreement, um, with this partner, does it actually influence your goal? Because if you have a partnership commitment the partner will make some demands and say, listen, um, we must achieve this and this by this date or targets or whatever the case might be.

CEO

Look, partnership businesses, are businesses on their own and so, for every partner you have to onboard a team and that team has to be committed to that partnership, it's like any relationship. So, they have-- they are-- they create a-- you have to invest in the resources to support that partnership. Part of that resource is the understanding that partners have their own demands, um and the strength of the relationship is the trust between the partners to be able to say

So, our market entry model was identified for the Philippines, and then we said who would the best partner in the market be we never thought we would be able to sign them that quickly, but before we'd even opened our doors in the Philippines we signed the agreement to partner so yes, the Philippines is slightly

different. You know, if I use Australia-- so, it didn't change our goals, it was a part of the, you know, part of the goal was to get a partner.

Interviewer

Yes...

CEO

Australia would be a good example. So Australia, we've failed to find a partnership there so far and- and so our goals are- are very small, um, in that region, because we don't have the capital to outmuscle the market, the competitors and so if we find-- we not- we haven't stopped looking for partners, we'll keep looking for partners in that region and at some point we will find one and when we do, then it will significantly influence our goals in that region, because depending of the size of the partner and the nature and how many customers they've got and what distribution they bring and who they are, then we can upscale our goals and say, cool guys, now we've got runway to a million customers, let's change the goal set, so. Australia is a good example of where a partnership will radically upgrade the goals for that region whereas in the Philippines we did the partnership first and so the whole region came up with that goal.

Appendix E: Example of codes from ATLAS.ti

ATLAS.ti Report

Means: Identity

Quotations:

I think we're a unique product in South Africa... in ICM1 - Interview 2/6

Quotations:

So because the businesses like purely software related, it's like it, the incremental cost to sort of scale... in ICM3 - Interview 1/6

Means: Knowledge

Quotations:

It's actually been four, so three engineers and then one person in sales... in ICM3 Interview 2/6 We've got a few more engineers in the team ... ICM3 in interview 5/6

Quotations:

We have the technical expertise and I have more business expertise and experience... in DM1 - Interview 1/6

Quotations:

We have first we have got experience in the continent because we are a continental business... in UCM2 - Interview 4/6 58:12 ¶ 40, we know the landscape we know the terrain... in UCM2 - Interview 4/6

Quotations:

Our means is actually our expertise on the one side and then network and client relations on the other... in DM1 - Interview 5/6 63:14 ¶ 46, So, now we are in a position where we have a higher level of expertise than some of the US people... in ICM1 Interview 5/6

Means: Networks

Quotations:

So it's through a [reinsurer] connection. So, [reinsurer] owns a life insurance business in India and... in ICM3 interview 3/6

Goals: General Goal**Quotations:**

Then obviously just like experimenting in the greater market so we can capture more market share... in ICM3 Interview 5/6

Quotations:

We expand into Africa to make a profit, we don't expand into Africa for anything else but to make a profit... in ICM4 - Interview 3/6

Goals: Specified goal**Quotations:**

If you look at the physical targets, there is a 2 – 3-year target to have 1,5 – 2 million customers... ICM2 in interview 4/6

Quotations:

In terms of concrete numbers, we've had to adapt backwards, due to obstacles that we encountered... DM1 - Interview 5/6

Quotations:

We've decided to close the doors in DM1 Interview 6/6

Quotations:

Our target in terms of a five-year business plan, we're looking at deploying 664 megawatts... in UCM2 - Interview 1/6

Quotations:

By getting the US portfolio to the size of the SA portfolio, within 10 years. in UCM1 Interview 5/6

Quotations:

Our goal is to develop and deliver five hundred megawatts in the next four years of renewable energy... in UCM2 - Interview 4/6