

MK7227 Postgraduate Dissertation

Student Number: 1446012

	Comments	Max Mark	Actual Mark
Introduction <i>Identification of a valid topic, research question and objectives framed to Masters Level standard with academic rationale developed, clear industry contextualisation of the research topic</i>	Supervisor Comments:	10%	
	2 nd marker Comments:		
Critical Literature Review <i>Depth and breadth of literature search, engagement with seminal authors and papers, evidence of a critical approach toward the scholarly literature</i>	Supervisor Comments:	25%	
	2 nd marker Comments:		

Research Methodology <i>Evaluation of research philosophies and perspectives. Justification of methodological approach, sampling strategy, data analysis and reliability and validity measures as applicable</i>	Supervisor Comments:	15%	
	2 nd marker Comments:		
Data Analysis and Interpretation <i>Evidence of rigor in data analysis and interpretation procedures, identification of key patterns and themes in the research data, integration of academic theory into explanation of findings</i>	Supervisor Comments:	35%	
	2 nd marker Comments:		

Conclusions and Recommendations <i>Research question and objectives addressed with implications to theoretical and managerial concepts considered. Recommendations provided for theory, practice and future research</i>	Supervisor Comments:	10%	
	2nd marker Comments:		
Organisation, presentation and references. <i>Well-structured and ordered dissertation with correct use of grammar and syntax. In-text citation and bibliography conforming to "Cite Them Right"</i>	Supervisor Comments:	5%	
	2nd marker Comments:		

Total	First Marker Total	100%	
	Second Marker Total		
Supervisor General Comments:		Agreed Mark:	
2nd Marker General Comments:			

Supervisor's Name:

Signature:

2nd Marker's Name:

Signature:

U1446012

Corporate culture and Internationalization-‘A case study of Aon’

A dissertation submitted in partial fulfilment of the requirements of the School of Business and Law, University of East London for the degree of **[Masters of Science in International Business Management]**

[May-2016]

[Word Count 14000]

I declare that no material contained in the thesis has been used in any other submission for an academic award

Student Number: 1446012

Date: 17-05-2016



Dissertation Deposit Agreement

Libraries and Learning Services at UEL is compiling a collection of dissertations identified by academic staff as being of high quality. These dissertations will be included on ROAR the UEL Institutional Repository as examples for other students following the same courses in the future, and as a showcase of the best student work produced at UEL.

This Agreement details the permission we seek from you as the author to make your dissertation available. It allows UEL to add it to ROAR and make it available to others. You can choose whether you only want the dissertation seen by other students and staff at UEL ("Closed Access") or by everyone worldwide ("Open Access").

I DECLARE AS FOLLOWS:

- That I am the author and owner of the copyright in the Work and grant the University of East London a licence to make available the Work in digitised format through the Institutional Repository for the purposes of non-commercial research, private study, criticism, review and news reporting, illustration for teaching, and/or other educational purposes in electronic or print form
- That if my dissertation does include any substantial subsidiary material owned by third-party copyright holders, I have sought and obtained permission to include it in any version of my Work available in digital format via a stand-alone device or a communications network and that this permission encompasses the rights that I have granted to the University of East London.
- That I grant a non-exclusive licence to the University of East London and the user of the Work through this agreement. I retain all rights in the Work including my moral right to be identified as the author.
- That I agree for a relevant academic to nominate my Work for adding to ROAR if it meets their criteria for inclusion, but understand that only a few dissertations are selected.
- That if the repository administrators encounter problems with any digital file I supply, the administrators may change the format of the file. I also agree that the Institutional Repository administrators may, without changing content, migrate the Work to any medium or format for the purpose of future preservation and accessibility.
- That I have exercised reasonable care to ensure that the Work is original, and does not to the best of my knowledge break any UK law, infringe any third party's copyright or other Intellectual Property Right, or contain any

confidential material.

- That I understand that the University of East London does not have any obligation to take legal action on behalf of myself, or other rights holders, in the event of infringement of intellectual property rights, breach of contract or of any other right, in the Work.

I FURTHER DECLARE:

- That I can choose to declare my Work “Open Access”, available to anyone worldwide using ROAR without barriers and that files will also be available to automated agents, and may be searched and copied by text mining and plagiarism detection software.
- That if I do not choose the Open Access option, the Work will only be available for use by accredited UEL staff and students for a limited period of time.

/cont

Dissertation Details

Field Name	Details to complete
Title of thesis <i>Full title, including any subtitle</i>	Corporate culture and Internationalization ‘A case study of Aon’
Supervisor(s)/advisor <i>Separate the surname (family name) from the forenames, given names or initials with a comma, e.g. Smith, Andrew J.</i>	Al Abdulrazak, Rula
Author Affiliation <i>Name of school where you were based</i>	School of Business & Law University of East London
Qualification name <i>E.g. MA, MSc, MRes, PGDip</i>	MSc
Course Title <i>The title of the course e.g.</i>	International Business Management
Date of Dissertation <i>Date submitted in format: YYYY-MM</i>	2016-05
Does your dissertation contain primary research data? (If the answer to this question is yes, please make sure to include your Research Ethics application as an appendices to your dissertation)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Do you want to make the dissertation Open Access (on the public web) or Closed Access (for UEL users only)?	Open <input checked="" type="checkbox"/> Closed <input type="checkbox"/>

By returning this form electronically from a recognised UEL email address or UEL network system, I grant UEL the deposit agreement detailed above. I understand inclusion on and removal from ROAR is at UEL's discretion.

Student Number: 1446012

Date: 10-05-2016



UNIVERSITY OF EAST LONDON



CORPORATE CULTURE AND INTERNATIONALIZATION

« A CASE STUDY OF **AON**

Supervisor: Dr. Rula Al- Abdulrazak

Student ID: 1446012

Dissertation

MSc in International Business Management

School of Business and Law

Abstract-

Purpose- The research main objectives is to examine the corporate culture roles on Aon's UK market entry. Identifying the key cultural practices follow in the internationalization process as well as evaluate the fit between Aon's corporate culture and UK industry culture.

Design/Methods/Approach- This is a single case study research on qualitative method. The approach was deductive for data content analysis. The research results are present to fulfil the objectives and answer the research question and expert judgement is used to validate data.

Findings- This study findings are on UK market entry in Insurance industry. Aon's entry into UK market are long-term orientations and Low uncertainty because very sustainable industry and Aon's internationalization process. However Aon's UK entry more likely Agency approach and some business unites follow Uppsala model.

Practical implications- Companies with global ambitions must accentuate the international orientation in their foreign market entry in line with organisational culture and the firm own corporate culture as well as country cultures. The study build the practical implication and sustain the business and the roles of corporate culture for the international market entry strategy.

Originality/Values- This research utilize the knowledge of corporate culture in respect of the organisation internationalization in the context of Aon's UK entry. The study provides the practical value and unifying conceptual framework on the organisation corporate culture as well as how it works and played as a strategic role for firm's internationalization for international growth and foreign market entry. This study gives the unique knowledges for the similar firm like Aon entry into UK or foreign market and also very useful for small, medium and large size enterprises.

Keywords- Corporate culture, Market entry Strategy, Internationalization theories, Aon's UK Market, Aon's culture, UK corporate cultures. Hofstede cultural dimensions.

Research limitation- This research is conducted very quickly due to limited time frame. One case study research on corporate culture rules on internationalization could be generalized the research result within small context but multiple cases study can avoid this type of generalization result. To find more accurate results this type of research needs more time with observation of the company's entry into foreign market for long time period.

Acknowledgement-

This dissertation consummates my Master of Science degree of international business management at University of East London. This project of my dissertation work could not be possible without the support, advice, encourage, motivation and help of the numbers of people. I from my heart would like to acknowledge all the assistance received from them.

First I would like to express my regards and appreciation to my respected supervisor *Dr. Rula-Al-Abdulrazak* , the senior lecturer and Professor in department of Marketing in Law and Business school, University of East London who's supervision, valuable advice, feedback always give me the motivation to hard work and research improvement. Her answer on my tons of questions gave me the real sprite to focus on my research aim's and objectives and her professional guidance encourage me to find and answered the research question. I must express my sincere acknowledgement to Dr. Aidan Kelly and Principal Lecturer Dr. Adrian Haberberg who's were with me through my entire Masters course in the UEL life and their academic & professional advice on my research topic help me choose the topic and beginning my research. A special thanks to both of my respected professor. A very special thanks to subject Liberian Ms. Kelly Samantha Travers who always advise me on my research with professional communication.

Warm thanks to my beloved wife who sacrifice day after day her times and keep me motivated. She always smiles and supported me throughout my MSc course and this research project. Without your patient and encourage it would not even possible for me to finish this dissertation. Last not the least I am very grateful to my late father who always gave me the life changing advice and made me to understand the life and reality and believed on me. Born in Bangladesh and made the journey to UK for the education and educated in one of the best country in the world only because of him.

Finally-I like to dedicate my dissertation to our little girl Maymuna who brings a lot's of joy and happiness in our life. This dissertation is dedicated to her.

London- 10-May-2016.

1446012

Table of Contents

1.CHAPTER ONE	16
INTRODUCTION	16
1.1 Introduction	16
1.2 Rationales and Background of this Research	17
1.3 Research Aim	17
1.4 Research Objectives	18
1.5 Research Question	18
1.6 Significance of the Study	18
1.7 Project outline	19
2. CHAPTER TWO	21
CRITICAL LITERATURE REVIEW	21
2.1 Introduction	21
2.2 Corporate Culture overview	21
2.3 Corporate culture	21
2.4 Cultural theories and dimensions	23
2.5 Market entry strategies	25
2.6 Market entry strategies assessment	27
2.7 Internationalization	28
2.8 Internationalization Process	28
2.9 Internationalization theories/ market entry strategy	30
2.9.1 Traditional Marketing Approach (TMA)-	30
2.9.2 'Life cycle' Concept for International Trade (LCCIT)-	30
2.9.3 The Uppsala Internationalization Model (UIM) -	31
2.9.4 Transaction Cost Approach (TCA)	33
2.9.5 Dunning's Eclectic Approach (OLI framework)-	33
2.9.6 The Network Approach Theory (NAT) -	33
2.9.7 Innovation Related Internationalization Theory (IRIT) -	34
2.9.8 Agency Approach	34
2.9.9 Foreign Direct Investment (FDI) Approach	35
2.9.10 Social Net-work Approach (SNA)	35
2.10 Relationship and Performance Indicators for both	36
2.11 Conclusion	37
3. CHAPTER THREE	38
RESEARCH METHODOLOGY	38
3.1 Introduction	38
3.2 Research philosophy	39
3.3 Research Approach	40

3.4 Research Design	41
3.5 Primary and Secondary Data	42
3.6 Data Collection	43
3.7 Credibility, Reliability, Validity and Subjectivity of Data	44
3.8 Data Analysis	46
3.9 Legal and Ethical Consideration	46
4 CHAPTER FOUR	48
RESEARCH FINDINGS AND ANALYSIS	48
4.1 Introduction.....	48
4.2. Aon Overviews	48
4.2.1 Industry Leading Global Resources.....	49
4.2.2 Insurance and Risk Management	49
4.2.3 Human Capital Consulting	50
4.2.4 Reinsurance	50
4.3 Aon's Products and Services	50
4. 4 Findings and Analysis on Aon's corporate culture	50
4.4.1 Aon's Corporate Culture	51
4.4.2 Aon's UK Culture	53
4. 5 Findings and Analysis on Internationalizations.....	55
4.5.1 Aon Entry into UK market.....	55
4.5.2 Aon's internationalization into UK.....	58
4.7 Discussion and conclusion.....	62
5. CHAPTER FIVE	64
CONCLUSION	64
5.1. Research conclusion	64
5. 2. Recommendation.....	65
References	68
Appendixes.....	73
Appendix 1: The pre- internationalization stages.....	73
Appendix 2: A country network example for internationalization.....	74
Appendix 3: Internationalization of the firm incremental (organic) approach.....	75
Appendix 4: The six dimensions of internationalization.....	76
Appendix 5: The principle of TCA model.....	77
Appendix 6: An example of Network theory in international network.....	78
Appendix 7: The popular Aon's Talent development international program.....	79

Lists of tables-

Table1: Research structure for Aon's case study-----	21
Table2: 6P's factors evaluations -----	27
Table 3: The Internationalization process of a firm-----	32
Table 4: Aon's UK Culture structure-----	54

Lists of figures-

Figure 1: 6P's Market entry analysis factors-----	26
Figure 2: Uppsala internationalization model's Framework-----	31
Figure 3: Philosophies for agency approach-----	34
Figure 4: Researcher own made case study research process-----	38
Figure 5: Case study research design-----	41
Figure 6: Data collection onion diagram-----	43

Lists of charts-

Chart 1: Research data collection-----	42
Chart 2: Aon's Asian cultures-----	52
Chart 3: Aon's culture effect the employees stress levels-----	52

List of Abbreviations-

CC	Corporate Culture
IP	Internationalization Process
TMA	Traditional marketing Approach
LCC	Life Cycle Concept
UIM	Uppsala Internationalization Model
TCA	Transaction Cost Approach
DEA	Dunning's Eclectic Approach
NAT	Network Approach Theory
IRIT	Innovation Related International Theory
AC	Agency Approach
FDI	Foreign Direct Investment
SNA	Social Net-work Approach
RIC	Rehabilitation Institute of Chicago
HRC	Human Rights Campaign
HR	Human Resources

1. CHAPTER ONE

INTRODUCTION

1.1 Introduction

Businesses are doomed to stagnate and to fight that inertia, drive innovation and change effectively, leaders need sustained original thinking in their organizations and get it by building a culture of nonconformity (Harvard Business Review, 2016). *This case study research will investigate the corporate culture rules of Aon's entry into UK market and internationalization process.* Business strategy or process is about success, it's not a detailed plan or program of instruction; it is a unifying theme that's giving coherence and direction to the action and the decision of an individual or an organization (Grant and Jordan, 2012, p. 2). Business internationalization process occurs through two mechanisms: trade and direct investment (Grant and Jordan, 2012, p. 362). Corporate culture and internationalization are depending on each other for the international market entry into any industry. Aon is world leading insurance brokerage firm based in the USA and actively operating in 164 countries (Aon, 2016). *In this research, a researcher will cross-examine Aon's corporate culture with Hofstede's cultural dimensions and Aon's UK market entry strategies with internationalization theories to find the corporate cultural roles on Aon's entry into the UK market.* All the corporate culture factors are involved for the Aon's internationalization and the UK market entry would be evaluated and analysed in this research. We examined Aon's corporate culture with UK industry culture and Aon as an insurance company, so researcher analysis Aon's corporate culture how much fit with the UK insurance industry culture and the corporate culture rules played to firm enter into the market. Theories and models on international market entry used to evaluate the market entry strategy and help to meet the research objectives and answer the research questions.

1.2 **Rationales and Background of this Research**

The purpose of the research is to find how fit between the UK industry culture and Aon's corporate culture and corporate culture rules on Aon's market entry strategy in the UK and internationalisation process. It could be an international business extension or domestic business extension for the company. The researcher choose a case study research on a global corporate firm and they have a presence in 164 countries all around the world (Aon, 2016). There are reasons and motivation behind for the research this proposal topic such as:

- Corporate culture played a very significant part of the International market entry and business internationalisations process.
- Internationalisation process becomes the core business strategy for big corporations and multinational companies. Therefore, a business student should know and keep well knowledge and understanding about market entry strategy, internationalisation process, corporate culture and industry culture.
- To make a successful career in the multinational company, employees / managers should have a clear understanding, skills and knowledge about the internationalisation process and the organisation / corporate culture.
- The case study research on Aon will evaluate the knowledge of corporate culture, market entry strategy and internationalisation process from the company and how we can implement that strategy in our real life as business professionals/ managers and employees in big corporation as well as entrepreneurs.

1.3 **Research Aim**

In this study, the researcher aim is to analyse and investigate the corporate cultures rules on Aon's UK market entry strategy.

1.4 Research Objectives

In this case study research on Aon- Researcher define objectives are as follows:-

- a. Define Aon's corporate cultures
- b. Examine the fit between Aon's corporate culture and the industrial culture in the UK market
- c. Investigate the role corporate culture played in Aon's entry into the UK market

1.5 Research Question

Q. What impact corporate culture has on AON's market entry strategy in the UK market?

1.6 Significance of the Study

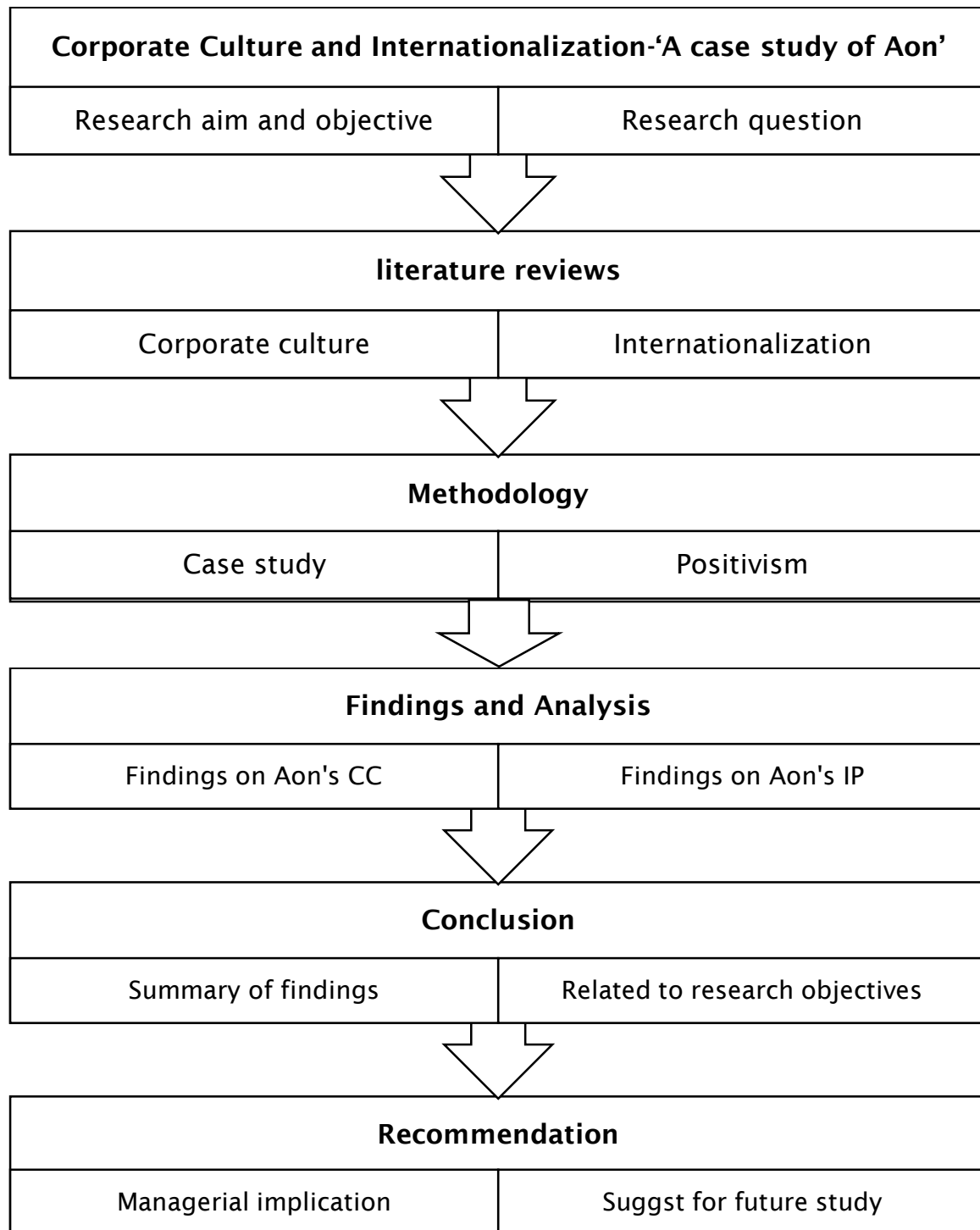
This research is all about the corporate world. In the time of innovation and modern technology, corporate culture plays a significant role for the business internationalization. In this study, the researcher will bring out the organisation culture / corporate culture influence on organisation foreign market entry. The main purpose of this research is to investigate the rules of corporate culture played on Aon's entry into UK market. In this study, the look for literature was very complicated because nature of the research subject. The subjects cover two fields- the corporate cultures and the internationalization which makes quite complicate to acquire quality data. Hence, we focused our research on widely acceptable recognized theoretical frameworks from academic journals, articles, and peer reviewed recognized publications for the quality answer. These research findings will develop manager and entrepreneur knowledge and skills towards different country corporate culture and the successful internationalization process. The study also gives the great awareness of corporate cultural differences and given the possible best ideas for strategy implementation for managers and entrepreneurs. This research will give managers and entrepreneurs the

corporate culture differences in their organisation and influences on market entry local and globally and also fill-up the gap between different countries organisation culture. This study will give insight and in-depth knowledge about corporate culture, industry culture and market entry strategy and internationalization process and the most important the impact of corporate culture on market entry strategy. This research will help the professionals and entrepreneurs to develop any related projects and play similar roles in the future career.

1.7 Project outline

This project purpose is for academic research and projects structure outline would be as follows- in the beginning we will review the literature by defining and explaining the market entry strategy (internationalization theories), corporate culture, industry culture, Hofstede's cultural dimensions, how it's assessed and the relationship between corporate culture and internationalization and where the research will be focus. Thereafter we will discuss and present the research philosophy, design, data and method of data collection. All the data will be collect according to the proposed research topic. After we gather and collect data then we will analysis and summarize then present all findings to fulfil the research objectives. Data validity will be consider throughout this research and necessary research ethical procedure must be follow by the researcher. Aon's corporate culture analysed by Hofstede's six cultural dimensions and company's UK market entry strategy analysed by ten different internationalizations theories, model and approaches. Furthermore, for more market entry strategy assessment 6P's and company's own resources and capabilities would be analysed to support the research findings. All the finding will be analysis through research method to meet research objectives and answer the research questions. Finally we will conclude this study by suggesting further research with managerial implications. Following structure have been followed in this research:

Table1: Research structure for Aon's case study



Source: Researcher own constructed structure for this study.

2. CHAPTER TWO

CRITICAL LITERATURE REVIEW

2.1 Introduction

The literature review will give the theoretical framework for the corporate culture and internationalization and the case study on Aon evaluated the company's corporate culture rules on UK market entry strategy. In this chapter, we will critically review the corporate culture and Hofstede's cultural dimensions and market entry assessment criteria with 6P's analysis also review ten different Internationalization models and theories for the market entry strategy. Also, how theories and models can be used in the organization for internationalization process. According to Johan et al. (2014) the business internationalization process on the complementary assets such as marketing channels, distribution networks, financial resources, manufacturing know-how and brand names that are assets typically held by large established firms, are often needed, and we observe a significant amount of inter-firm technology transfers. Sometimes ranging from licensing to outright acquisitions of innovations and joint ventures. The internationalization process can be described by a set of different dimensions (Berghe, 2003) cited Fonfara et al. (2013). Lastly, we describe about the relationship between corporate culture and market entry strategy as well as the performance indicators.

2.2 Corporate culture overview

Early 1980's organization and corporate culture consideration came to prominence and previous research strongly suggested that a strong corporate culture is a powerful level for guiding workforce behaviour and is indicated by the values, myths, heroes and symbols of an organization (Mouthinho and Southern, 2010, p. 76). Corporate culture is varied, multilevel such as department, division, company, and country and ubiquitous Denison (1996, p.654) as cited by Sarros et al. (2005, p.160). According to O'Really et al. (1991, pp. 494-497) suggested that any firm we should look the following areas for corporate culture or organisational culture –such as organizational

values, characteristics of firms, individual preferences and calculating the person-organization fit score.

2.3 Corporate Culture

According to Harvard Business Reviews (2016) corporate culture typically referring to cognitive culture- the shared intellectual values, norms, artefacts, and assumptions that serve as a guide for the group to thrive. Cognitive culture sets the tone for how employees think and behave at the work-for instance, how customer-focused, innovative, team-oriented, or competitive they are or should be. Cognitive culture is undeniably important to an organization's success. Corporate culture is the consisted of rules, the systematic processes which governed the total procedure, a complete procedure or philosophy that guides the attitude of higher management towards junior staffs and customers Edgar Schein (2007). In corporate culture cannot see it, touch it, smell it, taste it or hear it, but it is there. It pervades all aspects of organizational life and it has a profound impact on organizational success and failure (Eric at al., 2012, p. 91). Dempsey (2015) argues that all members of an organization that participates in a corporate culture acquire a degree of individual moral responsibility for the actions of all other participants in that culture, where those actions promote cultural values. According to Tabure (2013) the corporate culture like an individual personality which has an amorphous quality that exerts a powerful influence over all action and behaviours. Every organization agree that culture is an very important issues especially in respect with ethical and always try to develop it yet for all of its significance very often culture viewed as a very soft matter and organization failed to address appropriate way it should be, also sometimes leaders are not sure how to address it as cited by Tabure (2013, p. 32). He also defines the academic views of corporate culture as the organization's values, visions, norms, working language, systems, symbols, beliefs, and habits. In the large organization have their own set-up culture and sometimes sub-culture co-exists due to different managements style or separate departments. Complicating matters for global companies is that organizations can have differing cultures over geographic regions or across

functions. In more basic terms, culture is the set of enduring and underlying assumptions and norms that determine how things are actually done in the organization. A coherent culture is based on shared values and beliefs, and the evidence they are shared is that they shape behaviour across the organization. According to Flamholtz and Randle (2012), few managers or management scholars would question the critical role of corporate culture in organizational performance (Kotter and Heskitt, 1992; Deal and Kennedy, 1982; Schein, 1992; Flamholtz, 2001; Sackmann, 2006).

2.4 Cultural theories and dimensions

In 1980, Geert Hofstede published his book *Culture's consequences: International differences in work-related values*, presenting the results of his empirical study where he identified four basic cultural dimensions (Ferreira et al., 2013, p.342). In the corporate and organisation culture and cultural theories, Hofstede's cultural dimensions explained the societal and organisational structure and further assist to identify the cultural factors also this theory is not limiting the set numbers of cultural dimensions (Claus et al., 2013, pp. 232-233). According to Minkov (2010) the dimensions that Hofstede has identified include power distance, individualism, masculinity, uncertainty avoidance and long-term orientation (Hofstede, Hofstede, and Minkov 2010) cited Claus et al. (2013, p. 332). Initially the four dimensions of culture identified by Hofstede were: individualism-collectivism, uncertainty avoidance, power distance and masculinity-femininity and Hofstede's cultural model is widely used today, both for academia and professionals, possibly due to its simplicity to use and the comparability that a quantitative measure of culture allows (Ferreira et al., 2013, p.343) but it has been expanded to six dimensions that have influenced culture (Claus et al., 2013, p. 333). These six cultural dimensions are-

a. Masculinity- the culture are mostly dominated by men where as a society emotional gender roles are clearly distinct: men are supposed to be assertive, tough, and focused on material success' (Hofstede, Hofstede, and Minkov 2010, 519) Cited Claus et al. (2013, p. 333).

b. Femininity- the opposite of masculinity, is defined as 'a society in which emotional gender roles overlap: both men and women are supposed to be modest, tender, and concerned with the quality of life' (Hofstede, Hofstede, and Minkov 2010, 517) Cited Claus et al. (2013, p. 333). According to Hofstede (1994, 2001) feminine values solidarity, care for the weak, cooperation, quality of life, personal relationships and friendship ac cited Ferreira et al. (2013, p.343).

c. Long-term orientation- Hofstede and Bond (1988) included the long term orientation tend to value more aspect such as persistence, parsimony and the individuals' sense of shame Ferreira et al. (2013, p.343). It opposed to short-term orientation, refers to 'the fostering of pragmatic virtues oriented toward future rewards, in particular, perseverance, thrift, and adapting to changing circumstances' (Hofstede, Hofstede, and Minkov 2010, 239) Cited Claus et al. (2013, p. 333)

d. Short-term orientation- is 'the fostering of virtues related to the past and present, such as national pride, respect for tradition, preservation of face, and the fulfilling of social obligations' (Hofstede, Hofstede, and Minkov 2010, 239) Cited Claus et al. (2013, p. 333) and short term oriented cultures value aspects related to personal stability and reciprocation of favours and gifts a discipline (Chandy and Williams, 1994) as cited Ferreira et al. (2013, p.343).

e. Power distance- is 'the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally' (Hofstede, Hofstede, and Minkov 2010, 521) as cited Claus et al. (2013, p. 333). According to Ferreira et al. (2013) power distance is conceptualized as the degree to which individuals in a culture accept unequal distribution of power also reflects aspects like the expectations of subordinates, decisions making, opinions are expressed, disagreements are manifested and the style of leadership adopted in organizations (Hofstede,

1980, 2001) as cited Ferreira et al. (2013, p.343). This dimension is more depend on adaptation which can effect organisation's own culture.

f. Uncertainty avoidance- is 'the extent to which the members of a culture feel threatened by ambiguous or unknown situations. One of the dimensions of national culture- weak to strong' (Hofstede, Hofstede, and Minkov, 2010, 522) Cited Claus et al. (2013, p. 333). Uncertainty avoidance defined as the tolerance of members of the group to unstructured, ambiguous situations and whether the members of the group accept or try to avoid such situations (Hofstede, 1980) as cited Ferreira et al. (2013, p.343). More ambiguous strategic decision can lead the firm in high risk situations.

Another dimension identified by Hofstede was individualism-collectivism, defined as the extent to which individuals in a national cultural setting "prefer to act as individuals rather than as members of groups" (Hofstede, 1994, p. 6) as cited Ferreira et al. (2013, p.343). Individualism represent one person's preferences rather than group and more risk to fall in idea generalization.

2.5 Market entry strategies

Market entry mood an institutional arrangement for the entry of the company's products and services into a new foreign market and the main types are export, intermediate and hierarchical modes Hollensen (2015, p.332) he also argues the all the modes take the opportunity for the markets and this points which entry mode selection follow the proposed strategy Root (1994) suggested for three different rules Naïve, Pragmatic and Strategy rules as cited Hollensen (2015, p.332). Naïve rules used the same entry mode for all foreign market and ignores the heterogeneity of the individual foreign markets but in the pragmatic rules decision maker always use the workable entry mode for the each international market. In the early stage of exporting this mode choose the low-risk entry mode if the particular initial mode isn't feasible or profitable will the firm searching for the new workable mode. In the strategy approach required all the others entry modes are systematically analysis and compared and evaluate any choice is made (Hollensen, 2015). According to Michalski (2015), the potential of the international market and being successful must discover by the necessary market research, planning, and implementation.

Initially, it is essential to determine and assessed by the marketing mix fit within the business context which helps to produce a successful strategy (Michalski, 2015, p. 108). Michalski (2015) also suggested an enterprise must also inform the market about its product. Communications policy uses promotion tools to interact with customers, middlemen, and the public at large Haaget at al. (2009). The communications element consists of advertising, sales promotion, personal selling and publicity. It is the most visible and sensitive of the marketing mix. According to FITT (2013), the foreign market 6P factors should be considered for entering into the market as cited Michalski (2015, pp.108-109).

Figure 1: 6P's Market entry analysis factors



Source: Researcher own made cycle and adopted Michalski (2015, pp.108-109).

The number of the P's could be more depending upon the business types and the unique aspect of the target markets (Michalski, 2015, p. 108).

Table: 2: 6P's factors evaluation

Planning	<ul style="list-style-type: none"> • Business • Market • Account • Sales and calls 	Partnerships	<ul style="list-style-type: none"> • Potential partners that may strengthen the opportunity
Personnel	<ul style="list-style-type: none"> • Identifying the skills required to design, develop and deliver the product 	Positioning	<ul style="list-style-type: none"> • How the company wants to be perceived by middlemen and customers
Practices	<ul style="list-style-type: none"> • Business practices within the culture of the target market 	Protection	<ul style="list-style-type: none"> • An assessment of the potential risks in all aspects of the transaction • Data Securities

Sources: Researcher own made lists and Michalski (2015, pp. 108-109)

2.6 Market entry strategies assessment

According to Michalski (2015, p. 107), an international exchange is the process of planning and conducting transactions across national borders to satisfy the objectives of customers and enterprises. The concept of foreign market entry is the core requirement for an exchange to take place. An enterprise must develop the products that satisfy customer needs and wants. It has to evaluate real market opportunities for a product. This requires knowledge of the foreign market and Michalski (2015) suggested five highly important area of close attention -

(i) Performance – the business doing well in one country then they can take the decision on international extension easily because cash flow, profit margin as well as effective business plan on export project (Michalski, 2015).

(ii) Human resources –if the international project has modest success then firm required more employees to run the business and workload. It means the hr activities such as hiring, recruiting and training also bigger payroll Michalski (2015).

(iii) Financial resources - most of the time SME's business start internationalization with own financial resources and if they could not start with own financial resources then they go to their lender for working capital. Financing for internationalization is very hard then domestic financial because of international trade is a much higher risk than domestic trade, and ventures, bankers, and lenders have very well knowledge about the time to be a successful business in the foreign country and return profits (Michalski, 2015).

(iv) Production resources - when the firm went internationally than they have a large customer and sometimes they failed to produce. This case the company makes sure they have capabilities to produce the large quantity or spare quantity for the foreign demand (Michalski, 2015).

(v) Logistics resources - According to Carter (2014) as cited Michalski (2015, p. 107). Producing enough to fill an order is only part of the job; it's important to make sure the customer gets goods on time and in the expected condition.

2.7 Internationalization

Internationalization occurs when a firm expands its research and development (R&D), production, selling and other business activities into the international market. In many large organizations, internationalization happened in a relatively contentious fashion which firms undertaking various internationalization stages (appendix1) on different foreign expansion projects simultaneously in incremental steps, over a period of time. In pre-internationalization stages managers use information to achieve enough relevant knowledge to initiate internationalization, appendix 1 illustrate the different stages in pre- internationalization (Hollensen, 2014, p. 53). Welch and Mäntymäki (2014) describes internationalization is a multifaceted process that occurs over time, rather than consisting of a single set of decisions or discrete events.

2.8 Internationalization Process

Johnson and Vahlne (1977), describe the internationalization process as a commitment to international sales and production as part of the growth and experimental learning process cited Jakeli (1998, pp. 359-360). According to Rumelt (2011) a good strategy should contain set of coherent policies, guiding

policies and diagnosis. But Haberberg and Rieple (2008) consider strategy is the set of actions through which an organization, by accident or design, develops resources and uses them to deliver services or products in a way which its users find valuable, while meeting the financial and other objective and contains imposed by key stakeholders. Hollensen (2014) says internationalization occurs when a firm expands its research and development (R&D), production, selling and other business activities into international markets. For large firms, internationalization occurs continuously and for SMEs, the process is more discrete. According to Haberberg and Rieple (2008. p. 592-593), the factors that appear to be contributing the organization international strategies and there are various factors for internationalization process such as political, legal, socio-culture and infrastructure can be used to develop an international process for each country. Internationalization has traditionally regarded as an outward flow and most internationalization models have not dealt explicitly with how earlier inward (import) activities and thereby gained knowledge, can influence later outward (export) activities Hollensen (2014, p.62). According to Welch et al., (2001) relationship and knowledge gather from import activities could be thus be used from when the firm engage in exporting activities and Welch and Loustarinen (1993) claim that inward internationalization may be precede and influences the outward internationalization like international market entry and marketing activities (see appendix 2) as cited Hollensen (2014,pp.62-62). According to Fonfara et al. (2013), Internationalization is a complex process which can influence company's behaviours in many different ways. In order to examine the performance of a company operating in an international environment, there is a need to identify basic types of company behaviours in the internationalization process. The conceptual work was inspired both by an analysis of company internationalization models and by earlier research and consulting projects conducted by the research team. Based on the conceptual work (Fonfara, 2007), as cited Fonfara (2013, p. 23) three pairs of alternative characteristics describing company behaviours in the internationalization process were identified, they are:

1. Formal and spontaneous internationalization,
2. Openness and closeness to cooperation in the internationalization process,
3. The active and passive role of the company in creating a network of relationships in the internationalization process.

2.9 Internationalization theories/ market entry strategy

The early literature on internationalization was inspired through general marketing theories and later internationalization dealt with the choice between exporting and foreign direct investment (FDI) Hellensen (2015, p.77). Calof and Beamish's (1995, pp. 115-16) described "internationalization is the process of adapting exchange transaction modality to international markets cited Malhotra at al. (2003, p.1) and also Malhotra (2003) explained the internationalization occurs in the firm at an increasing pace. According to Doole and Lowe (2008, p.191), there are various numbers of factors or drivers of internationalization that can be used to explain its impact and discuss its implication and there are seven business theories and models frequently use for the internationalization process and several theories for international market entry and internationalization are as follows

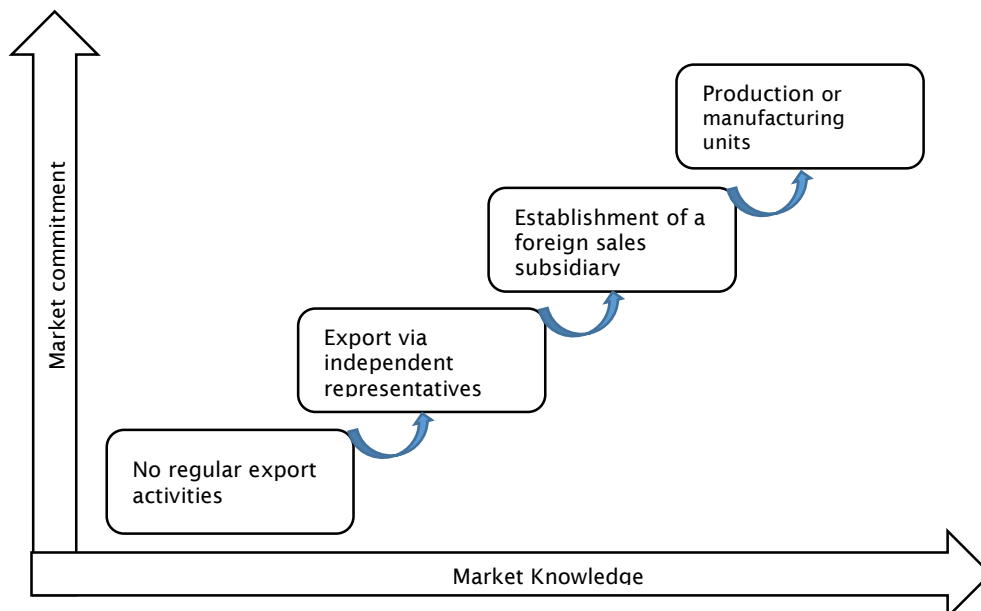
2.9.1 Traditional Marketing Approach (TMA)-The traditional marketing focus on firm's core competence combined with opportunities in the foreign environment (Penrose, 1959 and Prahalad and Hamel, 1990) but the cost based view of this traditions suggested that the firm must possess a 'compensating advantages' in order to overcome the 'cost of foreignness' (Kindleberge, 1969 and Hymer, 1976). This lead to the identification of technological and marketing skills as the key elements in the successful foreign entry as cited Hollensen (2014, p. 77).

2.9.2 'Life cycle' Concept for International Trade (LCCIT)-Vernon's (1966) has introduced LCCIT model of internationalization called 'products cycle hypothesis' where the firm goes through an exporting phase before switching first to market-seeking FDI, and then go cost oriented FDI. Economic of scale through the mass production become more important and fewer development countries may offer competitive advantages as a production location

Hollensen (2014, p. 77). According to Malhotra (2015, p.3), international product life cycle [IPLC] theory in setting the innovation standard by including the role of (a) other developed countries, (b) developing countries, and (c) regional trading blocs.

2.9.3 The Uppsala Internationalization Model (UIM) –Uppsala model original was based on an inductive research study of Swedish multinational companies which were found to start their internationalization on market close to the home market in psychic distance terms and gradually entering markets further away Johanson and Vahlne (2013, p. 195). Johanson and Wiedersheim-Paul (1975); Johanson and Vahlne (1977) during the 1970s in the University of Uppsala focused their interest in on the internationalization process. Researching on Swedish firm internationalization and develop a model of the firm's choice of market and form of entry when going abroad and this was inspired by Aharoni's (1966) seminal study Hollensen (2014, p. 79). Johanson and Wiedersheim-Paul (1975) distinguish between four different modes of entering an international market, where the successive stages represent higher degrees of international involvement.

Figure 2: Uppsala model's Framework



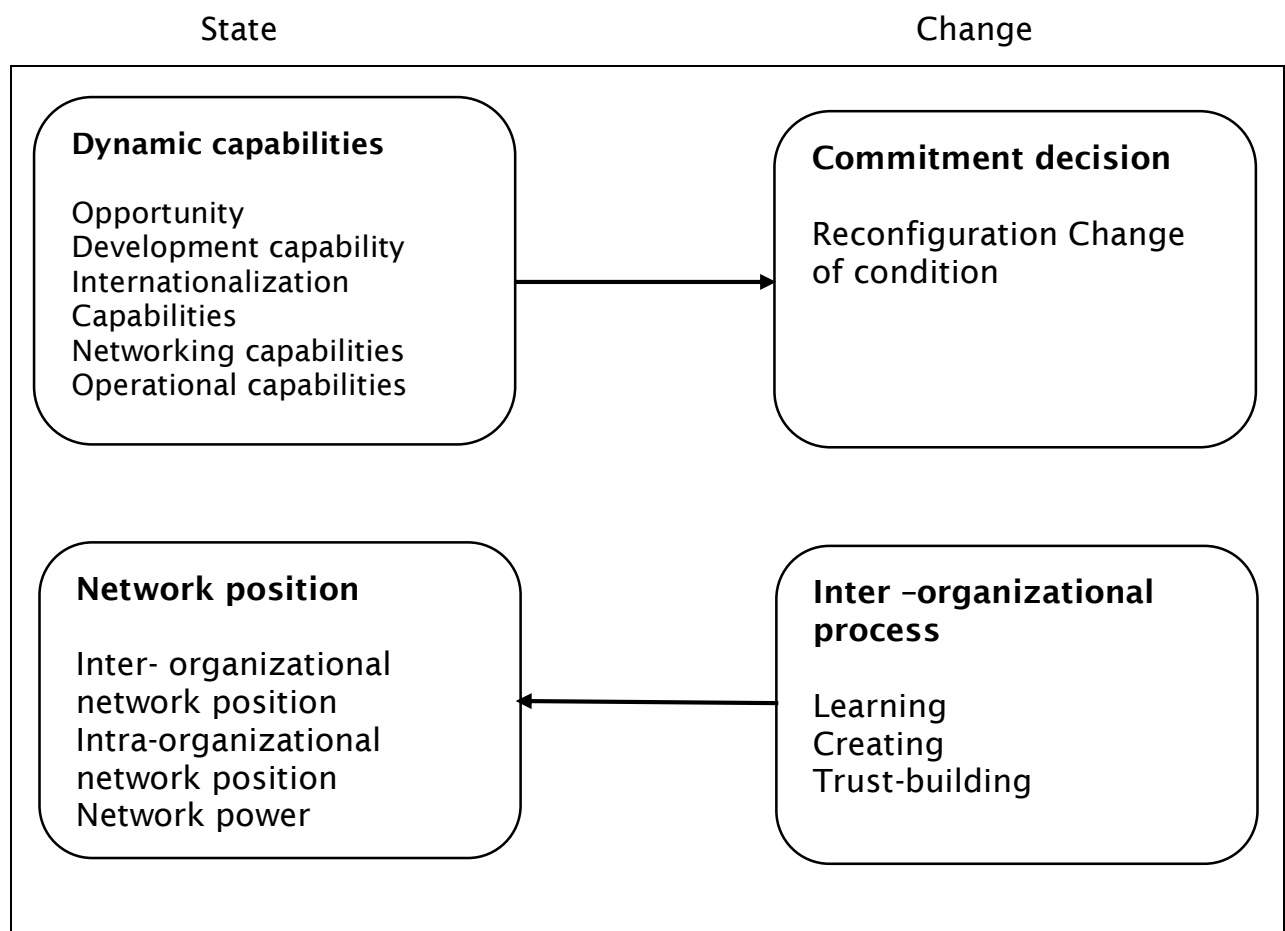
Source: adopted from Hollensen (2014).

The assumption of that the internationalization of a firm develops steps by steps was organically supported by evidence from a case study of four Swedish firms and the sequence of stages was restricted to a specific country

market dimension is shown on in appendix 3.Hollensen (2014). The original stages model has been extended by Welch and Loustarinen (1988), who operate with six dimensions of internationalization appendix 4 as cited Hollensen (2014, pp.80-81). The six dimension has been explained (Hollensen, 2014, p. 80) and they are-

- 1) Sales objects: goods, services, know-how, and systems;
- 2) Operation methods: agents, subsidiaries, licensing, franchising, management contracts;
- 3) Markets: cultural/political/psychic/physical/distance differences between management;
- 4) Organizational structure: export department, international divisions;
- 5) Finance: availability of international finance sources to capitalize international operation and all supporting activities.
- 6) Personnel: international skills, training, and experiences.

Table3: The Internationalization process of a firm.



Sources: Jhoanson and Vahlne (2013, p. 200).

2.9.4 Transaction Cost Approach (TCA) –Coase (1973) made this TCA model which views new institutional economics paradigm the firm as a government structure (Williamson, 1985) and TCA has been commonly applied in research on foreign market entry modes (Erramilli and Rao,1993) as cited Malhotra (2015,p.5). This framework argue that cost minimization explained the cost of structural decision (Hollensen, 2014, p.83) and the cost equation: Transaction cost = ex ante costs + ex post costs = (search costs =contracting costa) + (monitoring costs + enforcement costs).

The principle of TCA model can see appendix 5 and in selecting entry modes organisations make trade-offs between control and cost of resources also the recent research has focused on no transaction cost benefit that flows from increased control, such as coordination of strategies and extension of market power (Erramilli and Rao 1993; Hwang, and Kim, 1990) as cited Malhotra (2015). Transactional cost approach is mainly limited involvement with-
a) Exporting, b) Licencing and c) Franchising.

2.9.5Dunning’s Eclectic Approach (OLI framework)- This approach has three types of advantages for internationalization (Dunning, 1977; Mtigwe, 2004) and they are – (a) ownership-specific advantages; (b) Location specific and (c) Internalization advantages .Dunning (1979) also argue that now there are five approaches can be tested in this approach -

- 1) explain the causes of direct foreign
- 2) to look at the form of international economic involvement
- 3) the composition of international involvement in both approaches
- 4) Incorporate the internalization;
- 5) the specific endowments of firms to those of home countries as in Vernon (1966); Swedenborg(1979); and Dunning (1979)

2.9.6 The Network Approach Theory (NAT) - In the NAT theory relationship of a firm in a domestic network can be used for bridges to other network in other countries an example of NAT model given in appendix 6; this relationship are flexible may alter accordingly with repaid change in the environment and the glue that keeps the relationship together based on technical, economic, legal and in particular personal ties (Hollensen, 2014, p.86). According to Coviello and McAuley (1999) NAT theory’s relationship

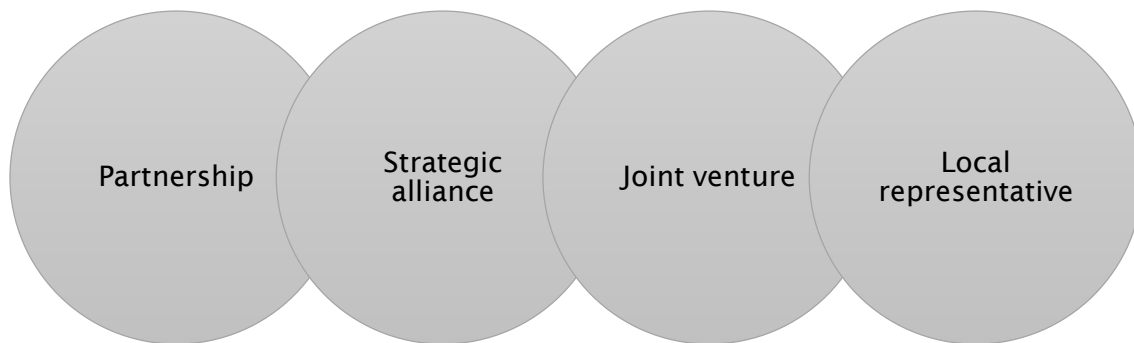
evolve in a dynamic, complex and less structure and the focus of organisation behaviour is in the context of a network of inter-organizational and interpersonal relationships (Coviello and McAuley 1999) and internationalization occurs as a result of multilateral externalization through business and social networks rather than through internalization. These network relationships influence initial market entry and mode of entry (Coviello and Martin 1999); networks can also form the basis of inward internationalization, which over time can become outward internationalization (Malhotra 2015, pp.6-8).

2.9.7 Innovation Related Internationalization Theory (IRIT) -The 20th-century scientists devised the fundamentals of the innovation theory, which covered the technological, economic and sociocultural innovations (Saviotti, 2004; Furubotn, 1998; Linn, 1996) cited Kolbachev (2014). The ideas of IRIT development of export activities and Aderson (1993) categories two explanation of this model i) A continues to process and ii) A discontinues process and he also said Innovation related internationalization is discontinued the process.

2.9.8 Agency Approach- Agency theory become popular in mid-1991 and this approach markets required innovation and good corporate governance for the process of internationalization (Singla et al., 2013). The Agency theory depicts the relationship with the vital strategic decision of different owners that possess diverse motivations and preferences (Brickley et al., 1988 cited in Singh and Gaur, 2013, p.5). The ownership and agency conflicts between minority shareholders and owners may entice equity participation of institutional investors to improve minority shareholders credibility (Claessens and Fan, 2002, pp.80- 83). But considering these intermittent environmental shifts and institutional transitions agency theory may not be applicable for legally weakly protected investors and unfledged capital markets (Luo, 2013, p.29). big corporate and investment sector more follow this approach and the developed market may experience negative effects of performance at both lower and higher levels of global diversification (Contractor et al., 2003 cited in Singh and Gaur, 2013, p.9). Agency approach of companies philosophical

thinking are- Partnership, Strategic alliance, Joint venture and Local representative.

Figure 3: Philosophies for agency approach



Source: researcher own made circle.

2.9.9 Foreign Direct Investment (FDI) Approach- During 1960's there are several numbers of research on FDI theory especially Work of Leontief (1953) and Penrose (1956) the idea of international business through FDI. Since 1993, the FDI became an important source of private capitals outflows and inflows and Dunning (1988) argues that the path FDI takes is partly due to the specific advantages which one country has based upon its regional geographic location and / or location in the world (Botello and Devila, 2015). This approach is very popular in cotton and garments industry where the location is most important and most of the manufacturing are Asian and fewer development countries. According to Vignjevis and Safet (2015), FDI approach is an important initiator of economic development in the Western Balkans.

2.9.10 Social Network Approach (SNA) - Social network approach is the establishment of one individual linked with other individuals such as actors and actress are ties with other actors and actress who ties with few and more. Opportunities based on the size of the network.

2.10 Relationship and Performance Indicators for both

Decisions and implementations concerning foreign operations are made incrementally due to market uncertainty (Babinska, 2013, p.11) the factors and performance indicators are (Babinska, 2013, pp.11-13)-

- Knowledge of foreign market
- Market experience
- Country specific time length of domestic operation (Autio et al., 2000; Blomstermo et al., 2004)
- Low risk and heavy involvement
- Similar experience
- Short-cut takes place e.g. mergers/alliance etc. with local firms

All the activated knowledge connected with the firm internationalization

Variation in foreign operations (Eriksson et al., 2000). Companies do not always expand to the markets that are closest with regard to so-called psychic distance (Brennan, Garvey, 2009; cited Babinska, 2013, p.11) according to the “internationalization knowledge” concept (Eriksson et al., 1997; Yu, 1990), relevant knowledge may be of different types, varying in terms of how it is acquired and with what level of difficulty. Three types of international knowledge factors have been defined:

- Internationalization knowledge
- Business knowledge
- Institutional knowledge

Corporate culture and market entry strategy are directly related to each other. The strategy must build on corporate culture for business internationalization and all the study suggest that the strategy based on organization culture / corporate culture are successful and sustainable. If all the performance indicators are carefully considered then the market entry will be very potential. The organisation market entry strategy always based on company's cultures, beliefs, languages, norms, working style which are corporate culture and this two are related each other.

2.11 Conclusion

In this chapter we have reviewed the corporate culture, Hofstede's cultural dimensions, and corporate culture assessment and internationalization theories. Hofstede's cultural dimensions are widely used in the international organisation because its simplicity of the approaches. By applied his cultural theories we can easily find out the corporate culture rules on Aon's Entry into UK market. Johnson (1993), suggested more on only three internationalization theories and models for SME's successful market entry and internationalization and they are first Internationalization theory/ transaction cost approach; second The Uppsala internationalization model and last Network approach as cited Doole and Lowe (2008, pp.191-192). Apart from above-explained internationalization theories, there are also IPICT theory, market imperfection theory, strategic behaviour theory and RA theory also follow by the multinational firms (Malhotra at al., 2003, pp.2-4). Internationalization happens when the domestic market reaches that level where supply exceeding demands, decline domestic growth, resign competitors in the host country, the opportunity to growth, extra resources and capabilities, global activities, FDI, Innovation, cost advantages and so on. Corporate culture and internationalization process are move simultaneously and has deep inter-dependency. The strategy based on corporate culture for internationalization process becomes successful because its gives the real organizational cultural views and industry knowledge of the foreign corporations. In the corporate world, cultural dimensions and market entry assessment with 6P's are the very essential market analysis tools to analyse any foreign market and shows corporate culture impact on market entry strategy.

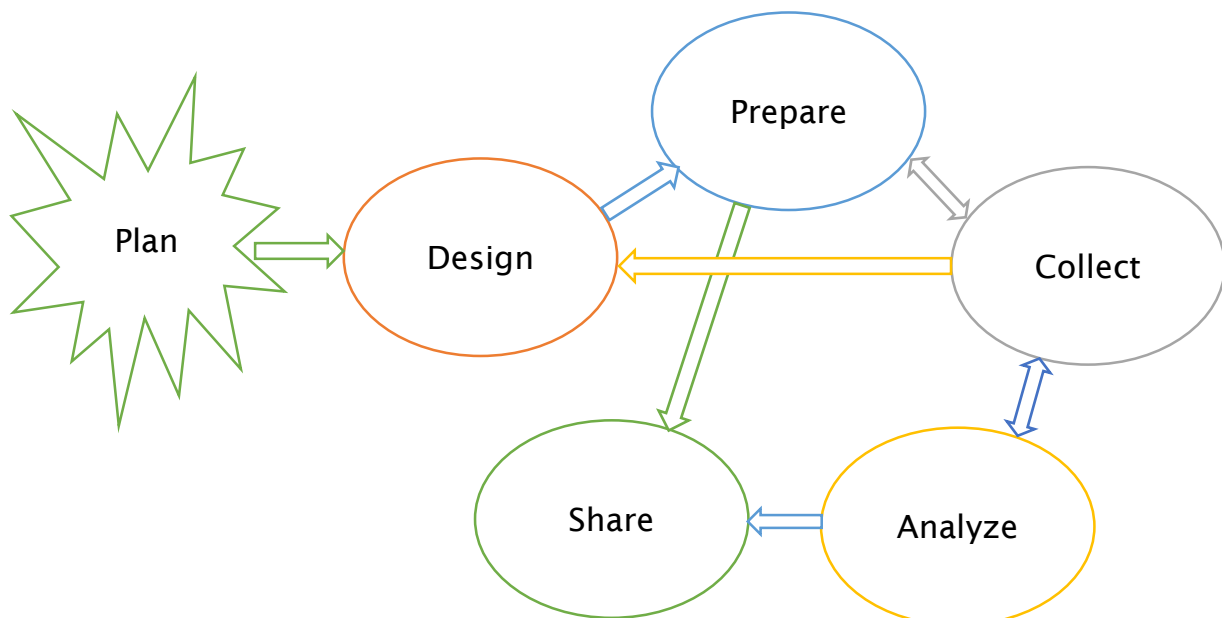
3. CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction:

Research methodology chapter will explain the preconception of the research topic, research design, philosophical stance, population, sample and sample size and followed by the perspective in conducting this study. In this study, researcher we concluded by explaining the details describes of Methodological approach, research design, data collection technique, limitation of data collection, validity, and reliability of data and conduct of the research itself. According to Zikmund et al. (2013), business research methods follows the logic of the business research itself. Researcher chooses a case study research and according to Yin (2014) case study research use in the business, it could be on one company or it could be on more than one company, could be on even one person case study. Yin (2014) also said case study research is easy to conduct, less expensive and could be done within limited time frame. Yin (2014) describe research process are as follows-

Figure 4: Researcher own made case study research process.



Source: adopter from Yin (2014, p 1).

3.2 Research philosophy:

Source, modification and evolution of knowledge that is built on assumptions aiming to know and empathize the world phenomena is called research philosophy. This helps the researcher to develop the research strategy, process and technique and collection of data. To understand the research topic and answer the research query and question- we take the positivism position with constructionist concerns. The position of objectivism emphasis the independence existence so this approach is not appropriate for this topic and epistemological position is use for interpretation of social action and is more fit with social science research. This research is about corporate culture and internationalization and positivism philosophical view will enable us to answer the research question. So, we took positivism position for this study. For the deeper understanding of the topic and its concepts, we can't separate the meanings from its social action in our research which lead us to take the constructive position in ontological philosophy. Constructive and interpretive both views support to show the phenomena and interpretation of the inter-subjects meaning of individual's views about impact of corporate culture on market entry strategy. Therefore, we are not considered that philosophy for this study. Corporate culture is different in different organizations and countries and firm's internationalization strategy adopts and follows the corporate culture of individual organisation and country. Internationalization process occurs by the necessity of the products, services, market needs, and the business extension for licencing or forging Investment, buying a share and various other factors push the process. The literature on corporate culture and internationalisation will bring a huge knowledge and understanding about business internationalisation process and corporate culture is the core key to understanding the corporate worlds. This research will open all factors involve in the business internationalization process and business theories and models are used for successful international market entry and mainly the impact of corporate culture on it.

3.3 Research Approach:

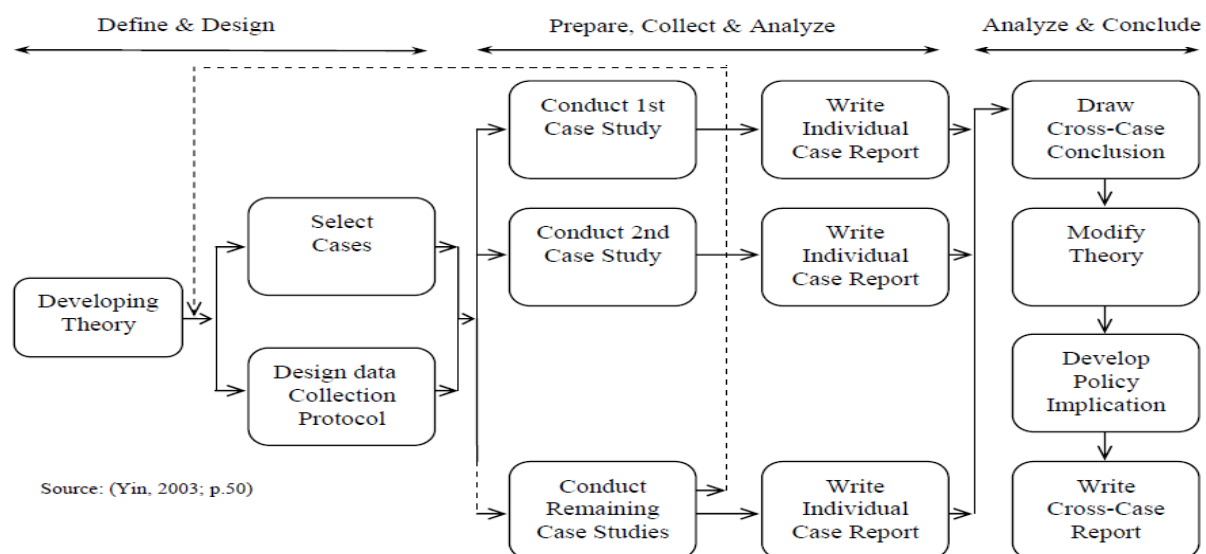
There are two common research approach to conducting the research either inductive or deductive to analysis and evaluate the collected data. This research will be the deductive research to answer the research questions posed by theoretical considerations and this approach represent the commonest view of the nature of the relationship between theory and research (Bryman and Bell, 2007, p. 11). Deductive approach is linked to quantitative and inductive to qualitative research. Ironically though this approach is associated with qualitative research, it does not necessarily produce theory at the end while the theory is often used as a background to qualitative investigations (Bryman & Bell, 2011, p. 13). This research based on secondary data and the data evolution will be deductive methods. Collected secondary data and evolution methods will be used to answer the research question through the finding and analysis as well as compare and justify propose theoretical consideration. Qualitative research on the other hand gives significance to words during the collection and analysis of the data than quantification (Bryman and Bell, 2011, p. 27). During this research Aon's corporate culture, cultural dimension and theories will be examined during its internationalization process and which internationalization theories they follow for the international market entry also will be examined from the available data found in company reports, journals and own websites as well as the relevant academic secondary sources. This research qualitative strategy would help identity the company corporate culture and how this culture influence for organization internationalization process and the process of Aon's follow for the internationalization market entry strategy.

3.4 Research Design

Research design will give the framework for data collection and analysis (Bryman and Bell, 2011, p 40). This research is focused on examining the On the world largest brokerage firm Aon Plc with the presence in 164 countries all over the world. American firm Aon Plc with multinational operation in 164 countries presence single case study answered the research question. According to Bryman and Bell (2011) case study research is defined the details

study of a single case. This research is based on secondary data and some primary data from company website which depends on previous research with the deductive approach. Also focused on exploring the complex nature of the case which open and helps compare the corporate culture across in different countries in the same Firm. Single case study research is the best way to collect data while providing a clearer view of the corporate cultural influence on market entry strategy and this should give more knowledge about the study and strengthen the research. According to Yin (2014), the case study research is easy to conduct, less expensive and time-consuming. Research design provides a framework for the collection and analysis the data and a choice of research design reflects decisions about the priority being given to a range of dimensions of the research process (Bryman and Bell, 2012, p.40). Sanders et al. (2012) describe the research design is the general plan as how the researcher will go answering the research questions. It will clear objective derived from the research questions, specific the sources. This case study research on Aon is totally designed for secondary and primary data without human participant to answer the research question on impact of corporate culture on Aon's entry into UK market. According to Yin (2003, p. 50) multi-case study research design is the classic model for case study research and is applied to the single case study and we followed this design for our single case study research.

Figure 5: Case study research design

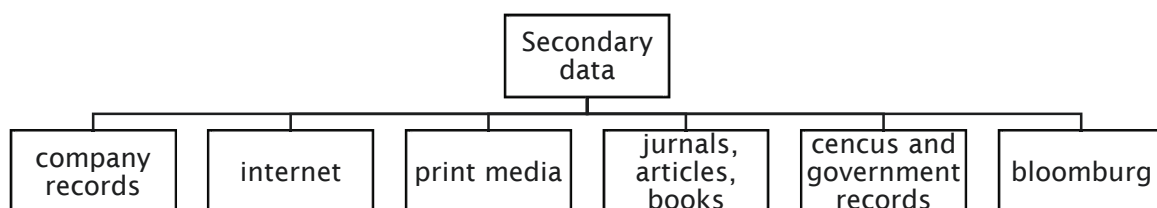


Sources: Yin (2003, p.50)

3.5 Primary and Secondary Data:

According to Saunders et al. (2012), the most fundamental distinction between two types of data is primary data and secondary data. Primary data does not actually exist until and unless it is generated through the research process which often be collected through the technique such as experimental, interviews, observations and focus group also survey (Crowther and Lancaster, 2009, p. 75). According to Crowther and Lancaster (2009, p. 75) the secondary data is the data that already exists within the organisation in some form or another, and data will be collect from books, journals, academic articles, business reviews, company own website, customer feedbacks and annual reports as well as getting information from particular sources e.g. - Bloomberg terminals. Infected the secondary data is often the starting point for data collection in as much as it is the first type of data to be collected (Crowther and Lancaster, 2009, p. 75). Because of this, the importance and potential value of secondary data, we shall consider this type of data as this research mail resources to answer the research questions. Secondary data comprises both internal and external data sources encompassing internal company information such as databases, reports, company analysis, etc. and external data sources such as published reports, the government survey, competitor information, and increasingly, the internet and web-based information (Crowther and Lancaster, 2009, p. 75). Kevin (1999) also distinguished between 'raw' secondary data where there has been little, if any processing and compiled secondary data which has received some degree of selection or summarizing as cited Crowther and Lancaster (2009, p. 75).

Chart 1: Secondary data collection

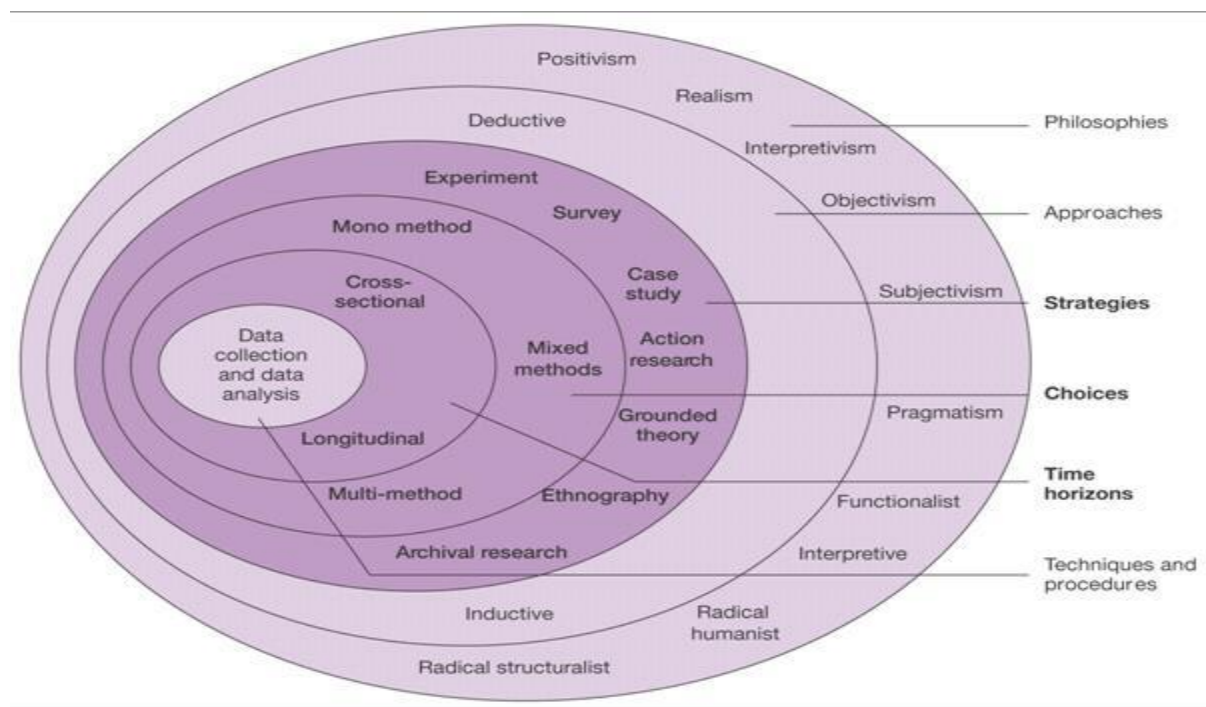


Source: Researcher own constructed chart for secondary data collection

3.5 Data Collection:

Yin (2014) describes data is the raw material of problem solving and decision making for the case study data could be – documents, documentation, archival records, interviews, direct observations, participant observation, physical artefacts Yin (2014, p. 106). Garzino and Rawlin (2004), highlight the importance of data in research methods suggesting that effective data collection is pivotal in the research process cited Crowther et al.(2009, p.73). Sanders et al. (2012) onion diagram below gives the steps of data collection and analysis procedures but we will follow which steps in required for this study.

Figure 6: Data collection onion diagram;



Sources: Saunders et al. (2012, p.160)

Eventually, every secondary data collection exercise is different according to the circumstances of the data collections procedures, the research objectives, the amount of data existence available, cost and time considerations and so on (Crowther and Lancaster ,2009, p. 91). There are several numbers of issues and steps which any secondary data collection exercise will encompass and this can be usefully thought of a number of key questions researcher must address when comes to secondary data collection Crowther and Lancaster (2009, p. 91). According to Jankowicz's (1991) suggest following are the key

questions when planning secondary data collection like- 'what to look for'; 'where to look for'; 'How to look' etc. as cited Crowther and Lancaster (2009, p. 91). For this study, all the secondary data related to corporate culture and internationalization were collected from university databases where researcher have access. Relevant books on international marketing, global marketing, organization culture, corporate culture, and corporate strategy etc. have been using for literature.

3.7 Credibility, Reliability, Validity and Subjectivity of Data-

According to Bryman & Bell (2011, pp.40-41), Reliability is concerned with the question of whether the result of the research is repeatable and it is commonly used in relation to the questions of whether or not the measure that are devised for concepts in business and management are consistent. Reliability is particularly at issue in connection with quantitative research where the researcher is likely to be connected with the questions of whether a measure is stable or not and an unreliable measure could not have faith in its consistency (Bryman & Bell, 2011, p. 41). A further and in many ways the important is criterion if research is validity. Validity is concerned with the integrity of the conclusions that are generated from pieces of research. According to Crowther and Lancaster (2009, p. 80), reliability relates to the extent to which a particular data collection approach will yield the same results in different occasions. Perhaps we should point out of course that this assumes that there are no real changes in what is to be measured or the circumstances of such measurement and where data is unreliable then we obviously have to be careful in carrying research results from one situation to another (Crowther and Lancaster, 2009, p. 80). Validity relates to the extent to which the data collection method or research methods describes or measure what it is proposed to describe or measure Crowther and Lancaster (2009, p. 80). Ghosh and Chopra define validity as an absence of self-contradiction as cited Crowther and Lancaster (2009, p. 80). Clearly validity as a dimension or criteria of data quality is crucial. For this research most of the secondary data collection from university databases where the resources and academic and peer reviews and Bloomberg terminal also used for company reports and

information gathered. Therefore, all the data used for this research is from reliable sources and valid for academic research.

Credibility- This is unimaginable to absolutely ensure that this research is credible or not. According to Bryman and Bell (2011, p.157), we can justify research credibility of this study assessing reliability, validity and subjectivity and the quality of the research can be justified by this three criteria. The research credibility discussed by reliability, validity and subjectivity.

Reliability- The reliability of this study – we can reckon that our literature, theories, and the methodology section have been well explained in depth. According to Bryman and Bell (2011, p.257) reliability is the focal point for any research and in this study, we have given very serious attention in the methodology section for explaining each step. Another very serious point is this research finding and results are based on secondary data and size of the data researcher analyzed. Therefore, if we carry on another research with same aims, objectives, methodology and design and the similar amount of data, we will get the same results. Moreover-while we conducted this research we did our highest level of efforts to bring out the best result without effect by any perceptions and tried to keep it natural. So we can say this dissertation absolutely can be view as reliable.

Validity- For the validation of this study we have put particular attention from the researcher started data collection for this research, we have built the relationship between approaches, dimensions and theories used in the literature to analyze the research topic. The secondary data we collected for this research fully covered the research area. All the resources (journals and articles) we used were academic body approved from university databases where the resources are peer-reviewed and very high quality scholarly written which increase the resulting quality also because of the valid source data were valid. Finally, we can say that the amount of data we collected and analyzed for this research, we have the better understanding of the research question and validated the study result.

Subjectivity- This is an independent research and the Researcher is not work for the organisation and our aim was to be more objective but data gathered from company's own resources and outside resources and the balance were

well maintained. This research subjectivity has been well measured by the data collection and explanation of findings. Content data analysis allowed us to answer the research question linked with the subject and convinced us that this research subjectivity has been well evaluated.

3.8 Data Analysis-

This research based on secondary data and some primary data e.g. company reports and customer feedback also will be use. After the data collection, data will be analysis by the deductive method for the research objective and answer the research question. In deductive approach researcher used existing theories to shape the approach by adopting to the qualitative research process and aspect of data analysis (Saunders et al., 2012, p.548). Yin (2009) suggested that, researcher have made use of existing theories to formulate the research questions and objectives, may also use the theoretical proposition that helps researcher do this as a means to devise a framework to help researcher to organise and direct my data analysis as cited Saunders et al. (2012, p.548). The data found from qualitative approach data (books, journals, articles, business reviews, Bloomberg terminal etc.) will be presented in necessary relevant formats. After the date analysis, the research findings and result will be compared with those acquire from the literature reviews to establish the validity of data obtain in this research.

3.9 Legal and Ethical Consideration:

There are research code and conducts for nay research and according to Diener and Crandall (1987) there are four ethical principles for any research: a) any harm to participate, b) information consent, c) an invention of privacy and d) Deception involvement. In this research, there is no human participant involvement so no concern for individual participate ethical issues and as far as secondary data concern, there is no breach of research ethical code while this research conducted. For the data collection, analysis and store researcher use his personal computer to minimise the threats and higher the data security and on other person have access oh his computer. The researcher will never share and show the data to any third party or organization and only be used

for own research purposes, also strictly follow the university ethical code and procedure for the data handling and use. The research is conducting in UK and researcher will follow the legislation that covers data protection in the 1998 Data Protection Act, (Bryman & Bell, 2011, P. 143). University has it ethical committee for each of the research conducts and this research will conduct under university supervision. During the research, Researcher will take extra care on all the ethical sensitive area of research and make sure that any unethical activities should not occur. Secondary data collection on Aon for research objectives and answer the research question never share with the third party. There are legal issues surrounding research methodology and particularly and increasingly these days, issues surrounding the data collection, storage, and uses of data Crowther and Lancaster (2009, p. 85). Many countries now have legislation pertaining to these issues and the UK made Data Protection Act-1998 to prevent and protect this kind of legal issues for research.

4 CHAPTER FOUR

RESEARCH FINDINGS AND ANALYSIS

4.1 Introduction

In this section we analysed all the research findings necessary to this study and compared with theoretical framework of reference. The core purpose of this research is evaluate and understand the knowledge of corporate cultures rule to enter into foreign market in other word business internationalization and we took a multinational American firm “Aon Plc” as a case study for this research. We will analysis the Hofstede’s cultural dimensions with Aon culture and which cultural dimensions Aon fall into for market entry strategy and we have explained ten most popular used internationalization theories for the current times and Aon internationalization will be analysis with those theories. This analysis includes which are directly Aon’s follow, have followed and possibly in the future they will follow. Also similarities and dissimilarities with the cultural dimensions and internationalization theories.

4.2. Aon Overviews:

Aon PLC is the leading global preeminent professional service firm in the world and corporation service provider of risk management, insurance and reinsurance brokerage, human resource solution and outsourcing service provider with employee based of about 72,000 in 164 countries all over the world (Aon, 2016; Aon10K, 2012). Aon plc is the leading global provider of risk management, insurance and reinsurance brokerage, and human resources solutions and outsourcing services. Through its more than 72,000 colleagues worldwide, Aon unites to empower results for clients in over 164 countries via innovative and effective risk and people solutions and through industry-leading global resources and technical expertise. MarketLine (2015) describes Aon plc is a global provider of risk management, insurance and reinsurance brokerage, and human resource consulting and outsourcing services. The company primarily operates in the US, the UK, Europe, Middle East and Africa (EMEA) and Asia Pacific. It is headquartered in London, the UK and employed about 69,000 people as on December 31, 2014. The company

recorded revenues of \$12,045 million during the financial year ended December 2014 (FY2014), an increase of 1.9% over FY2013. The operating profit of the company was \$1,966 million in FY2014, an increase of 17.7% over FY2013. The net profit of the company was \$1,397 million in FY2014, an increase of 25.5% over FY2013 (MarkeLline, 2015).

4.2.1 Industry Leading Global Resources

Aon Plc is the world largest international resources, experts in the industry knowledge with more the 500 offices more than 164 countries (Aon, 2016). According to Business insurance reports (2009) Aon ranked A.M. best number one global insurance brokerages in the world and in 2010, Aon become number one again based on brokerage revenues, and voted best insurance intermediary, best reinsurance intermediary and best captives manager (Aon, 2016). The company has a great record for many years that they provide the best service to the unique client needs by professionals with deep expertise in their industries and local markets (Aon, 2016). According to (Aon, 2016), Aon saw that globalization demanded two capabilities: gather the best thinking from around the world and then deliver solutions locally with worldwide distribution, a vast base of intellectual capital, and leading technology, we have built a professional services company to achieve these important goals—all focused on areas increasingly in demand: insurance brokerage, risk management, and human capital consulting.

4.2.2 Insurance and Risk Management

Risk management and Insurance is the main areas now a day widely viewed as a critical boardroom issue and every company's cornerstone and capital structure (Aon, 2016). According to Aon (2016), poorly constructed program may leave your organization vulnerable to major long-term setbacks, or worse, insolvency and bankruptcy. When well-designed, an insurance and risk management program frees you to pursue your vision—unhindered by concerns that you may need to hoard precious financial capital or maintain unusually high levels of liquidity (Aon, 2016).

4.2.3 Human Capital Consulting

Aon group of companies is among the world highest human capital consulting and management consulting firm gives services to the areas of consulting, outsourcing and insurance brokerage services (Aon, 2016). Top professionals provide the service to various fields and helps organisations of all sizes attract and retain top talent and Aon's can help you achieve better business results by finding, developing, motivating and rewarding employees in ways that fit with your broad financial and business goals (Aon, 2016).

4.2.4 Reinsurance

When the companies are in critical situations with risk, profitability than reinsurance is the solution for preserving or enhancing capital strength and ratings and Aon Benfield, the world's leading reinsurance broker and intermediary, provides clients with integrated capital solutions and services, delivering objective advice and fostering competition among highly rated reinsurers and an expanding array of new and alternative capital providers (Aon, 2016).

4.3 Aon's Products and Services

Aon plc is a global provider of risk management, insurance and reinsurance brokerage and human resource consulting and outsourcing services MarketLine (2015, p.21). The company's key products and services are as below :

Risk management solutions	Facultative reinsurance
Retail brokerage	Actuarial services
Risk consulting services	Enterprise risk management
Captive management services	Catastrophe management
Reinsurance brokerage	Rating agency advisory services
Capital management transaction	Human resource consulting
Advisory services	Outsourcing
Treaty reinsurance	Strategic Human Capital

Source: MarketLine, 2015, p.21)

4.4 Findings and Analysis on Aon's corporate cultures

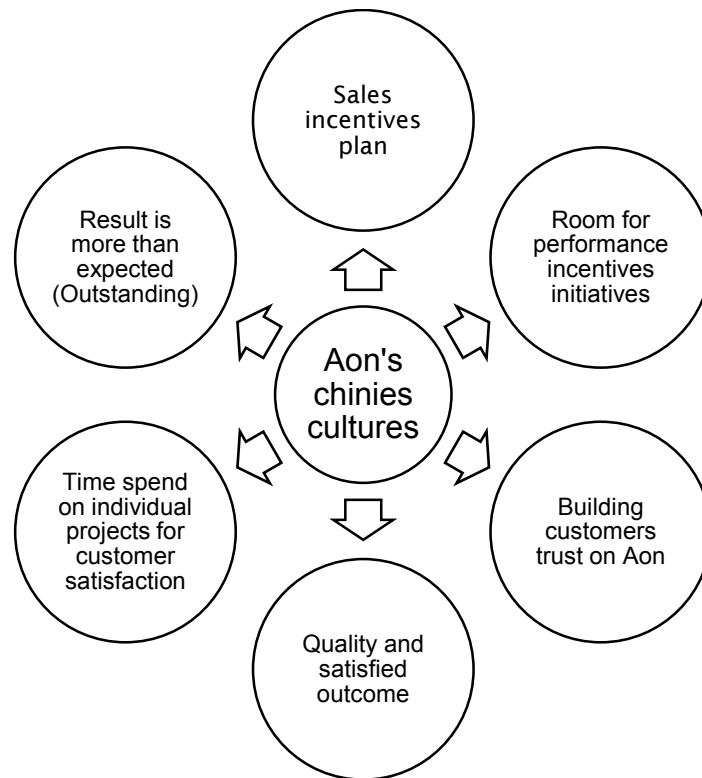
4.4.1 Aon's Corporate Culture

World leading professional service firm build a culture which represent the ability to attract people, engage and retain top talented professionals by its growth and success. The talent Aon's want are looks different, unique ideas, innovative or grew up in a different culture than the people who have traditionally fuelled our industry's growth (Aon Diversity report, 2015, p.2). The best companies build by a sustainable culture and based on our analysis, Aon's culture reflects on two concepts lead by leaders which followed by top performing companies (Trends in Global Employee Engagement, 2015; p. 1).

- a. Business and talent strategies are intimately connected; and
- b. Leadership and employee engagement are essential for success.

Aon Best Employers enjoy strong leadership, reputations, and performance orientation in addition to strong employee engagement. Their latest research on 270 global firms indicates that these additional cultural aspects of being an Aon Best Employer drive incremental business performance in sales, operating margin, and total shareholder return beyond top-quartile employee engagement alone. Leaders seem to be making the connection between talent, engaged talent, and business results at an exponentially increasing rate. However, companies are struggling to make engagement happen by fully aligning the business strategy and talent strategy (Trends in Global Employee Engagement, 2015). According to Richard Payne (2009) consultant of change said Aon's corporate culture has been changing in china with sales incentives and the following cultures are building and practicing as a company cultures-

Chart 2: Aon's Asian (China) cultures

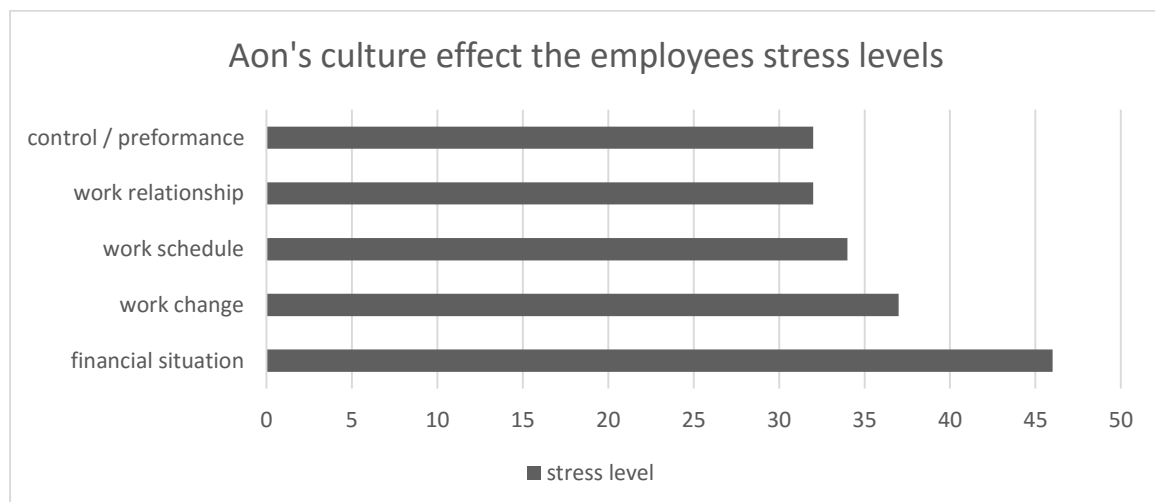


Sources: researcher own made adopted from Payne (2009, p.2).

The working style is three steps process-a) information collection, b) gap analysis and c) management workshop (Payne, 2009, p.2).

Stress free culture- Aon in 2013 conducted a research on 2800 employees by Consumer health mind-set which shows the following result (EHS work report, 2013)-

Chart 3: Cultural employees stress level in Aon



Source: adopted from EHS work report (2013).

Aon offered several program to solve this kind of cultural issues 35% employees received the offer and 3% participated (Mahieu, 2013).

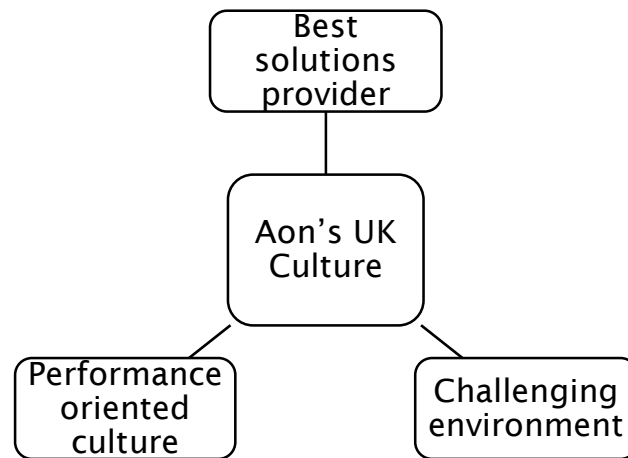
4.4.2 Aon's UK Culture

According to Vishvanath (2016) - Culture, which is defined as an organizations "operating environment" has a significant impact on the organizations ability to achieve enhanced performance. The "psychological contract" between employer and employee often exists without being explicitly defined, but by understanding this better, and effectively communicating a clear employee value proposition to employees, organizations are able to improve efficiency, productivity and workforce commitment (Aon, 2016). Aon as an organisation cultures are practices as follows:

Performance oriented culture: Aon UK offer creative solutions aligned with the organisations values, help for sustainability, high sales growth which lead to more performance -oriented culture (Aon, 2016). Aon leadership team identified the action steps for each business units, making awareness and they have begun to look into how to leverage the tool to improve performance (Aon, 2016).

Challenging environment: Aon UK culture are very challenging for the employees because they are more reward base sales incentives to drive performance and never ending continues process (Aon, 2016). Some projects KPI's are not related to sales; they are more activities based which in very challenging business culture follow but it is very success and quickly can recover the mistakes. A large numbers of performance criteria measured and maintaining Aon's meaningfulness to individual business units and teams to reduce challenges (Aon, 2016).

Table 4: Aon's UK Culture structure



Sources: researcher own made table; adopted from Aon (2016)

Best solution provider: Aon's cultural assessment tools and definition of the drivers that shape and modernize organizational culture, Aon are able to make an insightful assessment of your organizational culture. Aon then ensure other firm's particular employee value proposition is articulated and communicated, in order to manage workforce expectations (Vishvanath, 2016 and Aon, 2016). Corporate culture might derail the successful achievement of post-merger goals. Numerous studies, including ones conducted by Aon and they all appreciate the importance and complexity of culture (Aon, 2016). According Vishvanath (2016) the culture has two aspects- one is national culture which refer to national culture and other is corporate culture. Aon describes corporate culture as an organization's '*operating environment*' more easy as '*how work gets done*'. Sometimes firm gets too caught up in national cultures implications and national culture is crucial to be addressed but more fundamental piece the operating culture (Aon, 2016). Asian culture prefer private equity-backed organisation but the US firms focus being placed on cost management, characterized by a short-term, firefighting attitude rather than growth, innovation, or a future-oriented culture (Aon, 2016).

4. 5 Findings and Analysis on Internationalizations

4.5.1 Aon Entry into UK market

The world largest reinsurance brokerage Aon have move from Chicago to London its corporate headquarter because London is financially flexible and capital location for them said by Aon's risk research team (Veysey, 2015). Some of the key findings for Aon' UK entry are:

Greater access to emerging markets (Veysey, 2015)
Takes better advantage of the strategic proximity to Lloyd's(Veysey, 2015)
The London market as one of the key international hubs of insurance and risk brokerage (Veysey, 2015)
Other insurance welcome them like Lloyd's (Veysey, 2015)
Aon shareholders have approved the move(Veysey, 2015)
Extra facility e.g. Aon UK expects to be listed on the NYSE" not in the UK's FTSE Index (Veysey, 2015)
Aon promised its revenue derived from international operations has continued to grow (Veysey, 2015)
Drive Aon global strategy and strengthen our growth (Veysey, 2015)
Growth opportunities (said Aon's CEO, Greg Case, cited Veysey, 2015)
UK move is strength Chicago (Aon's CEO, Greg Case, cited Veysey, 2015)
Aon UK entry is part of Globalisation and Aon is global (Veysey, 2015)
Growing Aon's international operations (Veysey, 2015)
Greater capital flexibility because of more-favourable tax treatment in the UK for repatriation of earning; Source: (Veysey, 2015)
Access to other partner e.g. Lloyd's of London (Veysey, 2015)
To improve its competitive position (Veysey, 2015)
Aon's share facility involving Berkshire Hathaway Inc.(Lloyd's CEO Inga Beale ac cited Veysey, 2015 ; Beckett, 2015)
Managing UK' Agents and co- agents(Beckett, 2015)
Aon's retail network worldwide (Beckett, 2015)
Clients connected with Aon's directly (Beckett, 2015)
Increasing the efficiency and effectiveness (Beckett, 2015)

Aon's London market wholesale broking operations platform supported by Xuber (Beckett, 2015)

Reduce costs and risks (Beckett, 2015)

Business Integration and partnership in UK- Aon has integrated with several UK firms for their UK business entry. They have major integration with Ri3k which helps Aon to upload its reinsurance placements directly onto the ri3k Hub in real time. Ri3k has announced that it has successfully completed an ACORD certified business integration with the Con-Cert production system of the UK division of Aon (Insurance news-link reports, 2004). According to Ian Summerra Aon's Director of reinsurance said " Aon's strategy to advance the concept-and now the practice-of straight through processing has been further strengthened, and now it is up to the wider market community to embrace these technologies to realise the benefits" (Insurance news-link reports, 2004).

UK Tax rates: UK tax rates encourage Aon to move their Head quarter to London based on three following points (Dalton, 2012):

- Slashing the corporate tax rate
- Reforming the controlled foreign company rules and
- The UK's corporate tax rate has been cut from 28% and will hit 23% by 2014.

Reforms to the much maligned CFC rules are on the way and the coalition has made it abundantly clear the UK will play no part in a European financial transaction tax (FTT). Global insurance giant Aon's announcement in January that it is relocating its headquarters to London is confirmation the UK's regime is now enabling multinationals to cut their global effective tax rates (Dalton, 2012). Aon's tax Direction said "Our group is seriously considering moving to the UK," Speaking about Aon's relocation, the tax director said: "I think tax would have played a big part in Aon's move, I imagine they will make significant reductions in their tax bill by moving to the UK and the CFC reforms will have played a part in this." (Dalton, 2012). Aon has developed the various strategies for internationalisation to support their colleague's career aspirations through development, mentoring and inclusion as part of rapidly changing global work place. This strategy is work closely with Global Diversity Advisory Board and local Diversity Councils and Business Network Groups.

Aon's Women's International Network moderates a roundtable discussion at a conference hosted by the Federation of European Risk Management Associations (FERMA). Aon's Diversity strategy is fuelled by their desire to Hire the Best, Build the Best, and Be the Best. Below are examples of how we work to achieve this goal (Aon Diversity Reports, 2016).

Hiring the best people: Aon's UK and global strategy is seeking and hiring the best talent individual to build their unmatched teams. To support this goal, Aon established the 'diversity recruitment task force' which has partnership local diversity council and business networking group. This council and network group organised various events such as career fair to locate and hire the best talent and potential peoples (Aon Diversity Report, 2016).

Strategic Professional Partnerships: Aon selecting procedure and criteria involved various professional partnership in UK. Identifying ideal diverse experience candidate from different background, Aon has developed strategic partnerships and affiliations with organizations such as the Rehabilitation Institute of Chicago (RIC), the Human Rights Campaign (HRC), and the National African American Insurance Association (Aon Diversity Report, 2016).

Build the Best: Finding and recruiting the new talent is very important to any firm for the robust globalization but engaging, improvement and developing Aon's existing work force is even more important for success (Aon Diversity Report, 2016). Aon' globalization includes opportunities for employee development and to leverage their talents to enhance their culture and provide value for Aon's clients.

Talent Development Programs: Aon Internationalization strategy has partnership with Aon's Talent Development team in UK to enhance Aon's development opportunities at all levels and to sponsor specific initiatives to strengthen the pipeline of diverse talent (Aon Diversity Report, 2016). Some of the popular Aon's talent development international program are explained broadly in appendix 7.

Aon's Business Networking Groups (BNG's) and Local Diversity Councils (LDC's) focus on professional development and creating inclusive teams, and

adding client value (Lee, 2016). UK is one of the world best place for business and the top universities where talent from all over the world came to study and research. Firm like Aon have great platform to hire best skills and talents in UK.

4.5.2 Aon's internationalization into UK

Aon's Internationalization happened through various routes and some of the finding explained bellows for UK and world-wide.

Alliance

- Aon one unit Agency Specialty Product Network (ASPN) made alliance with Performance Insurance Services to provide product, program and service as independent agent for niche market such as ranch and farm (MarketLine, 2012).
- In 2005, Ameriprise Retirement Services and Aon consulting announced a strategic alliance to provide retirement education and planning services (MarketLine, 2012).
- In 2007 Arup-global multidisciplinary engineering and consulting firm and Aon announce a strategic partner to provide global catastrophic risk management solution (MarketLine, 2012).

Joint-venture

- PWIB (Pacific Wholesale Insurance Brokers) and ASPN joint together to provide independent agents and brokers with access to an independent, wholesale broker (Market-line, 2012).
- Aon and Gil-y carvajal (Spanish brokerage firm) joint together to become Aon Gil y Carvajal (Market-line, 2012).
- Aon and LeBlanc de Nicolay (French brokerage firm) joined Aon's French operations to form Aon Holdings France. (Market-line, 2012).
- In 2003, Aon Russia, a joint venture with Russian based Corporation Risk started operations (Market-line, 2012).

Parches other company

- Aon purchased Risk Laboratories from American Home Assurance Company, a risk management information systems provider in 2004 (Market-line, 2012).

Merger

- In 2010 Aon merged with Hewitt Association Inc. created Aon Hewitt a human capital solution (Market-line, 2012).

Partnership

- Aon and Gallagher Re's US made partnership in 2008 (Market-line, 2012).
- Aon and UK reinsurance brokerage firm partnership in same year-2008 (Market-line, 2012).
- In November 2011, Aon partnered with one of the top 25 insurers in worldwide- QBE Insurance Group (Market-line, 2012).

Integration

- Aon made integration with Paragon Strategic Solutions help insurance carriers improve their performance (Market-line, 2012).

Acquisition

- Aon Re Global and KPMG made acquisition in 2003 Assurance and Advisory Services (Market-line, 2012).
- In April 2011, Aon South Africa, a subsidiary of Aon, completed the acquisition with Glenrand M.I.B., a JSE Limited listed insurance broking and risk advisory services provider (Market-line, 2012).
- Aon also acquired Grieg Insurance, a Norwegian broker. In the following year, Aon added Presidium Holdings, a workers' compensation claims specialist, to Cambridge Integrated Services Group (Market-line, 2012).

Shareholder

- In 2011 Aon announced acquisition Grieg AS- Norway's largest insurance broker and become a wholly-owned subsidiary of Aon which have UK operation (Market-line, 2012).
- In January 2012, Aon reached an agreement with La Caixa and Banca March and acquired 80% of GDS insurance broker, with an option to purchase the remaining shares at a future time (Market-line, 2012).

4.6 Analysis:

Aon's corporate culture analysis with Hofstede's Cultural dimensions:

Geert Hofstede cultural dimension has been used for analysing organisational culture and corporate culture as well as country culture. Those cultural approaches are commonly used by the big corporations and researcher for its simplicity and effective output. Here we have used Hofstede's cultural dimensions to analysis Aon's corporate culture and Aon's UK culture:

Cultural dimensions	Aon's corporate culture	Aon's UK corporate culture
Masculinity	As an American firm insurance industry, Aon does not fall into this dimension.	Aon's UK as an insurance industry culture is not fit with this dimensions
Femininity	As an American firm, Aon does fall into this dimension.	Aon's UK as an insurance industry culture is fit with this dimensions where men and women are treat equally
Long-term orientation	Europe, USA and Australian cultures are long term orientation.	Move headquarter to London; Reduce cost and risk, growth, innovation and future orientated
Short-term orientation	Asian, Middle east and Africa regions are short term orientation	Some contract with UK agents are short term orientated
Power distance	Some extent Aon have this dimension in some foreign countries	Not totally applied to UK – some sub-contractor with Aon in UK might see this culture.
Uncertainty avoidance	Every single country Aon Plc have their operations are followed this dimension.	Aon UK are followed Uncertainty avoidance dimension as well as Aon Plc, Aon Hewitt

Rules of Aon's corporate culture to entry into UK- UK corporate culture is the world leading example for rest of the world. The total insurance industry culture is services based. Aon is the world leading insurance, reinsurance, brokerages and HR& Risk solution provider all business and commercial. For the Aon As American company moves or enter into the UK is the best opportunity for business internationalization. UK corporate culture gives Aon not only to expand the service and operation to the UK but also to move Aon

Headquarter in capital London. UK insurance industry is very competitive, so the company has high uncertainty and Aon's made partnership, alliance, joint venture and acquisition to reduce uncertainty and lower the risk.

Aon's Internationalizations theories Analysis- (UK market entry)

Insurance Industry entry is very competitive because UK has world largest insurance companies operations like Aviva, Lloyds, AXA, Zurich Insurance Group, China Life Insurance, Berkshire Hathaway, Prudential plc, United Health Group, Munich Re Group, Assicurazioni Generali S.p.A., Japan Post Holding Co. Ltd, Allianz SE and many more. Aon entry into UK market were very significant strategic implementation and the firm used different methods to expand UK market. After the research findings, we can see different Internationalization theories and approach Aon's used for UK market entry strategy. Though, the company has financial flexibility and UK is a capital location for insurance industry, main approach Aon's followed for the UK entering was Agency approach like - the strategic alliance with performance insurance service and global catastrophic risk management service. Aon has the partnership with Lloyd's group, Berkshire Hathaway Inc., the top 25 insurers in worldwide- QBE Insurance Group and Xuber for Aon's UK wholesale booking operations. The company made joint- venture ASPN, Gil-y carvaja (Spanish) and LeBlance (France) but they have an operation in the UK which supports Aon's UK entry. Integration was made with Paragon Strategic Solutions and acquisition between Aon Re Global and KPMG which are Aon's UK internationalization process and fall into agency approach. Aon internationalization into UK market are not directly fit with Uppsala model core philosophical thinking but this model extension by Welch and Lounsbury (1988) six dimension of internationalization are followed by the company. Aon's sales objects are service based, many agents are work with Aon, marketing involved with culture, operating structure are international divisions and have various training, skills program for the employees which are fall in Uppsala model's extended six dimensions. Any firm in any industry internationalization process involved to technological, economic and sociocultural innovations are categorically followed the Innovation related internationalization and Aon UK entry has all the technological and economical involvement. And nowadays

every multinational organization are more and more focusing on social network approach for the foreign market entry and Aon group also in the same route.

4.7 Discussion and conclusion

UK is one of the best places for international location for Insurance industry or any other foreign business especially London because of country's legal, technology, communications, transport and economic system and the most important service based corporate culture. Aon's entering into UK insurance industry were not masculinity dimension have any influence but the cultural dimension of femininity are similar to UK corporate culture. UK is a country where every industry has gender equality right so in the corporate culture those masculinity dimension is not play any rules on market entry strategy. But Femininity dimension are fit in UK corporate culture where men and women are work side by side without any difficulty and the country culture are 100% supported this dimension by UK culture and law. Aon's UK entry is Long-term orientation for various reasons such as partnership, alliance, and joint-venture and so on. The nature of the entry into UK is long-term orientation as they move headquarter to London and also UK MHRC- on corporate tax facility open the door for Aon to enter into UK market. Aon' made partnership with Lloyd's group, KPMG, Breakshire Heathway Inc. to lower the uncertainty avoidance. This study showed uncertainty avoidance is always top priority in Aon's internationalization strategies for foreign market entry. In some strategies on Aon's UK entry, we found the gradually entering is not the company's direct strategy to enter into UK market but Uppsala extended six dimension were matched with the UK market entry. Though Aon's followed innovation related models and social network theories on every country strategy as well as UK entry strategy but the Company UK market entry strategies is more closed followed by the agency approach. Partnership, joint venture, alliance, mergers and acquisitions with UK big corporations are absolutely for internationalization process strategy which is agency approach. This study showed every steps of Aon's the UK market entry strategy, corporate culture played very significant roles and highly impacted the

decisions. We have discussed in the literature about 6P's market entry analysis which gives the knowledge about markets, sales, opportunities, skills, products, customers, security, culture and those factors which helps Aon's to successful internationalization in the UK market. The market entry assessment is very necessary in any international market entry strategy and companies, as well as Aon's assessed through performance, HR, financial resources and production capabilities. *Aon's corporate culture focused on performance, sales incentives, build the best, served by the best, stress-free workplace, quality outcome and challenges as well as the UK corporate tax, all of those factors are greatly impacted on the UK market entry strategy.* This chapter we have presented the analysis the findings to answered the research question. Therefore, we can say the corporate culture has a great role in the market entry strategy and in the case of Aon's UK market entry strategy, corporate culture played a very significant role.

5. CHAPTER FIVE

CONCLUSION

5.1. Research conclusion

Accusative of this chapter is to build the relationship talk about the study result and corroborate whether the result have satisfied the real purpose of the research. Finally we have finished this research with the research limitations, further research recommendation, managerial implications then concluded. The main purpose of this research was to find corporate cultural rules on Aon's UK market entry strategy and question proposed-

“What impact corporate culture has on Aon's market entry strategy in the UK market?”

Corporate culture are positively related to the Aon's UK market entry was shown in our research. Research question was answered by the findings and analysis on corporate culture influence on Aon's internationalizations process. Corporate cultural is not a main factors for the firm made decision to enter into international market and when they see opportunities in foreign countries, internationalization happened regardless the cultural differences. In the foreign market entry the main barrier are the country culture, beliefs, languages, local and nationwide competitors and all of those can easily overcome by partnership, joint venture or by appointing a local representative as well as merger, alliance and acquisition and short term contact with agency etc. Infect the corporate culture is strongly affect all the elements are involved for foreign market entry and the interesting things is very often those factors are un-noticeable. In this research we critically analysed the Aon's corporate culture with Hofstede's cultural six dimensions and how the corporate culture played very important rule on Aon's UK market entry strategy in insurance industry. Some dimension like long-term orientation and uncertainty avoidance are totally followed by Aon's for UK market entry. Most of the research and study always says that any 6P's factors market analysis are very useful tools for assessing any market for entry strategy. When we say six P

meaning business, market, sales, account, skills, design, products, culture, market segments, opportunities, middle man, customers, securities and much more to analysis to before entering to the new market. Also, before entering into new market the company required for assessment their own performance, HR, finance, manufacturing capabilities and logistic facilities. This research result showed the importance of corporate culture in the big firm and how it actively played the very significant role and it would help all levels of business and marketing professionals for the new market entry strategy and corporate culture related decisions. The organisation entering into a new country then corporate culture played the vital role in implementing and developing the strategy. The firm has its own culture such as working style, service, structure and languages which are an essential part of company daily operations. Corporate culture and country culture are different but a lot of similarity to industry culture which also played a very important role for international market entry. Sometimes an organisation needs more localization and adaptation for the successful business entry. Now with the help of modern network and social media and news we can easily learn the foreign market and industry. The day after day market entry strategy and business internationalisation become very easy and we can learn about the corporate culture from literature but in reality is very different and always played important roles in market entry strategy.

5. 2. Recommendation

The outcome of this research should be explained with caution. In fact, the research based on secondary data is limited in this study, the generalizability of the result the multi-national American company Aon Plc. If the condition that the corporate culture, as long as these results prove the same impact on all companies that continue their gradual internationalization to companies in other contexts as valuable. Yes, in this research, we examined Aon that give service as insurance, brokerage, reinsurances and risk and HR solutions all over the world in 164 countries. So the same qualitative research on companies that continue to create their work in the company's products

instead of services, would be the chance to improve this research further. In the process of foreign market entry or internationalization process ensure that the corporate cultural differences to pursue the same influence. The initial results of this study sentences should be verified empirically in the comparative study of another large firm. Indeed it would be an interesting recommendation for another research same question and same objectives with primary data and we think the result would be very interesting and helpful. Therefore, the totally reflect the impact of corporate cultural digestions on the process of internationalization of firm's to understand this behavior, further recommended investigations are an opportunity to fully understand the phenomenon.

Suggestion for further research- This research was conducted within very limited short time period therefore, we could not use large amount of data for research findings and result based on limited amount of data. If we do further research with similar objectives and same research question but with long period of time with observation and interviews the total firm internationalization process and corporate culture rules on it than we will find different answer and we strongly suggest this for further research in future.

Managerial implications- In this research we strongly believe that there are some implications have for the managers for foreign market entry strategy by the nature we conducted the study. This study has insight explanation of corporate culture, cultural dimensions and organisation cultural played roles for the market entry strategy and business internationalization process. Here we have collected information various kinds of academic journals and articles and other valid sources which helped to answer the research questions. This pieces of work is very supporting information for the company, new managers and entrepreneur to develop new strategy for international market entry. Now a days with advancement of innovation and communication technology organisations can easily gather information and assess the foreign market. This study will give managers practical information to support their internationalization project and company can detect market opportunities. This case study research on USA private limited company 'Aon' to UK market entry and the corporate culture rules in this process. There are various

internationalization theories are used to analysed Aon internationalization and this can be a significant implication for managers. This also can gives to manager about foreign market success factors as well as disadvantages. So this all relevant facts and information will be very useful and strong support for the managers and the company ae well as entrepreneurs. Therefore we strongly recommend the managers that initially they must made investigation about the foreign market then made a decision for the strategy execution. Also we like to add some further points such as practical information, information about foreign market customer segment, country culture and industry culture. Before any strategy implementation, company must gathered all the information's to understand the foreign market to adapt the corporate culture. Managers should be aware and utilize the opportunity sizes, detected the opportunities in the international market and use them when facing the internationalization. To minimise the risk and increase the success for internationalization, manager should use similar theories to similar cultural country and it is a proven fact. It is not only help firm to focus on the managing initial stage of entry but also help keep balance the corporate and industry cultural differences at the same time and moreover support to hire employer skilled professionals. This bring the firm and managers to adopt the new culture and environment and increase the success and run the organisation in the right path. Consequently, managers and firms understand the corporate culture importance for foreign market entry and appropriate internationalization model and at the same time more involvement in international operations by effectively and allow organisation to adapt fully foreign market then the companies should be run firms international market successfully.

References

Aon Empower Result (2015) Trends in Global Employee Engagement, *Making Engagement Report*. Available at: <http://www.aon.com/human-capital-consulting/default.jsp>. (Accessed: 22 March 2016)

Aon (2016) *Diversity Report*, Available at: <http://www.aon.com/human-capital-consulting/default.jsp> (Accessed: 20 March 2016)

Barsade, S. and Olivia A. O. (2016). Most leaders focus on how employees think and behave—but feelings matter just as much, *Harvard Business Reviews*. [Accessed 21 Mar. 2016]. Available at: <http://web.a.ebscohost.com>

B. Botello and Dávila M. (2015) the new determinant creation theory: a way to attract new foreign direct investment flows Juan, *International Journal of Business and Economic Development*. 3(1), March 2015. pp-96-109.

Bryman, A. and Bell, E., (2011) Business research methods. 3rd edn. Oxford: Oxford University Press.

Blumberg, B., Cooper, R. and Schindler, S., (2011) Business research methods. 3rd edn. London: McGraw Hill.

Claus, V., Callahan, J. and Sandlin, J. (2013). Culture and leadership: women in non-profit and for-profit leadership positions within the European Union. *Human Resource Development International*, 16(3), pp.330-345.

Crowther D. and Lancaster G., (2009) Research Methods. 2nd edn. Hungary: Charon Tec Ltd Press.

Collis, J. and Hussey, R., (2009), Business research: a practical guide for undergraduate & postgraduate students. Palgrave Macmillan Press, Manchester.

Caldwell, D., Chatman, J., & O'Reilly, C. (1990). Building organizational commitment: A multiform study. *Journal of Occupational Psychology*, 63: 245-261.

Doole I. and Lowe R., (2008). International Marketing Strategy, Analysis, development and implementation. 5th edn. London: Thomson Learning.

Dempsey, J. (2015). Moral Responsibility, Shared Values, and Corporate Culture. *Bus. Ethics Q.*, 25(03), pp.319-340.

Dalton, J (2012) why taxpayers should consider relocating to the UK. , *International Tax Review*, 09587594, Mar2012, Vol. 23, Issue 2.

Glinkowska, B. and Kaczmarek, B. (2015). Classical and modern concepts of corporate governance (Stewardship Theory and Agency Theory). *Management*, 19(2).

Flamholtz, E. and Randle, Y. (2012). Corporate culture, business models, competitive advantage, strategic assets and the bottom line. *Journal of Human Resource Costing & Accounting*, 16(2), pp.76-94.

Flamholtz, E. and Randle, Y. (2012). Corporate culture, business models, competitive advantage, strategic assets and the bottom line. *Journal of Human Resource Costing & Accounting*, 16(2), pp.76-94.DOI 10.1108/14013381211284227

French, Andrea; Vital, Mathieu; Minot, Dean (2015) Insurance and financial stability Bank of England, *Quarterly Bulletin* 55.3 (Third Quarter): 242-258
Insurance Newslink (2004) ri3k COMPLETES INTEGRATION WITH AON, *Euromoney Institutional Investor PLC*, issue, 29 Sep

Ferreira, M., Pinto, C., Serra, F. and Santos, J. (2013). A Bibliometric Study of John Dunning's Contribution to International Business Research. *Review of Business Management*, 15(46), pp.56-75.

Grant, R. and Jordan, J. (2012) *Foundations of Strategy*. Oxford: Wiley.

Hagen B., Zucchella A., (2014) 'Born Global or Born to Run? The Long-Term Growth of Born Global Firms' *Management International Review (MIR)*, Springer-Verlag Berlin Heidelberg.

<http://www.aon.com/human-capital-consulting/default.jsp> (2015 and 2016). (Accessed: 20 December 2015, 1 January 2016; 3 February 2016, 8 March 2016).

Haberberg, A. and Rieple, A., (2008) *Strategic management: theory and application*. Oxford: Oxford University Press.

Jakilc M. (1998), *Internalisation Strategies, Networking and functional Discretion*, pp.359-385, OPA, Available at: web: ebscohost.com. (Accessed: 1 August 2015).

Kolbachev, E. (2014). Institutional methodology and the instruments of the natural science for the development of the innovation theory. *Management Theory and Studies for Rural Business and Infrastructure Development*, 36(2), pp.316-324.

Lewandowski, R. and Rafalska, G. (2013). The Internationalization Process – A Case Study of PWPW S.A. *EBER*, 1(1), pp.55-75.

Malhotra, N., Agarwal, J. and Ulgado, F. (2003). Internationalization and Entry Modes: A Multitheoretical Framework and Research Propositions. *Journal of International Marketing*, 11(4), pp.1-31.

Merry, J. (2013). Aon Hewitt's 2013 trends in global engagement: where do organizations need to focus attention? *Strategic HR Review*, 13(1), pp.24-31.

Menzies, J. and Orr, S. (2013). The Services Internationalization Process: An Exploratory Investigation of Australian Service Company Internationalization to China. *Journal of Asia-Pacific Business*, 14(4), pp.287-311.

O'Reilly, C., Chatman, J. and Caldwell, D. (1991). PEOPLE AND ORGANIZATIONAL CULTURE: A PROFILE COMPARISON APPROACH TO ASSESSING PERSON-ORGANIZATION FIT. *Academy of Management Journal*, 34(3), pp.487-516.

Rumelt, R. (2011) Good strategy/bad strategy, the difference and why it matters by Richard, London: Profile Books.

Saunders, M., Lewis, P. and Thoranhill, A., (2012), Research Methods for Business Students, 4th edn. Harlow, Pearson education.

Singla, C., Veliyath, R. and George, R. (2013). Family firms and internationalization-governance relationships: Evidence of secondary agency issues. *Strat. Mgmt. J.*, 35(4), pp.606-616. Available at: DOI: 10.1002/smj.2111.

Singh, D. and Gaur, A. (2013). Governance Structure, Innovation and Internationalization: Evidence from India. *Journal of International Management*, 19(3), pp.300-309

Srinivasan, S., (2010) 'Redefine global strategy: Crossing Border in a world where difference still matter', Harvard Business School Publication Corporation. 35 (3), pp. 147-149.

Yin R. (2014) Case Study Research. 5th edn. California: Sage Publication

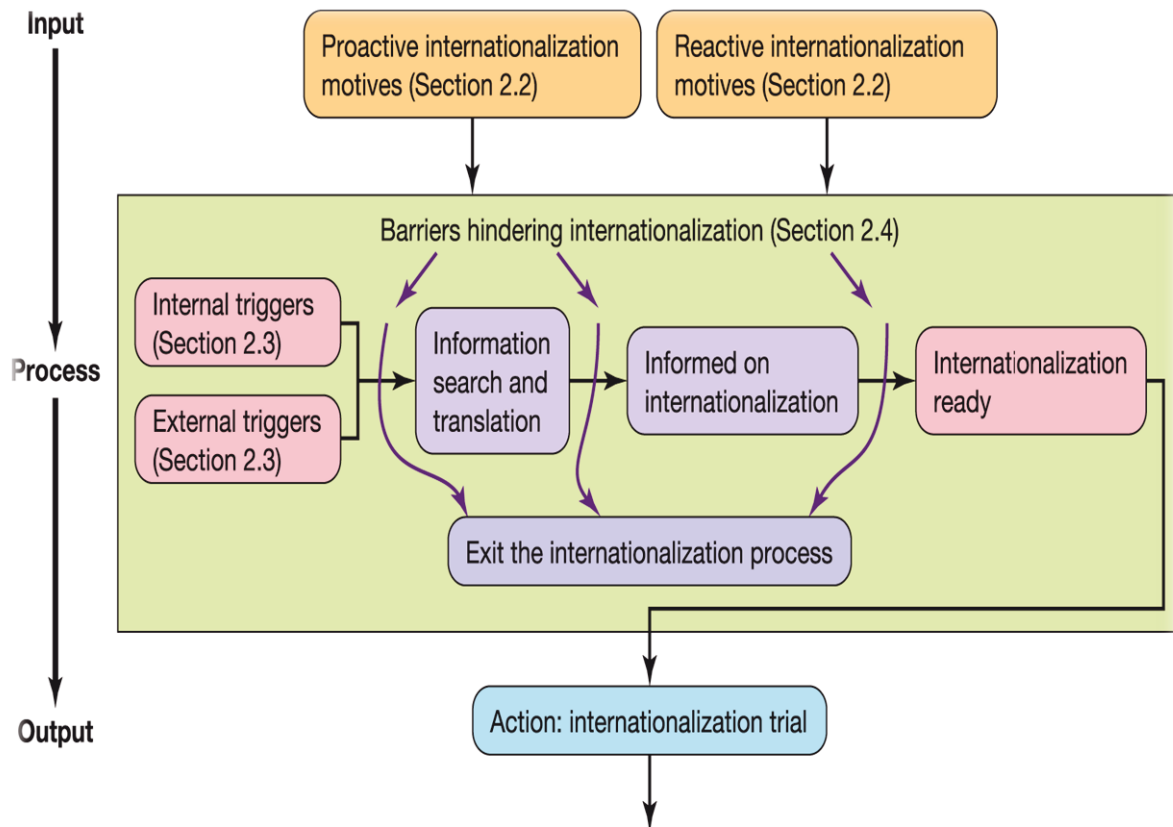
Yin R. (2003) Case Study Research. 5th edn. California: Sage Publication

Zeneli, V. (2015). Corruption, Foreign Direct Investment, and International Marketing in the Western Balkans. *Thunderbird International Business Review*, p.n/a-n/a.

10k Report Aon Plc (2012) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934, *UNITED STATES SECURITIES AND EXCHANGE COMMISSION*. 10-K 1 a2212713z10-k.htm 10-K

Appendix:

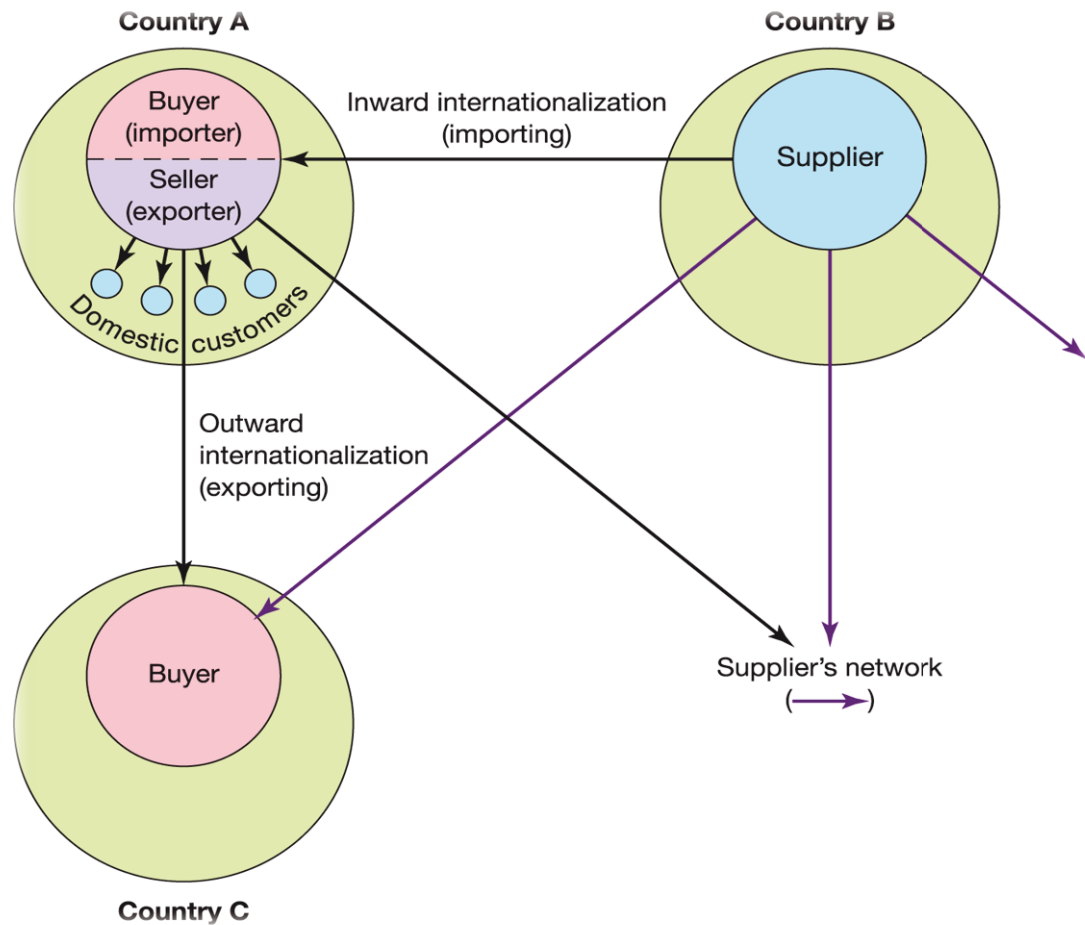
Appendix 1: the pre- internationalization stages



Chapter 3: Internationalization theories

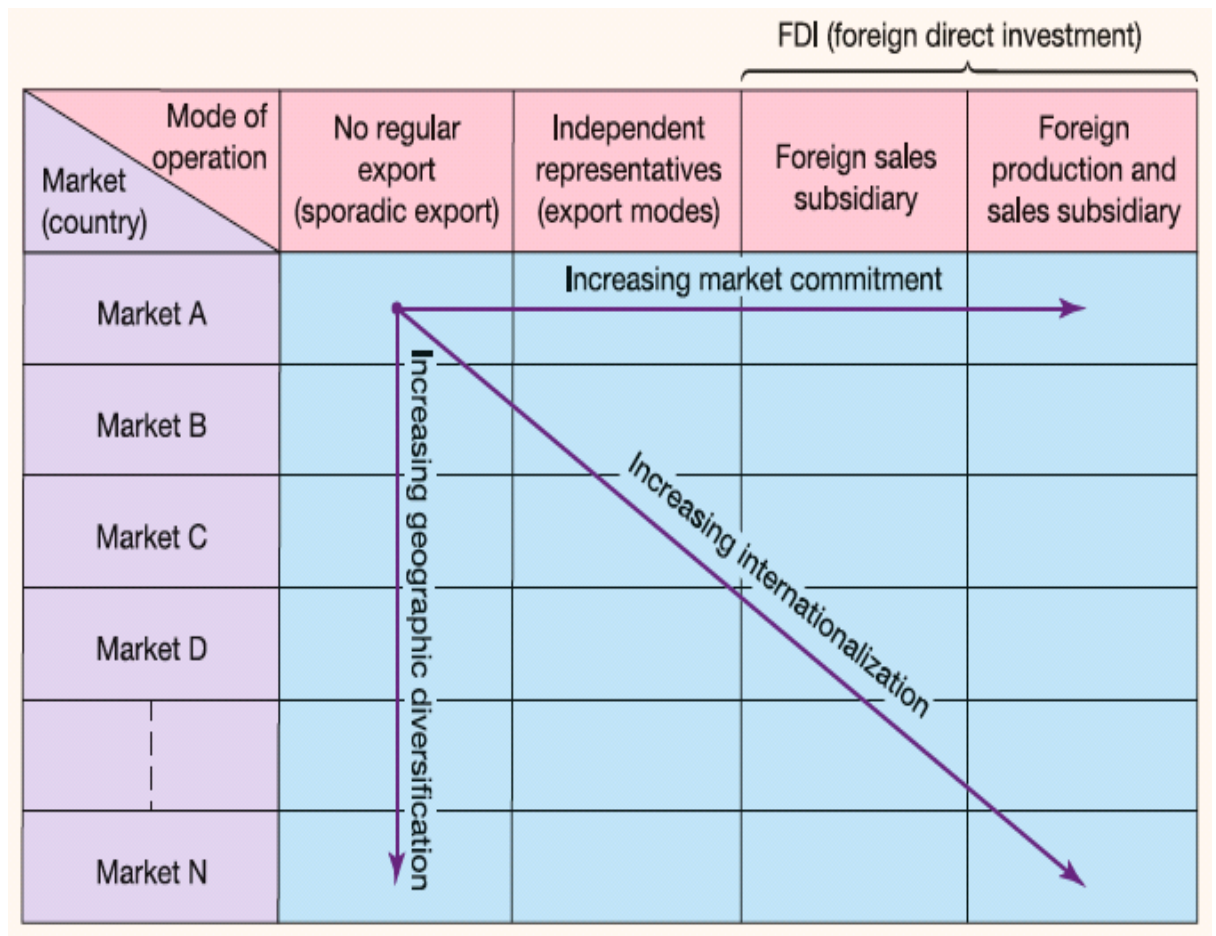
Sources: Freeman (2002) as cited Hollensen (2014, p.53).

Appendix 2: A country network example for internationalization



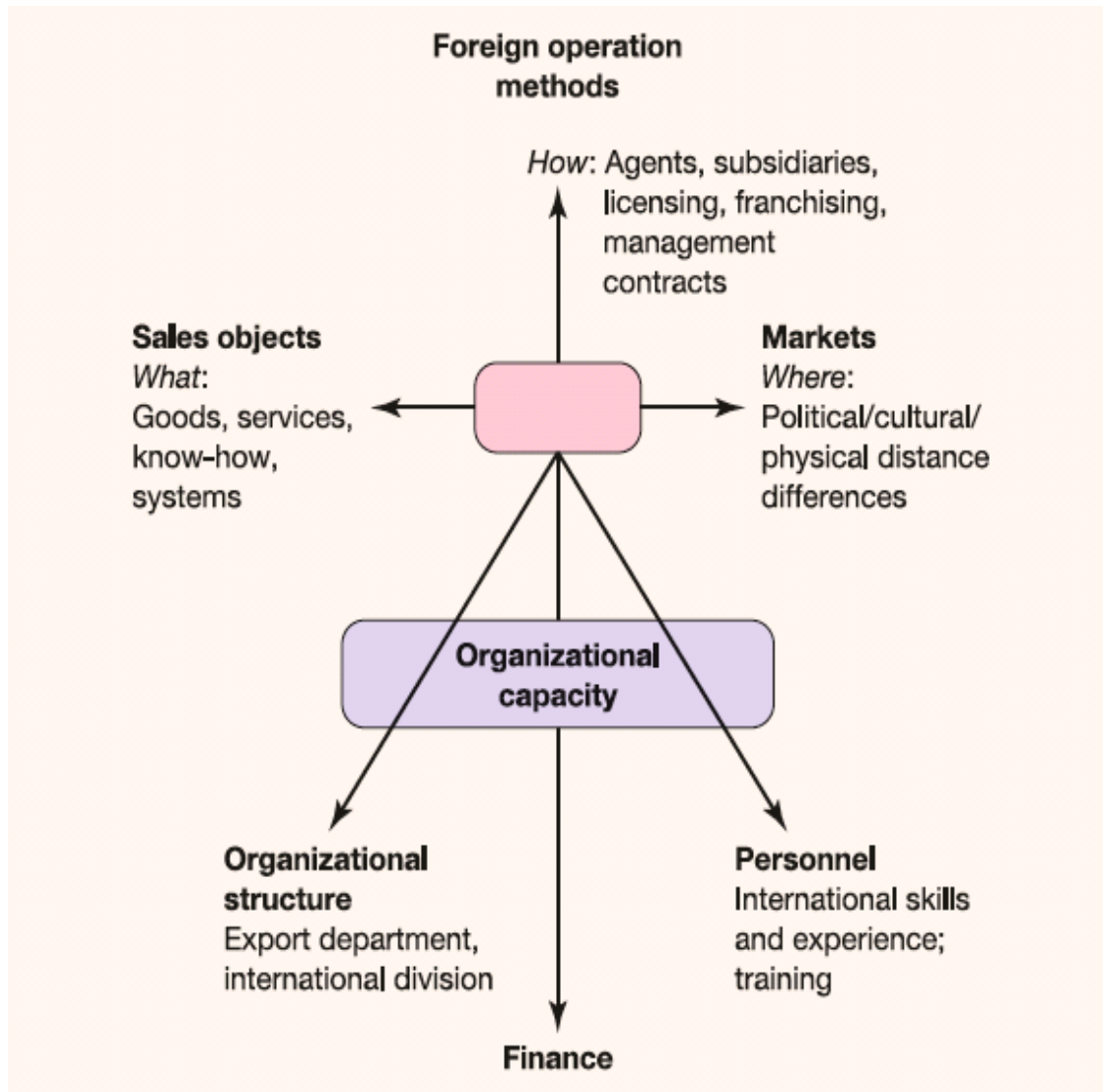
Inward/outward internationalization: source: Hollensen (2014, p.63)

Appendix 3: Internationalization of the firm incremental (organic) approach



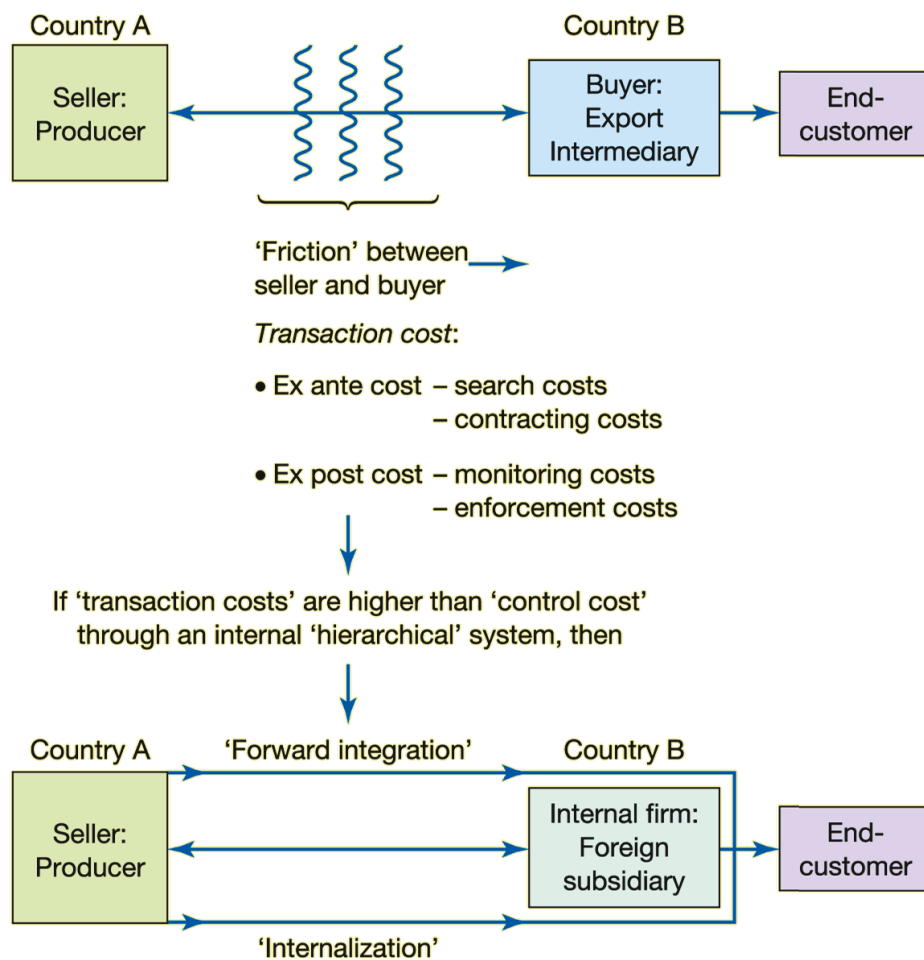
Sources: Forsgren and Johanson (1975, p.16) as cited Hollensen (2014, p.80)

Appendix- 4: the six dimensions of internationalization



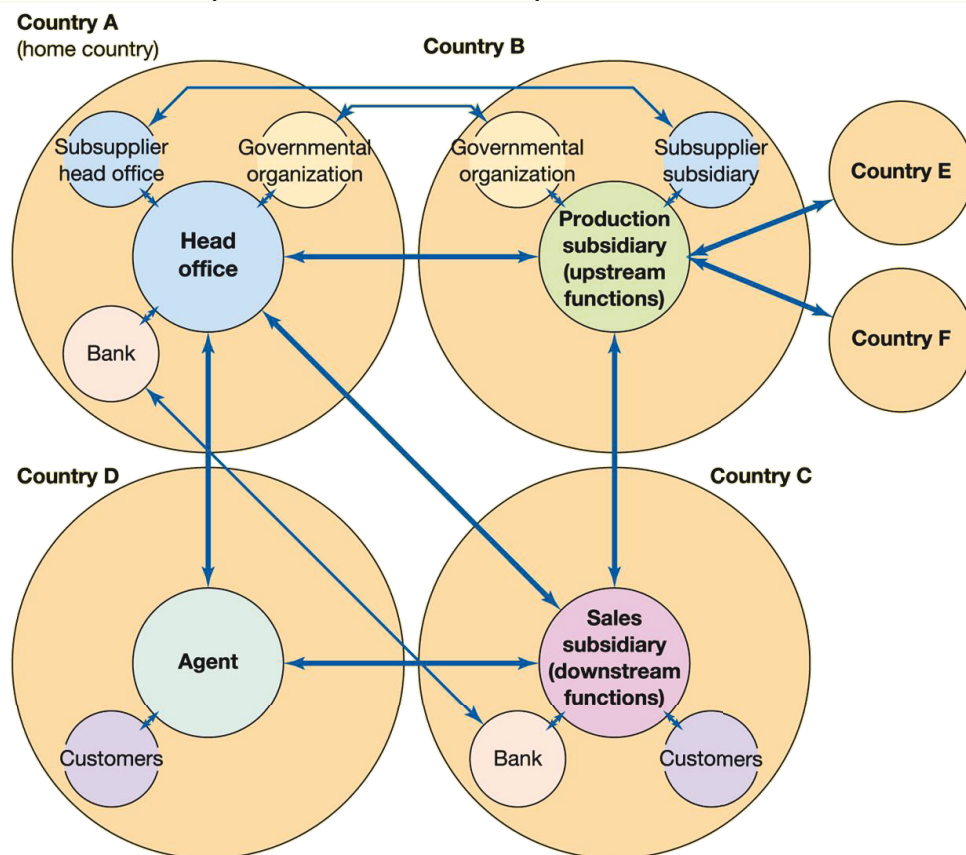
Sources: Walch and Loustarninen (1988) as cited Hollensen (2014, p.81)

Appendix 5: the principle of TCA model.



Walch and Loustarninen (1988) as cited Hollensen (2014, p.81)

Appendix 6 an example of Network theory in international network.



Source: Hollensen (2014, p.87)

Appendix7: the popular Aon's Talent development international program

Focusing on developing and guiding the career paths of executive women around the world, e.g. 32 high potential women from 13 countries in 2007.
Aon Consulting's Talent Solutions program
Aon executive sponsors program
Aon talent assessments program
Aon action learning projects
An emerging leaders development program called Horizons, which is designed to accelerate the careers of an ethnically diverse group of employees through succession planning, mentoring, peer networking and assessments
The Apprenticeship Program supports an overall strategy of finding and developing the best talent with an understanding that on-the-job experience is the most successful way to transition talent between industries and business units
South African Learner ship Program is a government initiative that focuses on cultivating skills in disadvantaged South African communities. Aon currently has 23 "learners" that are at various stages of the Learner ship process

Sources: Adopted from Aon's Diversity Report (2015, p.32)