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COMPETITIVE PAPER

MOBILIZING COLLECTIVE ACTION IN BUSINESS NETWORKS:

CREATING INCLUSIVE OR EXCLUSIVE NETWORKS?

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Abstract:

Our study shows how boundary organizations, by bringing together private, public and third sector actors across countries may mobilize new actions. The key contribution of our study is to offer a micro-level analysis of transnational network mobilization, complementing the limited body of literature on how NGOs are able to mobilize business actors across country borders. We found that NGOs may follow different strategies in their mobilization: to create either inclusive or exclusive networks. While the former efforts may gain visibility quickly, the latter may lead to more commitment from different parties and thus provide better basis for knowledge sharing and further internationalization processes.

Keywords:

collective action, mobilization, business and socio-political networks, Baltic Sea

INTRODUCTION

"Is water the gold of the 21st century?" – *Fortune* 13 Oct 2011

Many of the society's grand problems, such as climate change and water pollution and scarcity, are interlinked and collective by nature. Despite the urgency of such issues, we still retain limited understanding of what leads actors to participate in protection activities of common goods such as water, when they have not done so in the past (Abers, 2007). The emerging paradigm of collaborative governance stresses the critical role of boundary organizations in bringing together actors from public administration, private sector and civil society to solve the common problems (Morse, 2010; Mahony & Bechky, 2008; Roloff, 2008). Our study looks at NGOs as boundary organizations in saving the Baltic Sea, which is known as the most studied and protected, and still the most polluted sea in the world (Helsinki Commission 2010). Our focus on the sea leads us to analyse protection of a public good across different countries, i.e. in different institutional conditions. This contributes to understanding the challenges that boundary organizations face in transnational mobilization of actors.

The concepts of sustainable development and corporate social responsibility (CSR) are well developed and have existed for decades. The previous President of the Republic of Finland Tarja Halonen described "easily overlooked aspect of sustainable development is its applications at the local level. Global sustainability cannot be achieved without sustainability in the local and nation state level. They should not be ignored in the "globalization hype". (Halonen, 2012) Our study looks at developments in one locality, the Baltic Sea region, but offers a basis for understanding also other global problems that by necessity involve actions across different countries. So far, literature on CSR tends to concentrate on firm and/or individual relationship level neglecting broader networks were CSR is embedded. Our analysis concerns not only business networks, but also, socio-political networks. Indeed, the mutual interdependence of business and socio-political actors (Hadjikhani, Lee and Ghauri, 2008) is seldom in such a need as in tackling CSR and solving common problems. Business is not only driven by economic reasons, but also by interests which often assume an economic, social and political nature (Brito 2001).

PURPOSE OF THE PAPER AND LITERATURE ADDRESSED

The aim of our study is to explore different mobilization strategies used by NGOs to induce collective action in business networks. Our study focuses on business network mobilization processes around the issue of poor environmental state of the Baltic Sea. We investigate the mobilization strategies and activities by the two environmental NGOs who act as modern environmental networkers (Ritvala and Salmi, 2010). Different from traditional grass-roots oriented NGOs, the two private foundations mobilize rapidly, chiefly targeting key decision makers in public and private sectors.

We also study how participation in collective action networks influence firms' sociopolitical networks (Bengtson, Hadjikhani & Pahlberg, 2009; Hadjikhani & Ghauri, 2001; Hadjikhani,

Lee and Ghauri, 2008). Business network scholars would argue that for fundamental change to happen, not only actions by individual actors (individuals or organizations) are required, but in addition, there is a need for change in the interconnected relationships between actors (Anderson, Håkansson & Johanson, 1994; Håkansson & Snehota, 1995). Furthermore, mobilization is a complex task given the richness and complexities of networks. First, inter-organizational relationships involve not only actor's bonds (social networks), but in addition, resource ties and activity links as well (Håkansson & Snehota, 1995). Second, inter-organizational networks include different types of actors representing the public, private and third sectors. Thus social networks are overlapping (Mattsson, 1998) with political and business networks, which all comprise very different actors. Third, if the mobilization is transnational (as in the case of protecting the Baltic Sea), this means that the NGOs need to enter into new networks, which are not known prior to the entry. Foreign entry means orientation in the new network, positioning, and successful timing (Axelsson & Johansson, 1992). Furthermore, one needs to consider how resources of other actors can be mobilized in support of the entry: so the practical question for the organization or individual crossing the national border becomes who could be "mobilized for what and by what"? (Axelsson & Johanson, 1992). Essentially, there is a need to become involved in new networks and to gain experiential knowledge that may lead to the identification of opportunities (Johanson and Vahlne, 1977 and 2009).

Here, we shall analyze how the boundary organizations resort to and build different networks in protecting the Baltic Sea. As will be seen, their activities are affected by how they frame (Snow & Benford; 1988) the common problem. Consequently, our study marries prior research on framing with insights from network theory to go beyond cognitive drivers of cross-sectoral partnerships, and underlines the structural and dynamic antecedents of collaboration.

RESEARCH STRATEGY

Our focus on two NGOs provided us with rich contextual data, and permitted us to explore a common and divergent approached in mobilizing collective action within business networks. We chose to use a processual case study approach (Dawson, 1997), which enables us to investigate how the substance, context and politics of change shaped mobilization of business actors along time. Case research is particularly well suited to understanding of interactions between actors which are embedded in specific space and time (Stake, 1995; Woodside & Wilson, 2003). We adopt an abductive research approach with close interaction between the empirical and theoretical frameworks (Van Maanen, Soerensen, & Mitchell, 2007; Dubois & Gadde, 2002).

Typical to processual case study method, we have collected multiple forms of qualitative data from broad range of actors involved in saving the Baltic Sea. The main source of data is in-depth interviews. We have conducted 32 interviews with 42 people in Helsinki, Stockholm, Tallinn, Riga and St. Petersburg within our three year study period between February 2009 and 2012. The interviewees were representatives of NGOs (12), cities and public bodies (12), as well as companies (18). Besides elite actors, we also interviewed non-elites in business, government and NGOs in order to gain comprehensive understanding and avoid top-down and elite (mobilizer) bias (Benford, 1997). The companies operated in the fields of shipping, water chemistry, energy, water and waste management, metal processing, communications,

consulting, and technology provision. The interviews were semi-structured and were conducted in Finnish (in Finland, Estonia and Russia) and in English (Estonia, Latvia, and Sweden). A translator was used in one interview to translate between Finnish and Russian. The interviews lasted between 55 and 180 minutes, and were digitally recorded and transcribed before the analyses. Almost all interviews were conducted by two researchers, which enabled a rich dialog between the data, concepts and researcher perceptions when conducting the analysis.

Additionally, we have analysed 28 webcasts from the high level summit called Baltic Sea Action Summit (BSAS) held in Helsinki in February 2010, and 18 webcasts from the follow-up summit held in February 2011. The speeches given at the two summits were transcribed before their analysis. The webcasts broadened our view, as they showed how different types of actors from different positions and across countries framed themselves and their intentions to tackle the common issue. Such audio-visual records are little used in academic research despite their potential to provide a richer representation of reality (Borghini, Carù, & Cova, 2010). We complement the interview and webcast data with participant observation at different networking events held in Helsinki and with a field trip to St. Petersburg in November 2011. Participant observation data opened-up how the issue of poor environmental state of the Baltic Sea is framed and acted on in different countries, contexts and spheres of the society (politics, economy, and civil society). Finally, a varied range of archival data (internal and publicly available documents) was used as a supplementary data. The archival data, webcasts and participant observation enables us to cross-validate data and integrate contextual and temporal observation with the more perceptional and attitudinal data gathered from interviews (Dawson, 1997).

Given the complex research setting our data analysis consisted of a number of iterative steps. Central in our analysis was a constant comparison and dialog between our data and existing theory. First, we developed case narratives describing the background and history of the two NGOs. Second, we continued with more fine-grained analysis of the mobilization strategies used by the two NGOs. In our analysis, we focused on analyzing who the business actors were that the NGOs targeted, how they were approached, and what types of mediators were used to create collective action across borders in business networks. After within case analysis we continued our analysis by undertaking between case comparisons of mobilization of business actors. Our analytical approach involved constant iteration and moving back and forth between our empirical data and existing theory, resembling what Peirce (1955) called "analytic abduction" (Weber, Heinze, & Soucey, 2008; van Maanen et al., 2007). After a number of iteration rounds we converged on two alternative process models of creating collective action in business networks.

EMPIRICAL STUDY

We analyze the relational strategies that two NGOs have used to mobilize business actors to save the sea. As will be seen, these NGOs relied on very different mobilization strategies: broad inclusive and narrow exclusive. In the following we discuss first the narrow nets built by John Nurminen Foundation (JNF) and then the efforts by Baltic Sea Action Group (BSAG)

to created inclusive and broad networks. Our study will show also that both NGOs relied on political actors to create collective action also among business actors, but in different ways.

Creating exclusive networks: John Nurminen Foundation and water supply and treatment sector in St. Petersburg

The John Nurminen Foundation (JNF) has its roots in the John Nurminen family business, which started as a trading house and shipping company in Rauma in the Western coast of Finland in 1886. The foundation was established in 1992 with the aim of preserving the collection of sea records compiled during its history. In 2004 the foundation started its sea conservation work. This was initiated by Juha Nurminen, a fourth generation entrepreneur, and dedicated cartographer and fosterer of maritime culture. The foundation's environmental activities grew from frustration with official speeches and insights that fostering Finnish maritime cultural heritage was not meaningful if the Baltic Sea was to die before our eyes. From the very beginning the prerequisite was that environmental projects that have a concrete, measurable impact on the ecological state of the sea have to be identified. Moreover, action must be taken where each euro invested brings about the largest positive impact on the environment (puhdasitameri.fi/en/our-operational-policy). Based on these principles, the first Clean Baltic Sea project was started in 2005, based on an assessment by the Finnish Environment Institute (SYKE). SYKE had concluded that the fastest and most cost-effective way to mitigate eutrophication (that is high nutrient enrichment, which stimulates the growth of algae) in the Gulf of Finland was to improve removal of phosphorus at the wastewater treatment plants of the city of St. Petersburg.

Five years later in June 2011, the completion of wastewater treatment project (in three largest wastewater treatment plants) was celebrated at Vodokanal of St. Petersburg (the water utility of the city). The results have been significant: before 1978 there was no wastewater treatment in St. Petersburg and by the end of 2011 approximately 95 percent of all sewage is treated. The total cost of the project was around 5 million Euros. This has been co-funded by the Foundation and Vodokanal based on a 50-50 principle. In addition, the Finnish Ministry of the Environment partly financed the first two stages of the project, and the Swedish International Development Co-operation Agency SIDA contributed to the project's last phase. While the Finnish Ministry of the Environment has contributed altogether 30 million Euros to support wastewater treatment projects, the City of St. Petersburg has invested approximately one billion Euros in wastewater treatment.

The foundation's share of the project has been fully funded through companies' and private individuals' donations.[1] Three early "venture capitalists" (Fortum, Nokia and Sanoma) together with a handful of private persons were critical for setting the project into a motion in phase with little guarantee of success.

As a director of the Clean Baltic Sea project reveals to us *The most challenging thing in my work is absolutely how to motivate these actors for these actions as they cost and cause inconvenience – where do you find the motivation?"* Although Finnish-Russian cooperation in wastewater treatment in St. Petersburg dates back for more than 20 years, it was not easy to assure CEO and Director General of Vodokanal of the viability of chemical phosphorous removal as proposed by JNF. In fact, he was initially opposed to the project and replied to

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[1] http://www.puhdasitameri.fi/en/uutiset/the-john-nurminen-foundation-and-vodokanal-of-st-petersburg-complete-a-record-project-in-combating-eutrophication-of-the-baltic-sea

JNF's request: "*Listen, I'm not interested in any Baltic Sea*". However, after many references and long discussions something happened and what initially seemed impossible started to look gradually possible.

Besides long negotiations between JNF and Vodokanal, a decisive factor in changing the position of Mr. Karmazinov and Vodokanal was the involvement of the sponsor network of JNF in the mobilization. Indeed, the delegation of Vodokanal was taken around the sponsor network of JNF as one of the principal sponsors of the Clean Baltic Sea project explains to us:

> "*I told how important responsible business is and how it will be the requirement for being competitive in the future. It was then when it started. They sat there and were nodding. But they were very reserved initially.*"

When the project finally kicked-off, JNF managed and administered the entire project. It involved, for instance, technical planning of the investments, coordination of the Finnish and Russian planning work, management of procurements, as well as, procurement and delivery of equipment to the wastewater treatment plants. While significant funding by Finnish parties was given, the project in St. Petersburg also meant significant new business opportunities for Finnish and other companies in field, such as consulting and engineering companies and equipment providers. For many smaller companies, this internationalization support was of significant value.

JNF followed a very pragmatic approach in its mobilization and contacted new parties when new needs were identified. Initial mobilization concerned almost exclusively business networks and political relationships remained only at the background However, along with some major setbacks support from prestigious state level actors was sought. Along with whole-hearted support from the Finnish administration and subsequent furthering of the Baltic Sea issue with the Russian counterparts, the project advanced like clockwork. Both President of Finland and the governors of St. Petersburg have showed significant interest in the project. The following Figure 1. illustrates the key actors (public actors, companies and project funders) and the exclusive networks being created around the project.
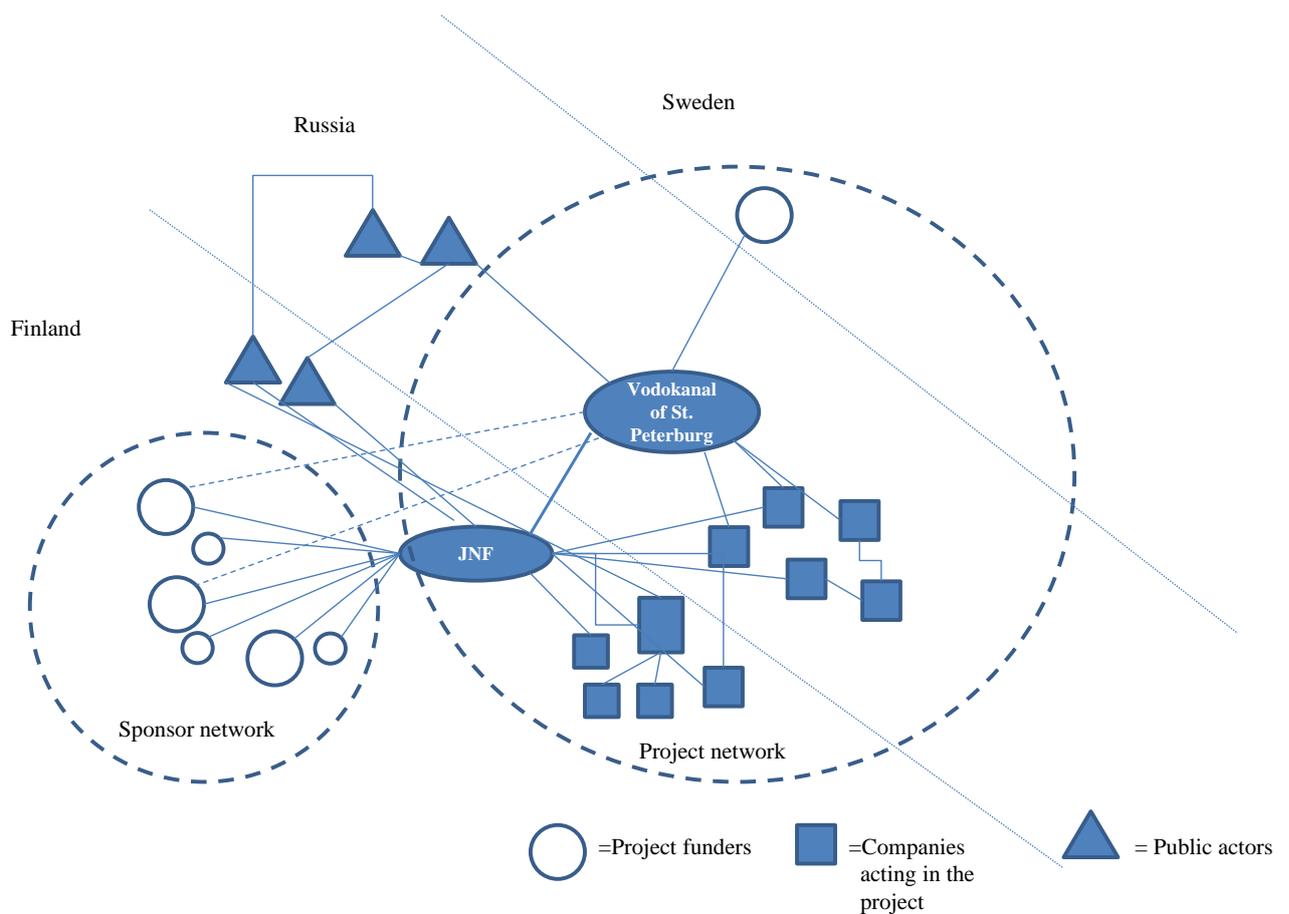
Figure 1. Key actors in the project and sponsor networks

Creating "inclusive" networks: Baltic Sea Action Group and the Summit

In 2008, the Foundation for a Living Baltic Sea was registered by three "friends of the Baltic Sea". The foundation works in the public arena under the name Baltic Sea Action Group (BSAG) and very broadly states its purpose as "to support and promote nature and human welfare, and therefore preserve and promote the Finnish cultural heritage"(en.bsag.fi). The idea was to differentiate the foundation from other NGOs fighting for cleaner Baltic Sea, by tackling all of its problem areas simultaneously. The chairman Mr. Ilkka Herlin, a trained historian, is one of Finland's richest men, has always lived near the sea and has been a sailor since the age of three. He was also the very first individual donor after Juha Nurminen in the Clean Baltic Sea project (*Talouselämä*, 21 June 2007), and interestingly, all co-founders of BSAG have a background in the John Nurminen Foundation.

In its mission statement, the foundation declares its exclusive mobilization strategy as follows (www.bsag.fi/about-us/mission):

> "BSAG's operation methods are innovative, aimed towards concrete solutions and based on extensive co-operation. The foundation acts as an initiator and/or a catalyst in parallel and concrete projects... We have a wide variety of tools in

use: political forces regardless of political views or ambitions, heads of states from the entire Baltic Sea area, civil servants and authorities, NGOs, private citizens, companies and prestigious business executives. BSAG brings the know-how and resources of the private sector to concrete actions throughout the Baltic Sea area. It is natural that the businesses that have operations somehow related to the Baltic Sea also engage in the preservation process. Both parties, the Baltic Sea and the businesses, benefit from the co-operation."

In order to mobilise also business actors at broad fronts to protective measures of the Baltic Sea BSAG needed to get wide publicity. Based on this, the idea of a high level summit came to life. This process was named the Baltic Sea Action Summit (BSAS) and it was initiated together with the President and Prime Minister of Finland. The idea was that each summit participant (public, private or third sector actor) needed to have made a concrete commitment contributing to the recovery of the Baltic Sea. As of March 2012, the summit has led to the formation of 184 commitments, instead of 50, which was the original goal (BSAG, 2011). Approximately half of the commitments have been made by business. The summit was praised by the media, who reported it in over 1000 articles in 30 different countries. In the Commitment Book Volume 2, Herlin rationalizes the participation of business actors in the collective action to save the sea in the following way:

"The role of BSAG is to act as a catalyst in projects and unite actors for a common goal. For businesses, this is not charity. Forerunners in the business world understand that it is impossible for them to operate in a destroyed environment. Innovation skills of the business world are used to solve common problems. This also creates new possibilities for sustainable profitable business."

This approach was warmly welcomed by business actors as Innovation Director of a multinational corporation describes to us:

"If they've come to ask for money, we would probably have said no. We prefer this type of initiative where we can capitalize on our technological know-how and capacity for innovation. The idea of BSAG is brilliant in that the companies can participate in the voluntary work through their best capabilities."

While BSAG was responsible for the content of the summit and for collecting commitment, the Ministry for Foreign Affairs of Finland took charge of the preparations. It also mobilised actors from other coastal states of the Baltic Sea through its foreign embassies in cooperation with the local actors and President and Prime Minister of Finland. This involved a series of events where the summit process was presented to companies, officials and representatives of the media, as depicted by one Environmental Manager:

"We were approached by this initiative directly through the embassy and also through the governmental side. I mean the Estonian government was discussing if we are interested...Why they came to us? It's sad to say but we are the region's biggest polluter."

However, as Table 1 describes, only limited success in terms of the number of commitments was reached in transnational business community mobilisation. In fact, 80 percent of all commitments made by corporations were by Finnish companies (see Table 2), including Finnish subsidiaries of multinational corporations. This illustrates the problems in reaching

and mobilizing foreign actors. Most of the commitments concern the entire Baltic Sea region. Some skepticism as comes to the goals of the participants has also been presented in the media, arguing for instance that Russia and Nord Stream AG exploited the summit to force through their political and commercial interests in promoting the Northern Gas Pipeline (Puka, 2010).

No.	Corporation Name	Country	Geographic scope	Duration (months)	Commitment Published (month/year)
1	Nord Stream AG	CH	Whole BSR	132	April-10
2	Grontmij Carl Bro	DE	Whole BSR	6	January-12
3	Copenhagen Malmö Port AB	DK	Strait between Denmark and Sweden	permanent	January-11
4	Eesti Energia AS	EST	Gulf of Finland	36-60	January-10
5	Reval Hotels	EST	Whole of BSR	permanent	April-10
6	AS Tallink Grupp	EST	Estonian waters of the Baltic Sea	permanent	December-09
7	BLRT Grupp AS	EST	Whole of BSR	24	March-10
8	VSA Vilnius	LIT	Whole BSR	24	April-10
9	JSC Concern Achema Group	LIT	Curonian Lagoon, Baltic Proper	24	July-10
10	SIA ISOPACK	LIT	Whole of BSR	6	January-10
11	Shell International Exploration & Production	NL	Gulf of Finland and the Northern Baltic	6	August-10
12	Det Norske Veritas (DNV)	NOR	Whole Baltic Sea	12	January-10
13	ProGea Consulting	PL	Cost of Poland	12	January-10
14	Passenger Port St. Petersburg	RUS	Whole BSR	24	May-10
15	Rapp Moscow	RUS	Russia	24	January-10
16	Vodokanal of St. Petersburg (State Unitary Enterprise)	RUS	Gulf of Finland	5	March-10
17	Nordea	SE	Whole of BSR	12	January-10

Table 1. BSAS Commitments by Companies outside Finland[2]

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[2] http://www.bsag.fi/commitments/all-commitments

No.	Corporation Name	Country	Geographic scope	Duration (months)	Commitment Published (month/year)
1	Attorneys at law Borenius & Kemppinen Ltd	FI	Whole BSR	30 hours/year	September-07
2	Taivas - Marketing Communication Agency	FI	Whole of BSR	48	January-09
3	Sulattamo Oy	FI	Whole of BSR	12	January-09
4	IBM Oy	FI	Whole BSR/ worldwide	6-9	February-09
5	Alleco Ltd	FI	Gulf of Finland	24	April-09
6	Pöyry Environment Oy	FI	Gulf of Finland	12-24	May-09
7	Cargotec Corporation	FI	Whole of BSR	24	May-09
8	Hill and Knowlton Finland Oy	FI	Whole of BSR	18	May-09
9	Ekomarine Ab	FI	Whole of BSR	18	May-09
10	Furuno Finland Oy	FI	Gulf of Finland	12	May-09
11	Viking Line Abp	FI	Archipelago Sea	60	June-09
12	Outotec Oyj	FI	Whole of BSR	36	June-09
13	Bain & Company Nordic	FI	Whole of BSR	12	June-09
14	Kehrä Interior Oy	FI	Whole BSR	12	August-09
15	Kemira Oyj	FI	Baltic Rim Countries	12	August-09
16	Finnair Plc	FI	Whole of BSR	23	September-09
17	Koordinet Oy	FI	Whole of BSR	36	October-09
18	McKinsey & Company Inc. Finland	FI	Whole of BSR	6	October-09
19	Sanoma Corporation	FI	Gulf of Finland	36	November-09
20	Vacon Plc	FI	Whole of BSR	12	December-09
59	Raisio Plc	FI	Whole BSR	permanent	September-10
60	Yara Suomi Oy	FI	Archipelago Sea	1	September-10
61	Russian Capital Management Oy	FI	Gulf of Finland	24	October-10
62	mFabrik Oy	FI	Whole BSR	12	October-10
63	Kemira Oyj	FI	Whole BSR	38	December-10
64	Webropol Oy	FI	Whole BSR	24	December-10
65	Ecompter	FI	Gulf of Finland	3	December-10
66	Finnair Plc	FI	Whole BSR	24	January-11
67	Auramarine Ltd.	FI	Whole BSR	24	January-11
68	SEB	FI	Whole BSR	36	February-11
69	Serus Oy/ Personal Book	FI	Whole BSR	24	February-11
70	SavetheC Oy	FI	Whole BSR	6	March-11
71	Eurofacts Oy	FI	Whole BSR	20	May-11
72	Pixmill yhtiöt Oy	FI	Whole BSR	36	June-11
73	Nordisk Film TV Finland	FI	Whole BSR	18	June-11
74	Suomen Verkkomaksut Oy	FI	Whole BSR	12	September-11
75	Accountor Group	FI	Whole BSR	27	October-11
76	Halti Oy	FI	Whole BSR	24	November-11
77	atBusiness Oy	FI	Whole BSR	permanent	January-12
78	Tieto Corporation	FI	Whole BSR	12	February-12

Table 2. The first and the latest BSAS Commitments by Finnish Companies[3]

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[3] http://www.bsag.fi/commitments/all-commitments

Transnational mobilisation has been challenging for a number of reasons. To start with, our analysis suggests that despite the mobilization support of local governmental actors, it is difficult for a NGO to reach beyond its home country. Also, the media attention outside the summit country is rather modest, and therefore it is more difficult to introduce the issue in the business agenda of companies. Furthermore, the development of civil society and CSR is only beginning in several Baltic Sea region countries, making the mobilization of business actors more challenging. However, the mobilization success of BSAG among Swedish, Danish, and German companies has also been modest despite of the environmental consciousness of the countries. Finally, also the economic crises have also complicated business mobilization.

The ingenious idea behind BSAS process is its principle of rotation of summit organizer. The Baltic Sea Action Summit 2.0 will be organized in St. Petersburg, most likely in December 2012. St. Petersburg city administration and the group of advisers (BSAG and one of the commitment makers Eurofacts) are together preparing for the second Baltic Sea Summit. The Governor of St. Petersburg Georgy Poltavchenko and Prime Minister of Finland Jyrki Katainen expressed their commitment to the upcoming summit[4]. Eurofacts Oy, a public affairs, lobbying and communication company facilitates BSAG to arrange the summit by supporting and promoting its strategic objectives in Russian administrations and decision-making processes. Its subsidiary OOO Evrofakty has been working with public affairs and communications in Russia since 1993[5], and is therefore well positioned to support the summit process in the different institutional environment.

DISCUSSION

Transnational mobilization

Our empirical study shows two processes in transnational mobilization of new actors, both involving (business and political) actors from different sectors: JNF targeted into few key actors and built strongly on its existing contacts in building up gradually the international networks (in Russia in particular). BSAG in turn made an effort to invite actors at broad fronts and from several countries to join in. Even in these efforts, some mobilization started on the basis of existing (high-level) contacts. On the basis of our study we would characterize these two strategies as follows.

Exclusive mobilization was started as carefully targeted mobilization, and in fact, as pragmatic business network mobilization: JNF representatives started by using their own contacts in business life and contacted politicians only when needed. The sponsor network (consisting of funding organizations) was used to help in mobilization. Mobilization activities involved cooperation at different levels: from highest policy makers to private persons, and considerable lobbying took place behind the scenes. The project networks around the issue were tightly coupled and involved mainly business actors. **Inclusive mobilization** succeeded in gaining high media attention and involvement of different actors, but mainly in the home country of the NGO. Furthermore, it is still difficult to see how committed the involved parties will be on the longer term.

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[4] http://www.ctse.fi/news/221-1711-member-of-saint-petersburgs-sme-business-delegation
[5] http://www.eurofacts.fi

Both mobilization processes built on the macro-position (Johansson and Mattsson, 1998) that the NGOs held in networks. This position is defined by the identity of the other actors with which the NGO has direct and indirect relationships and shows the role and importance of the NGO in the network. Both NGOs built strongly on the position that their (business) leaders had in the business community and gradually involved other actors by establishing relationships with e.g. political actors at different levels. BSAG, which used inclusive mobilization, was active in approaching the political sector broadly, while JNF targeted its actions to the moments and actors directly needed.

The cases are different as comes to the actors' membership in the networks: in exclusive networks longer term cooperation took place between selected actors, while in the inclusive case membership was more open: anyone making a commitment could participate. Another difference relates to the goal alignment: In the exclusive case the common goals were set through negotiation and the roles of different actors in the cooperation were relatively clear. In the inclusive case the goals were less precise and the rewards for the actors concerned less clear. Our learning from the first NGO (JNF), which relied on a focused approach and adopted its operation modes from the business sector, leads to the implication that there is still a need for investigations of the overlap of business and socio-political networks. In the latter case (BSAG), the NGO acted as a catalyst by bringing notable media attention to the issue and made broad mobilisation efforts by often referring to the public sector actors for support. Our examples show that the NGOs succeeded in boundary spanning, while engaging in different coordinative processes in networks. This study thus contributes to the recent IMP research on boundary objects (Easton and Mason (2009); Harrison, Prenkert, Olsen and Hoholm (2011)), in particular, by its empirical analysis of the micro-processes and coordinative actions, involving actors from different sectors.

Boundary organization and international network entry

In order to mobilize actors across country borders the NGOs also had to establish relationships with foreign actors. Thus, the NGOs themselves became more international in their operations. Internationalization means that the company establishes and develops positions in relation to counterparts in foreign markets. (Johanson and Mattsson, 1988, p. 203) Our study concerns the phase when the NGOs established positions in new national networks, which has been referred to as international extension by Johanson and Mattsson (1988). Later-on, the projects and mobilization efforts may involve further development of these positions (i.e. penetration) or, as mobilization involves more countries, increasing coordination of different national nets (integration, by Johanson and Mattsson, 1988).

Transnational mobilization was essentially a position-building process in a foreign market network (Axelsson and Johanson, 1992), where the NGOs had to overcome the liability of outsidership (Johanson and Vahlne, 2009). Both NGOs became actors in the network (insiders), but exclusive mobilization led to a position with stronger relationships with the (few) cooperating actors. Inclusive mobilization, in turn, provided a higher number of initial contacts to local actors, but it has not (yet) led to an established position with strong legitimacy in the foreign network. Hadjikhani et at. (2008) show that legitimacy, trust and commitment are key relationship elements in (foreign) socio-political behavior. Furthermore, trust and commitment are preconditions for internationalization (Johanson and Vahlne, 2009). The different mobilization efforts have called for these elements to different extents, and also,

give different potential for further international operations of the NGOs. Outsidership, in relation to the (foreign) network, is the root of uncertainty for actors (Johanson and Vahlne, 2009), and thus critical for efficient and deep mobilization across countries is to become insider and involved in the network.

In the case of exclusive mobilization, the NGO was building relatively little initially on the Finnish-Russian relationships in the area of wastewater treatment. Network position in Russia was built trough business actors and legitimacy; furthermore, strong research base was supporting the actions. The NGO relied in particular on existing contacts, both in the public and private sectors, and urged these individuals to take up the issue of the poor environmental state of the Baltic Sea in all dealings with their respective Russian counterparts, in order to demonstrate the importance of waste water treatment. This resulted in what can be called *NGO led internationalization process* (of smaller Finnish companies who became involved in the projects). This process was significant for the entire Finnish water sector competence. This involved also inviting the Russian counterpart to meet Finnish companies in Finland. Critical for the process were both relational and political mediators as well as political-historical antecedents.

On the basis of our study we would argue that exclusive mobilization is more powerful *internationalization driver* than inclusive mobilization. This is in line with the view by Johanson and Vahlne (2009, p. 1423) that "internationalization is contingent on developing opportunities". They believe that learning and commitment are strongly related to identifying and exploiting opportunities (Johanson & Vahlne, 2006). And since some types of knowledge are confined to network insiders, a strong commitment to partners allows firms to build on their respective bodies of knowledge, making it possible for them to discover and/or create opportunities.

In our case, the NGOs had to conduct two types of mobilization: firstly, to make new actors to become involved in the efforts to save the Baltic Sea, and secondly, to enter a new country (new national network) and thus gain legitimacy in that context. Therefore, the challenge of mobilization became international.

CONCLUSIONS

Our study has shown that NGOs may resort to their boundary organization role in their efforts to build different networks: broad inclusive or narrow exclusive. Previous studies tend to concentrate on national or subnational level mobilization, leaving us with little understanding of transnational mobilization. We argue that this neglect is a serious one, as the society is increasingly faced by transnational and global social and environmental issues. As a result, there is an urgent need for both conceptual and empirical studies on transnational movements and multi-actor cooperation (Zald, 2008; Schurman, 2004; Smith, Pagnucco, & Romeril, 1994). Our study shows how boundary organizations, by bringing together private, public and third sector actors across countries may mobilize new actions. Furthermore, we show how the NGOs rely on socio-political networks in mobilization of (e.g. business) actors. Interestingly, the paths taken differ in respect with how extensive cooperation networks are being created; we find both inclusive nets with many weak ties, and exclusive nets, with few strong ties.

Our study identified relational and political mediators and political-historical antecedents used by boundary organisations to create collective action in business networks across national boundaries. We see networks as complex entities that are developed over time and dependent

on their history, and that involve different actors and overlaps. The key contribution of our study is to offer a micro-level analysis of transnational network mobilization, complementing the limited body of literature on how NGOs are able to mobilize business actors across country borders (Teegen, Doh & Vachani, 2004; Dahan et al., 2010). Interestingly, the in-depth analysis of our comparative case study shows that different mechanisms and mediators were used in network mobilization. We have illustrated that for-profit and nonprofit partners may combine different sectoral frames to reconcile different value creation frames to co-construct social value (Ber & Branzei, 2010) in different institutional environments.

Our managerial implications revolve around the potential for cooperation between different actors even in solving common (environmental) problems. The study illustrates well the mutual interdependence of actors, as well as overlaps of business and socio-political networks. It also shows that mobilizing actors, boundary organizations, may adopt different strategies for building cooperation networks.

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