



Does Culture Matter? Entrepreneurial Attitudes in the Autobiographies of Twentieth-Century Business Leaders in Finland and the United States

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How do business leaders express entrepreneurial attitudes? Are there cultural differences among entrepreneurial attitudes in different countries? A comparative cross-cultural approach enables a focus on cultural differences and their influence on business. Because research studies frequently emphasize the value of “entrepreneurial” qualities for business leaders, I have chosen to discuss entrepreneurial attitudes in this essay, focusing on whether entrepreneurial qualities are defined in the same ways in different cultures. My answer is no. There are differences among countries, genders, and generations. The source material for this study consists of twentieth-century autobiographical texts of business leaders from Finland and the United States. I deconstruct the entrepreneurial attitudes of these leaders by interpreting their autobiographies using narrative and discourse analysis.

Does culture matter in entrepreneurship? Many scholars, including Joseph Schumpeter, have understood entrepreneurship as a universal phenomenon. ¹ Schumpeter considered the meanings of the words “entrepreneur” and “entrepreneurship” to be a state of mind or an attitude, a way of thinking and acting rather than a position in a society, though a certain position might follow from acts of entrepreneurship. If we agree with him, that entrepreneurship is a state of mind and a way of acting and thinking, we must concentrate on the culturally bound qualities that make an individual an entrepreneur. Western researchers have linked many different attributes to entrepreneurs and entrepreneurship, including certain personal qualities and

¹ Joseph A. Schumpeter, “The Creative Response in Economic History,” *Journal of Economic History* 7 (Nov. 1947): 149-59; Joseph A. Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle* (Cambridge, Mass., 1961).

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values, which we could call the free entrepreneurial spirit and free enterprise values. However, the meaning of these terms is debatable. Several scholars have tried to define and explain entrepreneurs and entrepreneurship. Authors have written many books and articles on the subject from various disciplinary perspectives, including history, economics, organizational and management studies, and psychology.²

Many have tried to identify what an entrepreneur needs in order to be successful: what qualities, attitudes, and values he or she has to possess in order to find a universal recipe for business success. Scholars have usually undertaken these definitions in the context of modern Western societies. Most definitions of entrepreneur and entrepreneurship conclude that an entrepreneur is a person who sets up an enterprise or business and takes financial risks in the expectation of profit; that is, he or she takes a chance on profit or loss. These explanations see the entrepreneur as a calculating actor, but there are other dimensions to entrepreneurial behavior. Besides calculated risk-taking and the hope of financial gain, a more complex definition describes entrepreneurs as innovative individuals who create,

² Alfred D. Chandler, Jr., *Strategy and Structure: Chapters in the History of the Industrial Enterprise* (Cambridge, Mass., 1962); Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass., 1977); Schumpeter, "The Creative Response in Economic History"; Schumpeter, *The Theory of Economic Development*. In other fields see, for example, Howard H. Stevenson and J. Carlos Jarillo, "Paradigm of Entrepreneurship: Entrepreneurial Management" (Special Issue: Corporate Entrepreneurship), *Strategic Management Journal* 11 (Summer 1990): 17-27; Stephen Gudeman, "Remodeling the House of Economics: Culture and Innovation," *American Ethnologist* 19 (Feb. 1992): 141-54; John B. Miner, *Psychological Typology of Successful Entrepreneurs* (Westport, Conn., 1997); Patricia H. Thornton, "The Sociology of Entrepreneurship," *Annual Review of Sociology* 25 (1999): 19-46. So-called great entrepreneurs have intrigued many U.S. scholars. See, for example, Sterling G. Slappey, comp., *Nation's Business: Pioneers of American Business* (New York, 1973); George Gilder, *The Spirit of Enterprise* (New York, 1984); Gerald Gunderson, *The Wealth Creators: An Entrepreneurial History of the United States* (New York, 1989); Tom Shachtman, *Skyscraper Dreams: The Great Real Estate Dynasties of New York* (Boston, 1991); Maury Klein, *The Change Makers: From Carnegie to Gates, How the Great Entrepreneurs Transformed Ideas into Industries* (New York, 2003); David S. Landes, *Dynasties: Fortunes and Misfortunes of the World's Great Family Businesses* (New York, 2006). In Finland, great entrepreneurs are rare, and research has concentrated on small and/or family businesses; see, for example, Juha Kansikas and Stiina Lehti, *Dimensions on Family Business Research*, vol. 1: *Values and Responsible Ownership. Reports from the School of Business and Economics* 36 (Jyväskylä, 2007), 1455-1578; Juha Kansikas and Stiina Lehti, *Dimensions on Family Business Research*, vol. 2: *Knowledge Creation and Psychological Ownership. Reports from the School of Business and Economics* 37 (Jyväskylä, 2007), 1455-1578; Juha Kansikas and Vesa Puhakka, "Business Opportunity Discovery in Small Family Firms," University of Jyväskylä, School of Business and Economics Working Paper no. 330 (2007), 1239-3797.

apply, develop, and implement new combinations of the means of production.³ The various definitions propose a number of qualities deemed most important for an entrepreneur. The first is innovativeness or creativeness. The second is boldness, or a willingness to take risks (though this is a debatable attribute because some scholars do not view entrepreneurs as risk-takers). The third quality is competitiveness. More contentious is the attribute of being a loner, a person who goes his or her own way. Not all scholars regard this fourth quality as a winning characteristic. Entrepreneurs can also passionately love and enjoy their work.⁴

Other scholars have defined “entrepreneurial qualities” differently. Mark Casson, for example, analyzed entrepreneurs’ qualities from the point of view of effective decision-making, delegation, and organizational skills. He listed ten entrepreneurial attributes: self-knowledge, imagination, practical knowledge, analytical ability, research skills, foresight, computational skills, communication skills, delegation skills, and organizational skills.⁵ Orvis F. Collins and David G. Moore, however, present a quite different picture of entrepreneurs. In the 1960s, Collins and Moore tried to build a profile of the enterprising man. They produced a kind of “collective biography” of the careers of men who had established and managed enterprises. According to Collins and Moore’s findings, it is difficult for entrepreneurs to make decisions. Entrepreneurs are unsure of themselves, but do have extensive

³ See for example Oxford Reference Online: Catherine Soanes and Angus Stevenson, ed., *The Concise Oxford English Dictionary*, 11th ed. revised (Oxford, U.K., 2006). *Oxford Reference Online*. Oxford University Press. “entrepreneur *n.*” Jyväskylä, University; viewed 22 Feb. 2007. URL: <http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t23.e18473>. *The Oxford American Dictionary of Current English*. (Oxford, U.K., 1999). *Oxford Reference Online*. Oxford University Press. “entrepreneur *n.*” Jyväskylä, University; viewed 22 Feb. 2007. URL:

<http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t21.e10236>. John Scott and Gordon Marshall, *A Dictionary of Sociology*. (Oxford 2005). *Oxford Reference Online*. Oxford University Press. “entrepreneur” Jyväskylä, University; viewed 22 Feb. 2007. URL: <http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t88.e730>. Schumpeter, *The Theory of Economic Development*, 78-79.

⁴ Schumpeter, *The Creative Response in Economic History*, 151; Schumpeter, *The Theory of Economic Development*, 75, 78; Orvis F. Collins and David G. Moore, *The Enterprising Man* (East Lansing, Mich., 1966), 242, 244; Robert F. Hébert and Albert N. Link, *The Entrepreneur: Mainstream Views and Radical Critique* (New York, 1982), 7-8, 156; Gunderson, *The Wealth Creators*, 7-9; Vesa Puhakka, “Yrittäjän persoonallisuus—miksi ja miten sitä kannattaa tutkia” [The Entrepreneur’s Personality—Why Study It and How?], *Liiketaloudellinen aikakauskirja* (2002): 199-207; Vesa Puhakka, “Yrittäjyyden keskeinen taito—taito luoda liiketoimintamahdollisuuksia,” [An Essential Skill in Entrepreneurship—The Ability to Create Business Opportunities] *Liiketaloudellinen aikakauskirja* (2003): 545-56; Klein, *The Change Makers*, 268-69.

⁵ Mark Casson, *The Entrepreneur: An Economic Theory* (Totowa, N.J., 1982).

social relationships. Furthermore, they do not love their work, nor are they energetic; on the contrary, Collins and Moore maintain that entrepreneurs often suffer from a chronic sense of fatigue and feel restless. Finally, entrepreneurs lack the ability to handle interpersonal relations with authority.⁶ Neither of these studies, however, pays any attention to culture.

Many scholars who have undertaken cultural comparisons tend to view entrepreneurial qualities as universal, despite differences in cultural environments. According to those scholars, different environments produce different actions, but do not affect the entrepreneurial qualities that societies value or require.⁷ Is this really the case? Could there be differences among the qualities, attitudes, and values attributed to entrepreneurs and entrepreneurship in different countries, cultures, and times?⁸ My answer is yes; culture does matter, even though one can find many similarities among entrepreneurs and business people from different countries.

We must first define culture. As is the case for the concept of an “entrepreneur,” the definition of “culture” is blurred and confusing. We can understand culture in one broad interpretation, as everything human-made, whether ideas, objects, or ways of acting. In this study, I understand culture as a way of acting and thinking in a certain context, that is, in a particular time and place. Thus, culture is a way of life that incorporates values, attitudes, and conceptions of the world. I also consider culture to be a process. Early twentieth-century cultures were distinctly different from early twenty-first-century cultures, even for the same countries or cities. Even social groups that share the same temporal and societal environments can have different cultures. This definition of culture (as a way of acting and thinking), is similar to the definition of entrepreneurship as a way of acting and thinking. In affirming these similarities, I view entrepreneurship as bound to a cultural context.

A comparative perspective makes it possible to detect cultural differences in entrepreneurial attitudes and values (a significant part of acting and thinking); in other words, it allows researchers to explore culture’s effects on entrepreneurial values and attitudes toward entrepreneurship, as well as the rhetorical and discursive means used to present such values and attitudes. Finland and the United States are interesting for comparative purposes because there are notable differences between their values. Authors of cross-cultural studies of values have argued that the United States is a much more

⁶ Collins and Moore, *The Enterprising Man*, 239-40.

⁷ Paul H. Wilken, *Entrepreneurship: A Comparative and Historical Study* (Norwood, N.J., 1979); Alex Stewart, “The Bigman Metaphor for Entrepreneurship: A ‘Library Tale’ with Morals on Alternatives for Further Research,” *Organization Science* 1 (1990): 143-59.

⁸ For attempts to study entrepreneurial qualities from a comparative cultural perspective, see Anisya S. Thomas and Stephen L. Mueller, “A Case for Comparative Entrepreneurship: Assessing the Relevance of Culture,” *Journal of International Business Studies* 31 (2nd quarter 2000): 287-301.

traditional society than most European countries. Finland and the other Nordic states are highly secular-rational countries, in contrast to the more religious-traditional society of the United States.⁹

In discussing how Finnish and American business leaders define both entrepreneurship and the qualities that are characteristic of an entrepreneur, I analyze and interpret how business leaders—who are the most visible representatives of business life—describe entrepreneurial qualities and attitudes, those with which they personally identify and which they connect with the entrepreneurial spirit. The first cluster of qualities I found in the material—innovation and creativity—some leaders describe as an ability to dream big dreams or to “nose out” what is in the air. The second quality is persistence and belief in one’s own abilities—in other words, the toughness that many male leaders like to ascribe to themselves. The third is competitiveness, encompassing the courage to take risks, trust in the free enterprise system, and the will to win—to beat all the others or just to surpass oneself. Leaders also describe themselves as energetic and hardworking; the leader with an entrepreneurial mind is a doer rather than a theoretician. The doer is also a nimble-witted man or woman who very often makes quick decisions based on intuition. The fifth of the qualities discussed here is the ability to deal with people and persuade or induce them to carry out the leader’s master plan—that is, the ability to make things happen. Networking and cooperative skills, or the ability to work in a team, are vitally important in this context. Researchers have often attributed the qualities and attitudes in the first four categories specifically to entrepreneurs. The last category, however, includes qualities and attitudes that seem to be important for most leaders, especially those with their own enterprises. Many scholars tend to regard these qualities and attitudes as less important aspects of entrepreneurship.

In order to study business leaders’ ideas of entrepreneurial qualities, I have applied discourse and rhetorical analysis in my examination of autobiographies, texts that are partly autobiographical, and memoirs written by top managers or business leaders, eight from Finland and nine from the United States. Some of these seventeen different business leaders worked as managers of more than one company during their careers, while others established their own businesses.¹⁰

⁹ Ronald Inglehart and Wayne E. Baker, “Modernization, Cultural Change, and the Persistence of Traditional Values,” *American Sociological Review* 65 (Feb. 2000): 19-51.

¹⁰ This article is part of a much larger study in which I compare more than sixty Finnish and American business leaders’ attitudes toward business, their business values, their conceptions of management, and their own performance as managers in particular.

Source Material and Methodology

The seventeen autobiographies and memoirs of business leaders that form the basis of my analysis represent leaders in several different areas of business life, including the auto, metal, oil, forest, construction, textile, hotel, catering, banking, insurance, cosmetics, and high-technology industries, and wholesale business (see Table 1). We can describe some of these leaders as entrepreneurs in the restricted sense of the word: Henry Ford, Ray Kroc, Estée Lauder, Mary Kay Ash, James D. Nisbet, Satu Tiivola, and Aarne Karjalainen. Several leaders are more like employees; they are professional managers working for somebody else, be this the owner family, the stockholders, or the state: Louis V. Gerstner, Lee Iacocca, Nathan S. Jonas, Rainer von Fieandt, Jaakko Lassila, Sakari T. Lehto, Uolevi Manninen, and Niilo Hakkarainen. The remaining leaders are a little more difficult to categorize. They are owners of companies who at least partly inherited their businesses; in other words, they are not entrepreneurs in the narrowest sense of the word, but they are not career managers either; Juuso Walden and J. Paul Getty belong in this category.

The autobiographies and memoirs examined in this study were written between 1922 (Henry Ford's) and 2002 (Louis V. Gerstner's). They include three autobiographies by female business leaders, including one by Finnish businesswoman Satu Tiivola. When refining my sample of leaders, I used the following selection criteria: a) there should be leaders from some of the key manufacturing industries in both countries; b) they should include leaders from the service and finance sectors; and c) they should include both male and female leaders.

These autobiographies and memoirs have some distinctive features that relate to both the reliability and the controversial nature of these types of source materials. The first issue concerns the question of authorship. In many cases, these texts have more than one author. Some of the additional authors are ghostwriters, while others are editors. Naturally, this raises the question: Who really wrote the text? It is evident that ghostwriters and editors have left their mark on these texts, but I maintain that the name of the first author is the critical one. When a leader's name is listed as an author on the cover of a book that tells the story of his or her life in the first person, it is an authorization accepting the contents of the book. In simple terms, the business leader acknowledges the story as his or her own.

The second question concerns the subjective nature of autobiographies and memoirs. The strong value-bound nature and subjective idealism of the material reveal ideas about what these leaders consider good entrepreneurship and leadership.¹¹ Although there are a number of methodological and

¹¹ I have discussed this problem in an article and a conference paper, both written with Jari Ojala; see Heli Valtonen and Jari Ojala, "Näkymättömät ja näkyvät kädet. Yritysjohdajat elämäkertojen valossa." [Visible and Invisible Hands: Business Leaders in the Light of Biographies] in *Historia ja herrasmies* [History and the Gentleman], ed. K. Ahonen et al. (Jyväskylä, 2005), 207-26; Heli Valtonen and Jari

TABLE 1
Business Leaders, Their Position, and the Enterprises They Represent

United States	
Mary Kay Ash, President	Mary Kay Cosmetics
*Henry Ford, President	Ford Motor Company
*Louis V. Gerstner, CEO	IBM (International Business Machines)
J. Paul Getty, President	Getty Oil Company
*Lee Iacocca, President	Ford Motor Company, Chrysler Corporation
Nathan S. Jonas, President	Citizens Trust Company/Manufacturers Trust Company
*Ray Kroc, President	McDonald's
Estée Lauder, President	Estée Lauder
James D. Nisbet, President	Allvac Metals
Finland	
Rainer von Fieandt, President	Union Bank of Finland (Suomen Yhdyspankki)
Niilo Hakkarainen, CEO	United Paper Mills (Yhtyneet Paperitehtaat)
*Aarne Karjalainen, President	Hyvon Oy (textile industry)
Jaakko Lassila, President	National Share Bank (Kansallis-Osake-Pankki)
Sakari T. Lehto, CEO	Partek Company (products for construction industry, metal industry)
Uolevi Manninen, President	Tuko (wholesale)
*Satu Tiivola, President	Vuoristo Group (hotel and catering industry)
*Juuso Walden, President	United Paper Mills (Yhtyneet Paperitehtaat)

*Memoirs written by a ghostwriter or with an editor (in Aarne Karjalainen's case, his son)

source-critical problems connected with the use of such subjective material, it does offer a relatively comprehensive and varied picture of business leaders' views on the subject of entrepreneurship. The biographies and memoirs of businesspeople offer scholars the opportunity to study various forms and manifestations of leadership and entrepreneurship—for example, the actions taken by business leaders in different situations, their reactions to different challenges, and their values and attitudes with regard to business and

Ojala, "Modest in Success: A Study of Biographies of Business Leaders in Finland 1800–2000," paper presented to the European Business History Association conference on "The Dynamics of Capitalism and Business Enterprise—200 Years of Success, Failure and Scandal," Copenhagen, 17-19 Aug. 2006. I have also discussed source-critical and methodological problems concerning autobiographies in my published doctoral dissertation: Heli Valtonen, "Minäkuvat, arvot ja mentaliteetit: Tutkimus 1900-luvun alussa syntyneiden toimihenkilönaisten omaelämäkertoista" [Self-images, Values, and Mentalities—An Autobiographical Study of White-Collar Women in Twentieth-Century Finland] *Jyväskylä Studies in Humanities* (Jyväskylä, 2004), 16-18.

leadership. Through these works, scholars can examine accepted and approved interpretations of the lives of the subjects and of major turning points in those lives. A study of business leaders thus enables us to investigate the chronologically and culturally bound and accepted meanings of leadership, ideas about the qualities regarded as characteristic of a good leader, ways of understanding business success and the factors behind it, the kind of experience felt to be most relevant to a businessperson's career, what deeds are most significant and worthy of recounting, how activities and actions are justified (that is, how significance is attached to actions) and, finally, how business management and leadership are stereotyped and mythologized. Even though autobiographies can be useful material for historians to study, few scholars have used such texts to study economic or business history or the history of management.¹²

A third question concerns methodology: How can we use such source material to get plausible answers that can withstand scrutiny? We can never study abstract phenomena such as values, attitudes, and subjective ideas about the qualities of someone or something with absolute accuracy because of the constantly changing definitions on which we base those abstractions. They are ideas that elude definition. There are many scholars—in the domains of psychology or sociology, for instance—who attempt to study the values and attitudes of their contemporaries. Very often, they use large samples and questionnaires or tests in a controlled environment with only a few dependent variables.¹³ These are, however, impractical methods for a historian. Luckily, some methods allow historians to study such phenomena. The methodological means discussed here include a range of rhetorical and discourse analysis applied in different combinations.

In a memoir or an autobiography, authors narrate their lives using language (words, metaphors, expressions, and so forth) and other narrative and rhetorical means to convey their messages to their readers. Numerous established and approved modes, forms, and cultural characteristics regulate

¹² Eyal Naveh, "The Transformation of the 'Rags to Riches' Stories: Business Biographies of Success in the Progressive Era and the 1920s," *American Studies International* 29 (April 1991): 60-81; David B. P. Sims, "The Formation of Top Managers: A Discourse Analysis of Five Managerial Autobiographies," *British Journal of Management* 4 (March 1993): 56-68; Jim Collins, "Level 5 Leadership: The Triumph of Humility and Fierce Resolve," *Harvard Business Review* 83 (July/Aug. 2005): 136-46. For biographies in leadership studies see: Bernard M. Bass, Bruce J. Avolio, and Laurie Goodheim, "Biography and the Assessment of Transformational Leadership at the World-Class Level," *Journal of Management* 13 (Spring 1987): 7-20.

¹³ For example Michael H. Morris, Duane L. Davis, and Jeffrey W. Allen, "Fostering Corporate Entrepreneurship: Cross-Cultural Comparisons of the Importance of Individualism versus Collectivism," *Journal of International Business Studies* 25 (1st quarter 1994): 65-89; Miner, *Psychological Typology of Successful Entrepreneurs*.

autobiographical narrative.¹⁴ The writer must win over readers by finding a recognizable and approved way of telling the story. Cultural factors from the surrounding society influence narratives concerning individual lives, such as memoirs. Meta-narratives of this kind include the quest theme, in which the hero overcomes adversity to achieve eventual success; one of its major subsidiary forms, particularly in the United States, is the “rags to riches” story.¹⁵ The strong value-bound nature and subjective idealism of the material presented in words reveal, above all, ideas about what personal qualities leaders should have and about their ethical and moral choices. Certain words, such as adjectives, superlatives, and metaphorical expressions, indicate the values that authors attach to the topics, people, things, and acts they write about. In texts, these ideas are condensed into deifications of leadership, which sometimes become detached from their objects and turn into universal models of how leaders should act and approach work. In fact, many authors give direct advice to the reader on management and business. As entrepreneurship and entrepreneurial attitudes, values, and qualities are part of a more general phenomenon that we can call leadership, all that we say concerning leadership also holds true for entrepreneurship.

Entrepreneurial Attitudes and Qualities

Innovativeness and Creativity

Now the big secret: I would give the woman a sample of whatever she did not buy as a gift. It might be a few teaspoonfuls of powder in a wax envelope. Perhaps I'd shave a bit off the tip of a lipstick and tell her to apply it with her fingers. Perhaps, in still another envelope, I would give her a bit of glow. The point was this: a woman would never leave empty-handed. I did not have an advertising department. I did not have a copywriter, but I had a woman's intuition. I just knew, even though I had not yet named the technique, that a gift with a purchase was very appealing. In those days, I would even give a gift without a purchase. The idea was to convince a woman to try a product. Having tried it at her leisure in her own home and seeing how fresh and lovely it made her look, she would be faithful forever. Of that I had not one single doubt.¹⁶

¹⁴ Ruth Josselson and Amia Lieblich, eds., *The Narrative Study of Lives*, vol. 3: *Interpreting Experience* (Newbury Park, 1995); Norman Fairclough, *Critical Discourse Analysis: The Critical Study of Language* (3d ed.) (London, 1998); Lia Litosseliti, ed., *Gender Identity and Discourse Analysis* (Philadelphia, Pa., 2002); Ruth Wodak, ed., *New Agenda in (Critical) Discourse Analysis: Theory, Methodology and Interdisciplinarity* (Philadelphia, Pa., 2005).

¹⁵ Naveh, *The Transformation of the 'Rags to Riches' Stories*.

¹⁶ Estée Lauder, *Estée: A Success Story* (New York, 1985), 29.

In business leaders' autobiographies and memoirs, innovation and creativity are among the most discussed qualities.¹⁷ Depending on the branch of industry in which the leaders act, they emphasize innovations in production methods, new and groundbreaking products, or marketing and sales techniques. We can see an example of this in the above quote by Estée Lauder, who also points out that her products were of an exceptionally high and pure quality in comparison with those of her competitors. Elsewhere in the text, she relates how her company spends a lot of time and effort on continuously improving its products and extending the product range. Another leader from the cosmetics industry, Mary Kay Ash, stresses her sales techniques, the structure of her enterprise, and the principles (including networking and the so-called golden rule of action) upon which she based her business. Both Lauder and Ash emphasize women's intuition and sensitivity to other people's feelings.¹⁸ Satu Tiivola, who started her business career in the retail textile retail trade and later worked in the hotel and catering industry, also writes of her intuition and sense of what women liked and wanted, as well as of her good taste and feeling for beauty.¹⁹

Henry Ford wrote about his new production method as well as his new product idea: a car for everyman: "Standardization . . . is not just taking one's best selling article and concentrating on it. It is planning day and night and probably for years, first on something which will best suit the public and then on how it should be made."²⁰ Aarne Karjalainen detailed how he brought new technology into the Finnish textile industry in order to raise the quality of knitted fabrics; he specifically recalls that introducing new seaming machines enabled workers to sew stronger and better seams.²¹ J. Paul Getty emphasized that he was among the first to establish the scientific research that was so important for the oil business.²² Ray Kroc described his business organization, marketing methods, and the quality of his product, an invention that changed the whole restaurant business.²³ James Nisbet related his scientific ambitions: "I was restless and disappointed in the slow pace that innovation in metallurgy seemed to move from research knowledge to

¹⁷ On creativeness in leadership, see Roni Reiter-Palmon and Jody J. Illies, "Leadership and Creativity: Understanding Leadership from a Creative Problem-solving Perspective," *The Leadership Quarterly* 15 (Feb. 2004): 55-77.

¹⁸ Lauder, *Estée*, 101, 129-45; Mary Kay Ash, *Mary Kay* (New York, 1981), 24-27.

¹⁹ Satu Tiivola (ed. Maarit Huovinen), *Satu miesten maailmassa* [Satu in a Man's World] (Helsinki, 2000), 20, 60, 72.

²⁰ Henry Ford (in collaboration with Samuel Growther), *My Life and Work* (Garden City, N.Y., 1922), 49.

²¹ Aarne Karjalainen (ed. Jussi Karjalainen), *Elämäni matkakirjeet* [The Travel Letters of My Life] (Helsinki, 1996), 55, 59, 66-67.

²² Jean Paul Getty, *My Life and Fortunes* (New York, 1963), 51.

²³ Ray Kroc (with Robert Anderson), *Grinding It Out: The Making of McDonald's* (Chicago, 1977), 95-97, 158-59, 164-65, 170-71.

practical application.”²⁴ Similarly, Juuso Walden wrote about the modernization of Finnish paper mills.²⁵

Professional managers, on the other hand, give greater emphasis to organizational changes and improvements inside the enterprise, or to total transformations they have carried out in their companies.²⁶ Lee Iacocca and Uolevi Manninen see themselves as good at marketing, and both also describe what they did to improve their companies’ corporate images; Iacocca in particular writes at length about his contribution to product development.²⁷

Persistence and Belief in One’s Own Abilities

“Henry,” I said calmly, “what the hell do the guy’s pants have to do with anything?”²⁸ Leaders use several different discourses to describe their persistence. Lee Iacocca and Ray Kroc use the “I-am-the-tough-guy” discourse, which they embellish with a number of strong words. For example, both Kroc and Iacocca use the word “hell” a number of times in their texts; in fact, Iacocca uses it more than fifty times in his autobiography. Through his choice of language, Iacocca is describing the auto industry as a “tough guys’” business and, because he has succeeded in it, he is sending a signal to the reader that says Iacocca must be the toughest “guy” in the business. He also demonstrates that toughness by showing the reader that he had the courage to speak straightforwardly and calmly to his boss Henry Ford II. Being a “tough guy,” he also has the guts to talk straight, to say what he really thinks, even in the face of other people’s ideas and beliefs.

For most of them, federal help for Chrysler constituted a sacrilege, a heresy, a repudiation of the religion of corporate America. The aphorisms started flowing like water as all the old clichés got dusted off. Ours is a profit-and-loss system. Liquidations and closedowns are the healthy catharsis of an efficient market. A loan guarantee violates the spirit of free enterprise. It rewards failure. It weakens the discipline of the marketplace. Water seeks its own level. Survival of the fittest. Don’t change the rules in the middle of the game. A society without risk is a society without reward. Failure is to

²⁴ James D. Nisbet, *The Entrepreneur* (Charlotte, N.C., 1976), 30.

²⁵ Juuso W. Walden (ed. Tapani Karreinen), *Minua sanotaan Juusoksi* [They Call Me Juuso] (Helsinki, 1971), 244.

²⁶ Rainer von Fieandt, *Omaa tietään kulki vain* [But He Went a Course His Own], 2d ed. (Helsinki, 1970), 41, 82-85, 92; Niilo Hakkarainen, *Oravanpyörässä* [In the Rat Race] (Porvoo, 1993), 93-95; Jaakko Lassila, *Markka ja ääni: Suomalaisen pääoman palveluksessa* [One Mark, One Vote: In the Service of Finnish Capital] (Helsinki, 1993), 148-49, 201-205; Sakari T. Lehto, *Muistikuvia ja merkintöjä. Teollisuuden piirissä koettua* [Memories and Notes: Experiences in Industry] (Porvoo, 1996), 130; Louis V. Gerstner, Jr., *Who Says Elephants Can’t Dance? Inside IBM’s Historic Turnaround* (New York, 2002); Lee Iacocca (with William Novak), *An Autobiography* (New York, 1984); Uolevi Manninen, *Irtiotto* [The Take-Off] (Porvoo, 1997), 73-79, 99-117.

²⁷ Iacocca, *An Autobiography*, 7, 39-40; Manninen, *Irtiotto*, 25, 41.

²⁸ Iacocca, *An Autobiography*, 99.

capitalism what hell is to Christianity. Laissez-faire forever. And other assorted bullshit!²⁹

In his autobiography, Iacocca has a chapter called “Straight Talk,” in which he shares with the reader his ideas on several topics concerning the auto industry and business in general. The man behind McDonald’s, Ray Kroc, also describes himself as resolute, unyielding, and straight talking.³⁰

While strong words are a sign of the tough American businessperson, Finnish business leaders tend to avoid using such words. They are not completely absent, but Finnish entrepreneurs usually manifest toughness by highlighting the difficult decisions and actions they had faced as leaders. Typical expressions include “I was forced to,” “I had to,” “there was nothing else to do,” “I was elected,” or “I became.” In other words, a leader describes the situation as being one in which he did not have any alternative but to be the “tough guy” who made the difficult decision. Often, a Finnish leader will assert that other people raised him to his new position; he did not actively choose to become a leader. The third strategy employed by Finnish business leaders is to use either the passive or the plural.³¹ American leaders also use the same narrative and rhetorical strategy occasionally. For example, Iacocca wrote, “That’s a hell of a way to negotiate, but sometimes it’s what you’ve got to do.”³²

The oil magnate J. Paul Getty, on the other hand, uses a quite different narrative and rhetorical strategy when he describes his qualities; he lets other people testify, for example, to his toughness: “There are those who hold that I am an astute, shrewd businessman and a tough negotiator.”³³ Most of the authors use the same strategy: they quote, for example, discussions (what others have said to them), articles written about them, or list the merits granted to them by others. Sometimes they let the statistics and figures speak for themselves.³⁴

Another quality mentioned in connection with the toughness in Kroc and Iacocca’s autobiographies is persistence. They describe themselves as individuals who never give up, regardless of the situation or possible consequences. A persistent man will go through hell and high water when he

²⁹ Ibid., 202.

³⁰ Kroc, *Grinding It Out*, 41-45.

³¹ For example von Fieandt, *Omaa tietään kulki vain*, 19, 44-45, 82; Lassila, *Markka ja ääni*, 81, 98, 167; Hakkarainen, *Oravanpyörässä*, 48, 63, 78-81; Manninen, *Irtiotto*, 55, 57, 73.

³² Iacocca, *An Autobiography*, 233.

³³ Jean Paul Getty, *As I See It: An Autobiography of J. Paul Getty* (Englewood Cliffs, N.J., 1976), 281.

³⁴ For example, Nathan S. Jonas, *Through the Years: An Autobiography* (New York, 1940), 105-29; Nisbet, *The Entrepreneur*, 53, 177; Kroc, *Grinding It Out*, 119-20; Iacocca, *An Autobiography*, 5, 59, 132, 263-66; Lauder, *Estée*, 225; Lassila, *Markka ja ääni*, 224, 232-36; Hakkarainen, *Oravanpyörässä*, 157, 233; Tiivola, *Satu miesten maailmassa*, 101-3, 167-68, 172, 190-92, 233-39, 242.

has decided what he wants; he does not withdraw from his position. He does not flinch from making decisions when needed and forges right ahead:

Iacocca: For a variety of reasons, Chrysler turned out to be a hell of a lot more than I bargained for. But once I was in, once I had decided what it was I wanted to do, I never thought seriously of leaving.³⁵

Kroc: My disappointment with Ethel [Kroc's first wife] did not deter me, though. When I have my mind made up about a business deal, that's it. I was going to move ahead regardless.³⁶

Kroc: I didn't know where the hell I was going to raise the money, but I had made up my mind to do it. In the end, most of the cash came from my new home in Arlington Heights. I managed to get an increase in the mortgage, much to Ethel's dismay.³⁷

In Kroc's case, the consequence was that his marriage practically broke down. For his part, Aarne Karjalainen writes that he did not give up until the very end, when bankruptcy was unavoidable and his health was failing totally. He describes how in spite of everything he was ready to get up even from his sickbed in order to save his company if he could.³⁸

Persistence is not, however, just the prerogative of men. The women leaders also describe themselves as persistent. This is true in the cases of Estée Lauder, Mary Kay Ash, and Satu Tiivola alike. Ash writes that even when her husband died she did not give up, but carried on with the business. Estée Lauder writes about her persistence, saying that she never gave up promoting her cosmetics until she succeeded in selling her products to the buyer of a department store. However, persistent women seek expression in very different ways than men. Where men use tough words and a loud voice, women describe their methods as being more feminine, such as the use of a soft voice, a smile, kind words and compliments to persuade other people or to sell their products.³⁹

Where men and women leaders do agree is in their belief in their own abilities. The motto of Mary Kay Ash is "You can do it," and Kroc writes, "There's almost nothing you can't accomplish if you set your mind to it." Satu Tiivola emphasizes the fact that "You must have a clear path in your life: you need to know what you want and aspire to it."⁴⁰ Finnish male leaders, on the other hand, do not emphasize a belief in their own skills and abilities as strongly and obviously as their American counterparts. Their message is vaguer; they tend to write more about persistence and the fighting spirit than

³⁵ Iacocca, *An Autobiography*, 150.

³⁶ Kroc, *Grinding It Out*, 53.

³⁷ *Ibid.*, 57.

³⁸ Karjalainen, *Elämäni matkakirjeet*, 154-79.

³⁹ Lauder, *Estée*, 43, 114-19, 162; Ash, *Mary Kay*, 45, 52-53, 154-62; Tiivola, *Satu miesten maailmassa*, 58, 149.

⁴⁰ Ash, *Mary Kay*, 1; Kroc, *Grinding It Out*, 55; Tiivola, *Satu miesten maailmassa*, 16.

their skills; Aarne Karjalainen, for example, describes himself as a fighter and a man who wanted “to re-shape the world of textiles.”⁴¹

Risk-taking, Competitiveness, and Belief in the Free Enterprise System

The competitive spirit and belief in the free enterprise system is another subject on which American business leaders write differently than their Finnish colleagues. Lee Iacocca, for example, writes,

Why is our free-enterprise system so strong? Not because it stands still, frozen in the past, but because it has always adapted to changing realities. I’m a great advocate of free enterprise, but that doesn’t mean I live in the nineteenth century. The fact is that free enterprise no longer means exactly what it used to.⁴²

Ray Kroc declares, “For me, this [the multi-mixer business] was the first phase of grinding it out—building my personal monument to capitalism.”⁴³

Finnish leaders, on the other hand, do not use the expression “the free enterprise system” (vapaa yrittäjäyys), even though Aarne Karjalainen, Satu Tiivola, and Uolevi Manninen all value entrepreneurship. Other Finnish leaders, including the bankers Rainer von Fieandt and Jaakko Lassila, also hold the capitalist system in high esteem.⁴⁴ Finnish business leaders do write about competition, however. For example, Uolevi Manninen describes his concern about the centralization of the wholesale and retail trade: “These harsh rules of the game [control of both the wholesale and the retail trade by a few large strong central companies through their market chains] make it extremely difficult, almost impossible, for anyone to become an entrepreneur and do business.”⁴⁵

Because of the different economic environment, American business leaders such as Ray Kroc, Estée Lauder, and Lee Iacocca write about espionage in business and about competitors who have tried to copy their products. Of the Finnish leaders, Aarne Karjalainen also mentions the subject.⁴⁶

The spy network was awesome.

All I wanted—and you’ll have to believe that I’m being honest—was to be left alone to do my work. I became evident that secrecy in the development of our products was required because our competitors spent more time trying to “scoop” our new ideas than developing new ideas of their own.⁴⁷

⁴¹ Karjalainen, *Elämäni matkakirjeet*, 11, 40.

⁴² Iacocca, *An Autobiography*, 206.

⁴³ Kroc, *Grinding It Out*, 57.

⁴⁴ Karjalainen, *Elämäni matkakirjeet*, 29; Tiivola, *Satu miesten maailmassa*, 244-45; Manninen, *Irtiotto*, 206-7; von Fieandt, *Omaa tietään kulki vain*, 51-52; Lassila, *Markka ja ääni*,” 83-84.

⁴⁵ Manninen, *Irtiotto*, 203.

⁴⁶ Karjalainen, *Elämäni matkakirjeet*, 70.

⁴⁷ Lauder, *Estée*, 86.

“Competition has from time to time planted spies in our stores. . . . My attitude was that competition can try to steal my plans and copy my style. But they can’t read my mind; so I’ll leave them a mile and a half behind.”⁴⁸

Several scholars have emphasized risk-taking as one of the most characteristic features of an entrepreneur, and it is true that many leaders mention the subject. They also like to give advice to their readers concerning risk-taking:

“You’re not going to get it free,” I said, “and you have to take risks. I don’t mean to be a daredevil, that’s crazy. But you have to take risks, and in some cases you must go for broke. If you believe in something, you’ve got to be in it to the ends of your toes. Taking reasonable risks is part of the challenge. It’s the fun.”⁴⁹

Men and women leaders have a somewhat different attitude toward competition. Women, especially Ash, describe the competition less aggressively than men do. Ash also points out that the most important competition is with oneself, not against others.⁵⁰ Lauder’s and Tiivola’s attitudes are a little more aggressive, and they are closer to the attitudes of Finnish male leaders. American men who began their careers after World War II seem to have the most aggressive attitudes toward competition. Members of the older generation such as Ford write more about giving credit to other entrepreneurs: “No, destructive competition benefits no one. The kind of competition which results in the defeat of the many and the overlordship of the ruthless few must go.”⁵¹

Energy and Industriousness

We often describe entrepreneurs as energetic and hardworking, and that is how they describe themselves, too. Many of them emphasize how much they loved the long hours that they worked.

I didn’t need the bread to eat, but I worked as though I did . . . from pure love of the venture. For me, teaching about beauty was and is an emotional experience. I brought them charisma and knowledge about their possibilities. They gave me a sense of success. I felt flushed with excitement after each session. Pure theater—in the end that’s what it was, this rendering of beauty. Pure theater for me!⁵²

There is no cultural difference in this regard. However, professional managers differ slightly from those who have established their own businesses. Although most of the professional managers mentioned that they are hardworking, they do not call themselves workaholics, as, for example, Mary Kay Ash does, or boast about their long working days. For example, “the tough guy,” Lee Iacocca mentions that he made sure that he always had time

⁴⁸ Kroc, *Grinding It Out*, 108.

⁴⁹ Ibid., 55.

⁵⁰ Ash, *Mary Kay*, 99-103.

⁵¹ Ford, *My Life and Work*, 275.

⁵² Lauder, *Estée*, 31.

for his family.⁵³ Iacocca had had a clear career plan ever since he was a young man, but some of the other professional managers write that they did not have any particular ambition to become top managers; their career chose them rather than vice-versa. Von Fieandt does not give his ideas on the subject at all.⁵⁴

Another quality seen as characteristic of entrepreneurs is that they are doers, not theoreticians. Again, there are not large differences among the leaders on this issue, but professional managers, especially the Finnish ones, seem to be more interested in management and business theories and education than entrepreneurs are. For example, Sakari T. Lehto has written a book about business management, and Jaakko Lassila and Niilo Hakkarainen write a lot about their education and relevant experience for their jobs.⁵⁵ Finnish entrepreneur Aarne Karjalainen, too, seems to write a lot about education, perhaps because his own formal education was limited. He relates with pride, for example, how the University of Oulu granted him an honorary doctorate.⁵⁶ This difference can be seen as a cultural one. In Finland formal education has been and is still highly valued, especially among the younger generation. In the United States education is also important, but the experience a person gains in his or her job (“learning by doing”) is held in higher esteem than in Finland.

Ray Kroc, founder of McDonald’s, is a doer; he described himself as a short-tempered man who does not pay attention to idle talk, but wants fast action: “I was controlling myself as well as I could, but Clark could see that I was getting ready to blow a gasket, so he said, ‘Well, let me talk to them and see what we can work out’.”⁵⁷ Both the entrepreneurs and professional managers strongly emphasize the need to approach any undertaking with a desire to do it as well as possible.⁵⁸

Good Interpersonal Skills

Nancy F. Koehn has studied the role of the trust that an entrepreneur builds between him- or herself and the customer. She argues that the successful entrepreneur spends a lot of energy and resources on creating a brand, as well as on quality control, employee training, and innovative sales and distributive methods, which all are initiatives that enhance the reputation of the company and create consumers’ trust in it. According to Koehn, there are five reasons for success: a deep knowledge of and personal experience with

⁵³ Ash, *Mary Kay*, 15-16; Iacocca, *An Autobiography*, 94-95.

⁵⁴ For example, Manninen, *Irtiotto*, 10-11; von Fieandt, *Omaa tietään kulki vain*.

⁵⁵ Lehto, *Muistikuvia ja merkintöjä*; Lassila, *Markka ja ääni*,” 20-137; Hakkarainen, *Oravanpyörässä*, 23-42.

⁵⁶ Karjalainen, *Elämäni matkakirjeet*, 149-51.

⁵⁷ Kroc, *Grinding It Out*, 53.

⁵⁸ For example, von Fieandt, *Omaa tietään kulki vain*; Hakkarainen, *Oravanpyörässä*; Lehto, *Muistikuvia ja merkintöjä*; Tiivola, *Satu miesten maailmassa*; Iacocca, *An Autobiography*; Ash, *Mary Kay*; Lauder, *Estée*; Kroc, *Grinding It Out*; Nisbet, *The Entrepreneur*.

the product or service; quick learning from mistakes accompanied by rapid adjustments; creating meaningful brands that distinguish their offerings and respond to consumers' changing priorities; reciprocal learning and two-way communication with customers; and creating a range of organizational capabilities that deliver on the promises of the respective brands. Koehn studied six American entrepreneurs, including Estée Lauder.⁵⁹ In my study, I focus primarily on interpersonal skills—that is, how entrepreneurs or managers create trust between themselves and their employees and customers.

Kroc states of the psychological eye: “I’ve been wrong in my judgments about men, I suppose, but not very often.”⁶⁰ Like Kroc, all leaders mention their psychological skills and ability to choose the right kind of people to work for them. They also like to emphasize their skills in working with people. When Iacocca got into trouble at the Ford Motor Company, he stresses the fact that Ford dealers supported him, rather than his boss Henry Ford:

I received a great many phone calls and letters of support from our dealers. Their concern and good wishes meant a lot to me. In the press I’m often described as “demanding,” “tough-assed,” or lacking in compassion. But if that were so, I don’t think the dealers would have rallied on my behalf. We had our share of disagreements, but I always treated them fairly. While Henry was running with the jet set and raising hell, I was paying attention to them as people. I also helped quite a few of them become millionaires.⁶¹

Honesty and trustworthiness are qualities that many Finnish professional leaders mention as important for a leader; Lehto for example, wrote, “Honesty, consistency and openness are the basis of trust. . . . Maintain your spiritual integrity and incorruptibility! Without them you can’t be a good leader.”⁶² Both Hakkarainen and von Fieandt agree with Lehto.⁶³ Elsewhere I have called Hakkarainen a “company man” because he describes himself as a decent, honest, and loyal chap whose handshake you can trust.⁶⁴

Women leaders, in particular, all swear by good service; if you can satisfy the expectations of your customers, they will come back to you. All of them mention the enjoyment that they experienced in the process: “It was rewarding to make people happy.”⁶⁵ Women leaders tend to emphasize the emotional bond between themselves and their customers. They also describe the selling process as a very sensitive act. Ash, Lauder, and Tiivola all stress

⁵⁹ Nancy F. Koehn, *Brand New: How Entrepreneurs Earned Consumers’ Trust from Wedgwood to Dell* (Boston, Mass., 2001), 320.

⁶⁰ Kroc, *Grinding It Out*, 91.

⁶¹ Iacocca, *An Autobiography*, 134.

⁶² Lehto, *Muistikuvia ja merkintöjä*, 68, 71-72, 315.

⁶³ Hakkarainen, *Oravanpyörässä*, 222-28, 232-33; von Fieandt, *Omaa tietään kulki vain*, 49-50.

⁶⁴ Valtonen and Ojala, “Modest in Success.”

⁶⁵ Tiivola, *Satu miesten maailmassa*, 86-87.

the importance of training their employees to deal with customers in the right manner and at the same time creating a trustworthy relationship between the employer and her employees.⁶⁶ Men also value service and trust; however, for them it is not an emotional experience, but rather a calculated means of improving returns.

Networking skills seem to be equally important for both men and women leaders, although women write more about social relations.⁶⁷ However, there are differences between individual leaders' attitudes toward networking. For example, Jaakko Lassila is a banker who wants to have a finger in every pie and to hold on to his position at the node of all the strings he holds in business life, a position he has achieved through his numerous directorships and presidencies and his extensive network of contacts. For Lassila, networks are changeable; one can give up a contact when it no longer works.⁶⁸ Niilo Hakkarainen, on the other hand, takes the opposite view and emphasizes loyalty. Most of the leaders studied here lie between these poles: they value their networks and loyalty, but unlike Hakkarainen, they do not regard the issue as a matter of honor.⁶⁹ In general, loyalty and honor seem to matter more to the older generation, von Fieandt and Ford, than to their younger counterparts.

Cultural Differences

There are important differences between Finland and the United States (see Table 2). One relates to the division of the business leaders in this study into two generations: those people whose professional lives were largely over before World War II and those with predominantly postwar careers. There are two main differences between the generations. First, while the older business leaders, preferring to be seen as experts, express emotions less often than the younger generation, the younger male business leaders are more aggressive, expressing a strong competitive spirit. The second difference is that members of the older generation discuss social issues more than their younger counterparts do.

In Finland, business leaders from the older generation write about the leisure time of the working class, employees' housing conditions, and so on, which we can view as patriarchal care of their employees.⁷⁰ One political issue that Finnish leaders are particularly concerned with is the question of

⁶⁶ Ash, *Mary Kay*, 45, 163-71; Lauder, *Estée*, 29, 51-52, 59-61, 167; Tiivola, *Satu miesten maailmassa*, 57-58, 76-77, 79-80.

⁶⁷ On networks and social capital among entrepreneurs, see, for example, Alistair R. Anderson and Sarah L. Jack "The Articulation of Social Capital in Entrepreneurial Networks: A Glue or a Lubricant?" *Entrepreneurship & Regional Development* 14 (July-Sept. 2002): 193-210.

⁶⁸ Lassila, *Markka ja ääni*.

⁶⁹ Hakkarainen, *Oravanpyörässä*, 222-28, 232-33.

⁷⁰ Walden, *Minua sanotaan Juusoksi*, 139-40, 150, 158-63.

TABLE 2
Cultural Differences between Finland and the United States

Generation	Finland	United States
Older	Write more about the leisure time of the working class, employees' housing conditions, language policy	Write more about their work for charity and the buying power of their workers
Younger	More often experts, specialists, theoreticians Value formal education	Aggressive, competitive, doers Value "learning by doing"

language (Finnish vs. Swedish).⁷¹ The language question remained acute in the 1920s. The older American business leaders, on the other hand, are more likely to discuss their purely charitable work or the buying power of their workers.⁷² Nevertheless, in both countries older business leaders pay more attention to social issues than the younger leaders, who in Finland tend to stress expertise and in the United States, competition.

We can find the main reasons for the differences between generations in the structure of the societies and the social and economic policies of the two countries before and after World War II. The different positions of Finland and the United States during the Cold War have also had an impact on business life in the two countries. After World War II, both countries established welfare states. In the United States, the basis for the welfare program was strong economic growth, and it was not supposed to distract from the free enterprise society, which, especially during the Cold War, was to send a message from the free world. In Finland, however, the basis of the welfare state was cooperation, and a highly centralized system of contracts between labor organizations, employers' organizations, and the state was established.

The Cold War also strengthened American belief in the free enterprise system and competition. In Finland, however, the Cold War meant balancing between the Eastern and Western blocs. With regard to both foreign and economic policy, Finland's position during the Cold War was complicated. Finland had to avoid the appearance of acting unfairly and to give the same benefits to both blocs. The influence of the state increased to ensure evenhandedness; business had a strong basis in treaties of commercial policy; the state supervised all external trade and business networking. This meant that the cooperative tradition, already strong in Finland, became even stronger as the state's influence increased. Additionally, the employers' organization,

⁷¹ von Fieandt, *Omaa tietään kulki vain*, 41, 53-54.

⁷² Jonas, *Through the Years*, 133-205, 223-55; Ford, *My Life and Work*, 116-30.

labor organizations, and the state negotiated incomes. In everyday business life, this reinforced cooperation: it forced leaders to negotiate with each other, the state, and labor organizations and to create cartels and pools in order to manage all the complicated arrangements of business contacts and contracts, especially in the Eastern Bloc. This business environment did not promote individualism in Finland. In the United States, however, individualism was much more highly valued, largely because of trust in the free enterprise system, a competitive business environment, and the antitrust laws, which enshrined the American model of capitalism.

The cultural backgrounds and differences between value systems and mentalities have affected both Finland and the United States. As Satu Tiivola writes, in Finland, modesty has traditionally been a virtue and praising oneself seen as undesirable behavior.⁷³ However, in a society based on strong competition, such as the United States, it is highly desirable and necessary to act in a manner that increases visibility and acknowledgment of the individual: if one wants to be successful, it is not useful to hide one's light under a bushel.

There are other cultural differences, too, which affect the business life of the two countries. For example, bankruptcy in Finland is a sign of failure that indicates to others that you are no longer trustworthy, making it difficult to recover from a crash.⁷⁴ In the United States, bankruptcy is seen as more of a lesson; an American businessperson can learn from this failure and go on to be successful in the future. The case of Aarne Karjalainen, whose business ended in bankruptcy, provides a good example of Finnish attitudes toward business failure. Karjalainen felt that after the declaration of his bankruptcy he became an outcast in his own country, one reason publication of his memoirs occurred ten years after his death.⁷⁵

Because only one Finnish businesswoman was included in this study, it is impossible to address differences between women leaders from Finland and the United States. There are, however, clear cultural differences among the men. Both Finnish and American businessmen express masculinity, but in significantly different ways. Finnish businessmen usually announce themselves as professionals, analysts, and experts through their avoidance of emotional language, use of passive forms (something was decided or done), or by saying "we"—by which they indicate some unclear entity, such as the whole company or its highest-ranking officials. What they express is, nevertheless, that every clear-minded leader who knows his job would have taken the same decision under similar circumstances.

The American business leaders more often present themselves as "tough guys." They do this through their use of strong words and expressions and descriptions of how they had the guts to stand up to their bosses or to take difficult decisions no matter what the consequences (for example Iacocca,

⁷³ Tiivola, *Satu miesten maailmassa*, 16.

⁷⁴ Anja Siippainen, *Konkurssi* [The Bankruptcy] (Helsinki, 1990).

⁷⁵ Karjalainen, *Elämäni matkakirjeet*, 174–90.

Kroc). There are at least three reasons why the older American leaders use less aggressive language and express less frustration than do their younger counterparts. First, the society in which those leaders were raised and lived seemed to place a higher value on politeness and “correctness” in both spoken and written language. Second, postwar business life in the United States was an extremely competitive environment. By comparison, the business environment in Finland, where there was rapid economic growth, was much less competitive. Because of the high number of casualties during the war, Finnish businesses needed to recruit most of those young men who had survived. American business life was also booming, but the United States had suffered less loss of life and disruption to its economy than Finland. Finally, the effects of the Cold War had implications for the younger generation of business leaders.

In the literature concerning entrepreneurs or professional managers, we tend to view entrepreneurs and managers as opposites, or as different breeds, who have very little in common, even though both should have entrepreneurial qualities. I have found very little evidence that entrepreneurs and professional managers see themselves differently. One of the few differences appears to be that professional managers describe themselves as hardworking men and women, while entrepreneurs identify themselves as workaholics. Another difference is that most entrepreneurs are more likely to say that they love their work, rather than saying they merely like their work.

These differences can, however, be partly explained by cultural context. The majority of professional managers in this study come from Finland, whereas the majority of entrepreneurs studied are American. Finnish leaders tend to use milder expressions than their American counterparts do. When we compare the language used by professional leaders from Finland and the United States, it becomes evident that American professional leaders use more passionate expressions than the somewhat more guarded phrases of their Finnish colleagues. American managers are more likely to declare their love for their work and describe how they cannot even imagine a different way of earning a living. Finnish professional managers, however, use expressions that are more modest, tending to say that their careers chose them rather than that they chose their careers.

In analyzing this research material, it is difficult to find significant differences between career managers and entrepreneurs. Both groups emphasize the same qualities and value the same things; the clearest differences between them do not arise from the relative positions of the leaders, but rather from the cultural and societal backgrounds in which they live and act.

Conclusions

In this study, I found five major “clusters” of qualities that business leaders themselves identify as entrepreneurial. All are familiar from the entrepreneurial literature, but business leaders’ descriptions of these qualities are somewhat more complex and bound to their cultural

backgrounds: innovativeness and creativity; persistence and belief in one's own abilities; risk-taking, competitiveness, and belief in the free enterprise system; energy and industriousness; and good interpersonal skills.

Business leaders themselves do not strictly differentiate between professional managers and entrepreneurs. Professional managers and entrepreneurs see themselves as innovative and creative individuals, and both groups demonstrate persistence and express a strong belief in their own abilities. There appear to be no major differences between professional managers and entrepreneurs with regard to risk-taking, competitiveness, and their belief in the free enterprise system, or in their energy and industriousness. Finally, both groups seem to place a high value on good interpersonal skills.

There are, however, certain cultural differences between Finnish and American business leaders. Finnish male leaders are generally more modest, and their language is less colorful than that of their American colleagues. American male leaders tend to write in a more aggressive style than Finnish leaders. It is also clear that Finnish professional leaders do not emphasize all of the entrepreneurial qualities to the same extent as American professional leaders. For example, they do not write as extensively about the free enterprise system and competition as their American counterparts, and they are less likely to emphasize risk-taking, a topic about which both American entrepreneurs and professional leaders write in some detail.

Finland and the United States experienced very different business environments after World War II. Furthermore, the existing cooperative tradition in Finland strengthened during the Cold War, and Finnish business leaders, whether entrepreneurs or professional managers, had to learn to cooperate with other parties: the state, other businesspeople, labor organizations, and so on. This abated individualism in Finnish business life. The American business environment, by contrast, was competitive and belief in the free enterprise system was strong.

Women leaders emphasize the ethical values of business more than men; in particular, how to win and keep the trust of the customer. They write about people, how to get along with them and persuade them without being aggressive. Women leaders are also more likely to stress the emotional aspect of their work. Businessmen, however, seem to have more complicated attitudes toward emotions. American businessmen write more about both the emotional rewards and frustrations of business life, both in general and from success in particular. Finnish businessmen, however, try to give an impression of objectivity through their avoidance of emotional expressions, with the exception of Aarne Karjalainen.

There are also generational differences. In both countries, older businessmen avoid using emotional expressions when writing about business more often than is the case with younger leaders. The older generations, who were in leading positions before World War II, use less aggressive and colorful language in both Finland and the United States than the generation who took up managerial positions or became business owners after the war. After

World War II, cultural changes, especially during the 1960s, also affected language in both Finland and the United States.

What is the source of these cultural differences? Some have deep roots in the societal structures and economic systems of the two countries. Others arise from the countries' very different historical paths. For example, the Cold War affected Finnish and American business cultures and the values and attitudes of business leaders differently. Finland has been a relatively minor actor in the world economy; the United States has been a very significant one. With regard to the business environments in these countries, the United States has encouraged the free enterprise system, and antitrust laws have influenced business since the late nineteenth century. Accordingly, the basis of American business culture was managerial capitalism. In Finland, however, most twentieth-century business (especially in the exporting branches of industry such as the forest industry) was organized in cartels. There was a strong tradition of cooperative capitalism. Germany influenced Finnish business culture, just as it influenced Nordic business culture.⁷⁶

The central government has also had a strong impact on business life in Finland as either joint or sole owner of many companies. Only in the late twentieth century did the government begin to give up its shares in a number of enterprises. Government ownership of businesses and strong legislation concerning business has created a unique environment for entrepreneurship in Finland. Notwithstanding these great differences, the United States became a model in Finnish business life, especially after World War II, when many young men, and some women, sought out U.S. education and ideas.⁷⁷ There are also sharp differences between the social environments, the government and political conditions, and legislation, not to mention the sizes of these two countries. Finland's population in 2006 was approximately 5.2 million; the population of the United States was approximately 300 million. Because of the small population, Finland's economy has been highly dependent on foreign trade, of which the paper and pulp industry and Nokia are good examples. The United States has had a quite different history, including large domestic markets that grew throughout the whole of the nineteenth century and most of the twentieth century, thus enabling enterprises to grow without necessarily having to export their goods. If there

⁷⁶ Jari Ojala and Petri Karonen, "Business: Rooted in Social Capital over the Centuries," in *The Road to Prosperity: An Economic History of Finland*, ed. Jari Ojala, Jari Eloranta, and Jukka Jalava (Helsinki, 2006), 98-100, 122-25. For differences between the American and German traditions of managerial capitalism, see Alfred D. Chandler, Jr., *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1990); Michael Mayer and Richard Whittington, "Economics, Politics and Nations: Resistance to the Multidivisional Form in France, Germany and the United Kingdom, 1983-1993," *Journal of Management Studies* 41 (Nov. 2004): 1057-82.

⁷⁷ On the Americanization of business in Europe, see Matthias Kipping and Ove Bjarnar, eds., *The Americanisation of European Business: The Marshall Plan and the Transfer of U.S. Management Models* (London, 1998).

were notable differences between Western countries in the twentieth century, how large are the differences between cultural hemispheres or across centuries?