

The Integration of Refugees into the Swedish Labor Market

- Connecting Ambidexterity and the Refugee crisis

Master Thesis

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Wendy Magnuson & Clara Stjernswärd

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Supervisor: Annette Risberg

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Abstract

This research investigates why Swedish companies should use ambidexterity to integrate refugees into their organisation. Integrating refugees into companies' business practices is a novel way for companies to respond to the immigration crisis that Sweden is currently facing, whilst simultaneously being ambidextrous. By combining two previously separate concepts, of ambidexterity and immigration, this thesis presents an entirely new framework based on the two. The framework presents a structure of how organisations can use ambidexterity to incorporate refugees into their organisation.

We conduct an abductive study based on four case companies. Via in-depth-interviews of organisations from different business-sectors we strive to create an accurate representation of the current climate that refugees are currently facing in the Swedish job market. Further, by utilising a qualitative research approach we explored the views, interpretations and standpoints of the case companies.

Based on the analysis of our data we present three generalizable motivations for organisations to take in refugees into their companies: (1) Integrating refugees into the organisation creates a diverse workforce, (2) Refugees create new business opportunities for organisations, (3) Integrating refugees into the workforce integrates them into the Swedish society.

Executive Summary

This research paper investigates the recent refugee crisis in Sweden, and the impact it has on Swedish companies. Nonetheless, we argue that all companies, despite the operating country, should be ambidextrous and explore the capabilities of refugees by incorporating them into their business practices. Ambidexterity enables organisations to exploit the needs and demands of their current customers, whilst simultaneously prepare for the demands of tomorrow. This is important in today's fast changing environments. In light of this, we answer the research question: *“Why should Swedish companies use ambidexterity to integrate refugees into their organisations?”*

In order to answer our research question, we have created our own framework, which is based on Segal, Mayadas & Elliott's (2006) immigration framework, and Raisch & Birkinshaw (2008) ambidexterity framework. The new framework demonstrates how companies should use ambidexterity to incorporate refugees in order to gain beneficial performance outcomes. The paper is an abductive study of four case organisations: Swedbank, Hemfrid, Arbetsförmedlingen and Företagarna. We have conducted in-depth interviews with the organisations because they all engage in initiatives that enable the integration of refugees into the Swedish workforce. It also helps us provide an accurate representation of the current climate that refugees are facing in the Swedish job market.

Based on our analysis we conclude on three motivations as to why Swedish companies should use ambidexterity to integrate refugees into their organisations: (1) Integrating refugees into the organisation creates a diverse workforce, (2) Refugees create new business opportunities for organisations, (3) Integrating refugees into the workforce integrates them into the Swedish society.

The three motivations are indications that companies benefit from being ambidextrous by exploring refugees in order to keep up with changes in the environment.

Introduction

The aim of this Master Thesis is to investigate how ambidexterity can help companies explore the benefits of hiring a refugee. Due to the recent refugee crisis in Sweden, we investigate if, and how, Swedish companies and governmental initiatives are taking advantage of this new stream of people. Moreover, we analyse why organisations should explore refugees to gain innovation and diversity. Although our research is based on Swedish case companies, we aim to present generalizable motives applicable to other countries and organisations.

The first part of the research presents a Situational Analysis to gain an overall understanding of the refugee crisis. The Situational Analysis then leads to our chosen research question, which is followed by a presentation of our Case Companies. The second part of the research provides a summary of the Theoretical Background related to our research topic, and presents a framework created by us. The third section provides an overview of the Methods and Data collection tools used to gather our data. This is followed by the Analysis chapter where we present our empirical findings and theories used in order to answer our research question. The empirical findings and theories are analysed in relation to our framework. Thereafter, in the Discussion chapter we present three motivations for organisations to explore refugees based on our findings. This is followed by a Conclusion where we conclude on our research. Lastly, we suggest potential Further Research areas.

A note on terminology: We use the term refugee and immigrant interchangeably to refer to all people that are arriving in Sweden and have/or will obtain asylum in Sweden.

Situation Analysis

In 2015, more than one million migrants and refugees crossed into Europe, sparking a crisis as countries struggled to cope with the influx, and creating a division in the EU over how best to deal with the resettling of people. One of the biggest drivers of the immigration crisis is the conflict in Syria. But the ongoing violence in Afghanistan and Iraq, abuses in Eritrea, as well as poverty in Kosovo, are also leading people to leave their homes and search for lives elsewhere (BBC, 2016).

Since the refugee stream, tensions in the EU have been rising because of the disproportionate burden faced by some countries, particularly the countries where the majority of migrants have been arriving: Greece, Italy and Hungary. In September 2015, EU ministers voted by a majority to relocate 160,000 refugees EU-wide, but for now the plan will only apply to those who are in Italy and Greece. Although Germany has had the most asylum applications in 2015, Hungary had the highest in proportion to its population, despite having closed its border with Croatia in an attempt to stop the flow in October. Nearly 1,800 refugees per 100,000 of Hungary's local population claimed asylum in 2015. Sweden followed close behind with 1,667 per 100,000. The EU average was 260 (see figure 1) (BBC, 2016).

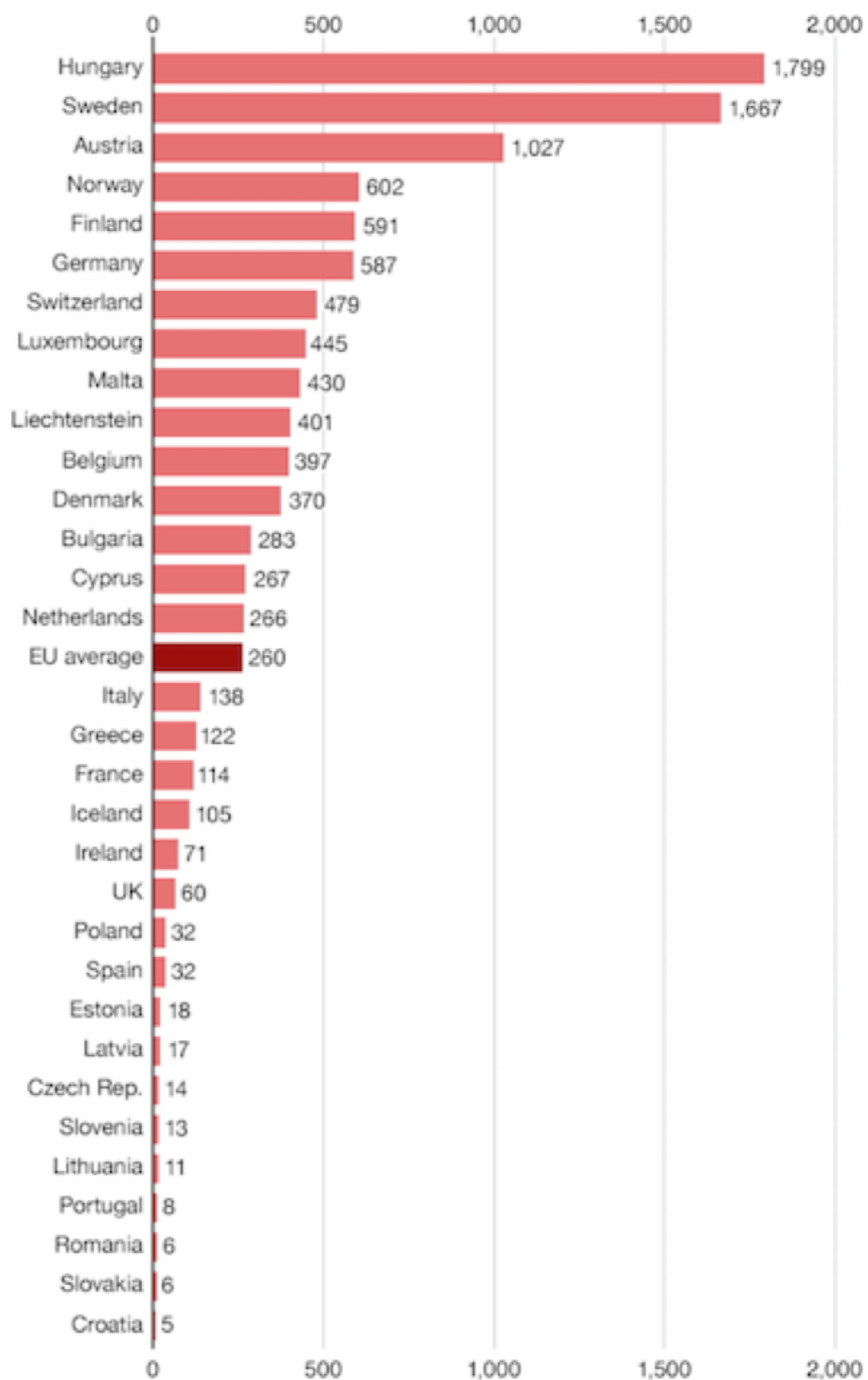


Figure 1. Asylum applications per 100,000 local population, 2015

Source: BBC, 2016

Between 2015-2019, over 520 000 asylum-seekers are projected to arrive to Sweden, which is an increase of about 200,000 compared to last year's projection (see figure 2). This will result in a 2 percent increase of the Swedish population (Bremán & Hallberg, 2015).

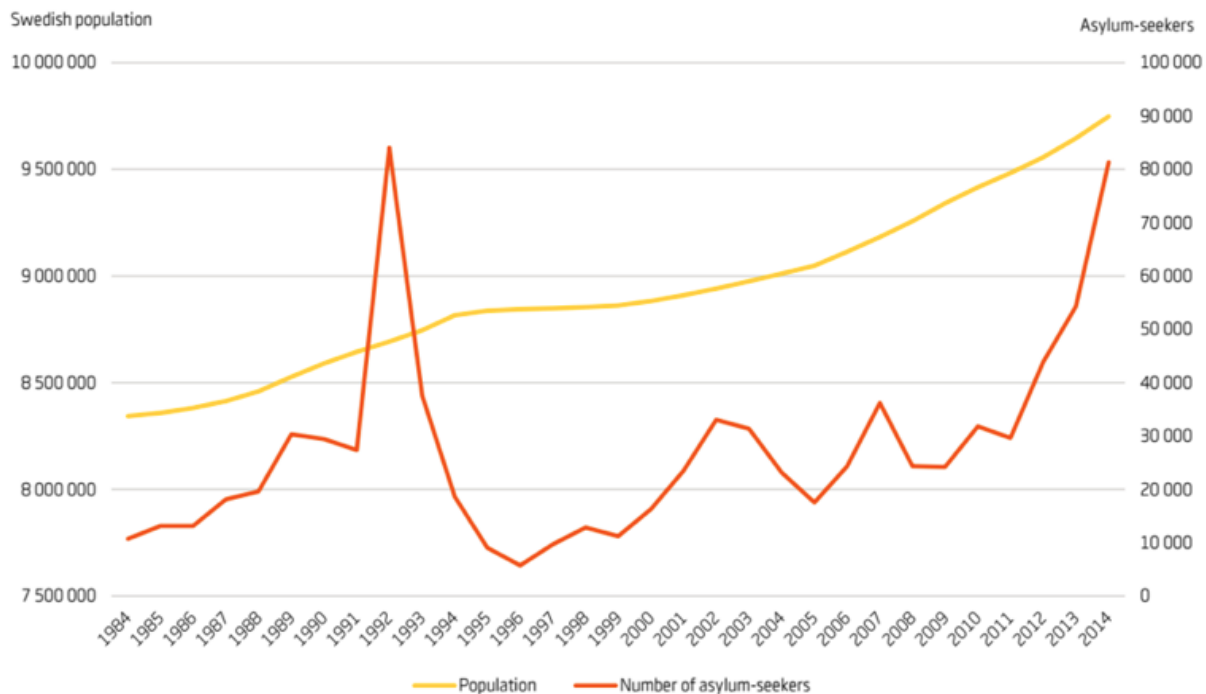


Figure 2. Sweden's population and number of asylum-seekers

Sources: Swedbank, 2016

In an analysis conducted by Swedbank, spending on refugees could raise the Sweden's GDP between 0,3-0.6 percentage points in 2016 and 2017 (Bremán & Hallberg, 2015). These high levels of immigration will lead to an increase in household consumption, higher public spending and higher investment, including in housing, the public sector and parts of the service sector. Employment and hours worked will increase significantly in the short term, reducing unemployment faster than otherwise would be the case. Thus, the unemployment rate will decrease much faster than it would without this new stream of people (Bremán & Hallberg, 2015). Job growth will also be affected positively (see table 1). This is caused by the greater demand by the municipalities, for municipal services and

increased staffing for refugee facilities. Public service production will rise, and by doing so will increase the pressure on employees within the public sector. This may cause the quality of public sector services to decrease (Bremán & Hallberg, 2015).

	2016	2017
Household Consumption	0,4	0,3
Government Consumption	0,4	0,3
Housing Investments	0,05	0,02
Public Investments	0,03	0,03
Imports (deduction)	-0,2	-0,1
GDP	0,7	0,5
Employment level	35 000	50 000
Unemployment	-1,1	-0,9
Wages	0,2	0,2
Inflation	0,2	0,2
General Government Budget Balance (% of GDP)	-0,6	-1,1
Repo rate (bp)	25	25

Table 1. Effects on the Swedish Economy of the refugee influx

Source: Swedbank, 2016

However, the refugee stream does not entail positive outcomes for Sweden. According to the Swedish Migration Board, three-quarters of all asylum seekers receives asylum. In 2015, this meant that over 125,000 new immigrants received asylum in Sweden. Of them 83,000 people will have to find their own homes and 42,000 will be designated to a municipality. In February 2016 the Swedish government proposed a law that all municipalities are obliged to receive new arrivals and arrange accommodation. The purpose is to quickly be able to begin the establishment in society and in labor market for the newly arrived (Bremán & Hallberg, 2015). The increasing stream will put substantial

pressure on the government to reduce the housing shortage, that is already a present issue in Sweden, in order to provide a home for all the arriving asylum-seekers (see figure 3).

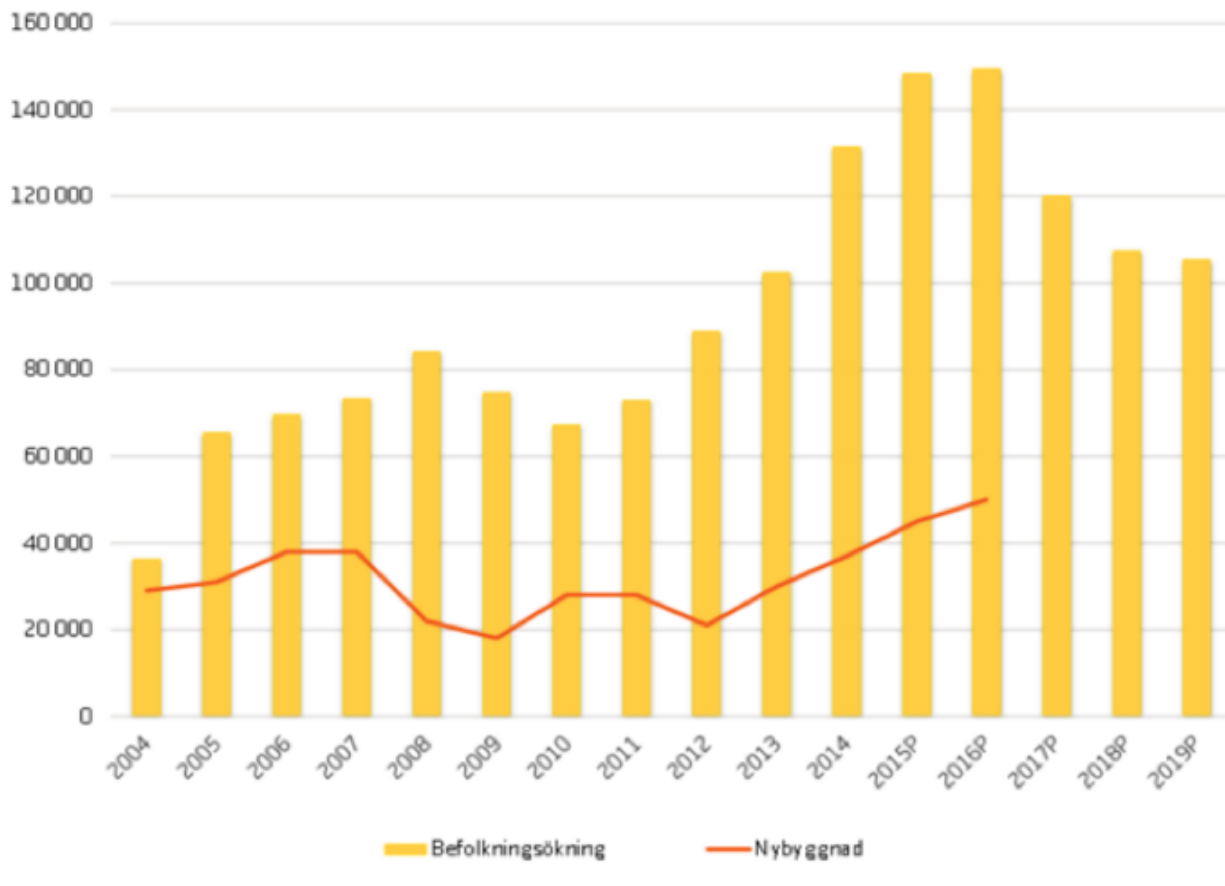


Figure 3. Population growth rate and construction of residential units 2004-2020

Source: Swedbank, 2016

As the data shows, Sweden is currently one of the European countries that have received most refugees during the refugee crisis. Therefore, Sweden is an interesting and relevant case to analyse. As the environment where our case companies operate in is changing, new arrivals should be seen as an opportunity to explore new talents and also give the Swedish economy a boost. The decisive factor whether this can be tapped and benefit the economy and public finances in the form of jobs, growth and increased tax revenue

depends on the extent to which, and how quickly, the refugees are integrated into the labor market (Breman & Hallberg, 2015).

Research Question

Our research topic reflects upon how the refugee crisis is changing the environment for Swedish organisations. This thesis will therefore analyse how companies can utilise ambidextrous methods to integrate refugees into their organisations. This has led us to our research question:

“Why should Swedish companies use ambidexterity to integrate refugees into their organisations?”

In order to answer our research question, we have created a new framework that is based on two separate frameworks. The first is created by Segal, Mayadas & Elliott’s (2006) framework, and concerns the immigration experience. The second framework, presented by Raisch and Birkinshaw (2008), is based on the concept of ambidexterity and organisations’ ability to align its management of today’s business demands while simultaneously adapting to changes in the environment. We combine both frameworks to create our own because we are analysing both the integration of refugees into Swedish organisations, and how companies can use this opportunity to be ambidextrous. Our framework provides an overview of how the two fields can be combined to enable Swedish companies to be ambidextrous when exploring the integration of refugees in their workforce. Also, how taking in refugees increases the potential for ambidexterity within the organisation.

The Case Companies

The case companies are selected with the aim to produce an accurate representation of the current climate of the Swedish job market in order to answer our research question. The case companies chosen also operate in different industries, but are all engaged in initiatives that enables the integration of refugees into the Swedish workforce.

Swedbank

Swedbank is one of the primary banks in Sweden. The organisation is rooted in the Swedish savings bank traditions and has been active since 1820. With 8 million private customers, and 600 000 corporate customers, Swedbank has a leading position in its home markets (Sweden, Estonia, Latvia and Lithuania). The company is a large organisation with many resources and financial assets. Swedbank is also an organisation that actively engages in diversity and equality issues. The bank's long history combined with its size and substantial impact on the Swedish market makes Swedbank an excellent example for our research. The company started a project, in 2011, that emphasizes on giving academic immigrants internships at the company. The initiative, "Äntligen Jobb" (i.e. Finally a Job), started off as a social outreach program, with the aim to help foreign-born graduates gain a foothold on the Swedish labour market. Today the initiative is part of Swedbank's standard recruitment tools (Swedbank¹,2016).

Hemfrid

Hemfrid was founded in 1996. The company offers household services, i.e. cleaning services. The organisation has since it was founded been on the forefront of equality and integration related issues. Hemfrid has a very diverse workforce, with over 1900 employees from more than 40 different nationalities. The organisation has started their own Swedish language-training program, in collaboration with the organisation Swedish for Professionals. Hemfrid is also part of the "100-Club" initiative created by the Swedish

Government. By analysing the efforts of Hemfrid, it provides us with a great opportunity to gain an understanding of how an organisation with such a diverse workforce operates (Hemfrid², 2016).

Företagarna

Företagarna, i.e. the Swedish Federation of Business Owners, is the largest business organisation in Sweden. The company represents the interests of approximately 70 000 business owners. They are an independent, nonpartisan organisation, and owned by its members. In Sweden 99,9 % of the companies are small- and medium enterprises (SMEs) with less than 250 employees (Företagarna², 2016). Företagarna are able to provide us with important insights on behalf of SMEs. The organisation recently initiated two projects, in collaboration with Arbetsförmedlingen, which encourages the integration of refugees into the Swedish labor market. The two initiatives are called “NF-Företag” (Nyanlönt Företagande) and “Företagarna Praktik”. NF-Företag helps refugees or immigrants with previous entrepreneurial experience to set up and run their own business in Sweden. Företagarna-praktik aims to provide internships in Swedish companies for asylum seekers (Företagarna, 2016).

Arbetsförmedlingen

Arbetsförmedlingen, i.e. the Swedish Public Employment Service, is a national public agency with 320 local employment offices across Sweden. The organisation receives its missions and objectives by the Swedish Parliament and Government. The overall goal of the organisation is to match jobseekers with employers. Furthermore, Arbetsförmedlingen has a coordinating responsibility for labour market integration for certain newly arriving immigrants. The task is to give these newly arriving individuals the support they need in order to learn Swedish, find work and become self sufficient as quickly as possible (Arbetsförmedlingen², 2016). Arbetsförmedlingen has several initiatives that aim to integrate refugees and immigrants into the Swedish workforce. One

of the initiatives is called “Fast Track” (i.e. Snabbspåren) that aims to take advantage of the previous professional skills of the refugees. The goal with the initiative is to faster match refugees with jobs that suit their previous work-experience. Arbetsförmedlingen also collaborate with Swedbank through the “Äntligen Jobb” initiative, Hemfrid through the “100-club” initiative, and with Företagarna in their two initiatives.

Theoretical Background and the Frameworks

This chapter presents relevant literature areas and the theoretical background to our research topic.

Diversity Management

The world, and especially Europe, is facing a new stream of people from different cultures and backgrounds that needs to be integrated into our societies. Consequently, the importance of diversity management is more critical than ever. Diversity related issues are posing a greater challenge to companies, managers and governments worldwide (Chen, 2011). In reaction to the growing diversity within organisations, managers need to be aware of the different needs and requirements of the workforce, which leads us to the concept of diversity management. The aim of diversity management is to eliminate discriminations and establish inclusive structures within organisations (Mensi-Klarbach, 2012).

Diversity management aims to ensure that a variation in human capital facilitates the achievement of organisational objectives (Olsen & Martins, 2012). R. Roosevelt Thomas (1990) explains diversity in the following way “*Managing diversity does not mean controlling or containing diversity, it means enabling every member of your workforce to perform to his or her potential*” (p. 10). Theories within the field also focus on diversity in demographic characteristics, such as race, gender, age and ethnicity (Olsen & Martins, 2012). Until recently the main motive managers cited for introducing diversity-work into their organisations were the assertion that discrimination is wrong, both legally and morally. However, today’s managers are voicing a third reason, namely that a more diverse workforce will increase organisational effectiveness. Furthermore, it is said to lift morale, introduce new segments within the marketplace and enhance productivity

(Thomas & Ely, 1996). There is a substantial amount of literature concerning the reasons for engaging in diversity management (McCuiston et al., 2004, Olsen & Martins, 2012). The following sections will look into the literature regarding the implementation and management of diversity in organisations.

Implementing Diversity Management into Organisations

In order for an organisation to implement diversity into their practices, all levels of the organisation needs to be engaged. In general, diversity work starts out with an internal assessment of the organisation followed by a written policy and implementation of an awareness-training program. This needs to be supported by systematic and structural change and an active support from senior management (Risberg, Beauregard & Sander, 2012). As mentioned earlier, all parts of the organisation needs to engage in the diversity work; it must have an impact on the day-to-day life of the organisation and be incorporated into all levels and practices (Risberg, 2010). Some organisations choose to create a diversity-plan to follow on an annual basis; where plans are based on quantitative goals in order to facilitate easy ways of measuring the success and/or failure (Risberg 2010). Various organisations also appoint a diversity manager. The role of a diversity manager varies from organisation to organisation, yet the job usually involves taking a leading role in strategy making, design, delivery, implementation and monitoring of diversity initiatives (Tatili & Özbilgin, 2009).

Diversity Management Tools and Measures

There are various measures and tools that can be used to convert discriminatory structures and create a more inclusive environment (Risberg, Beauregard & Sander, 2012). Resources such as money, personnel and expertise are needed for successful integration of diversity into organisations. However, there is also a need for senior

management support, diversity policies, measurable goals, transparency, clearly identified processes and responsibilities (Risberg, Beauregard & Sander, 2012).

The Human Resource department (HR) plays a vital role in diversity management, and is in charge of workforce planning, also referred to as *talent management* (Stewart & Harte, 2010). Talent management refers to the process of analysing skills, retention of employees, retirement rates and turnover to be able to anticipate the future needs of the company (Risberg, Beauregard & Sander, 2012, Stewart & Harte, 2010). According to Stewart & Harte (2010) planning is crucial when incorporating diversity into the workforce planning since it differs from traditional approaches. This is because the talent pool identified has a more varied background than usual and everyone is managed differently depending on his or her background, religions, etc. Studies also show that diversity plays a crucial part in talent attraction. Companies with well-advertised diversity management practices are often perceived as an attractive workplace for potential applicants (Ng & Burke, 2005). This in turn attracts more minorities to apply for position within the organisation, leading to the organisation recruiting more diversely. Ng and Burke's (2005) study shows that minority groups find diversity management to be important when accepting a job offer.

There are a number of tools and measures that an organisation can utilise in order to introduce and manage diversity within the organisation, for instance network- and mentoring programs. Evidently, there needs to be a frequent commitment to diversity within all levels of the organisation. For an organisation to declare its commitment to the matter in the company mission statement is a start, however, management processes must be applied for successful implementation. A crucial point that comes across from most literature regarding this subject is the importance of commitment from senior management (Risberg, Beauregard & Sander, 2012).

The Impact of Culture and Inclusion

Olsen & Martins (2012) present a framework where the authors characterise diversity management approaches as a “*cultural construct*”, an overarching set of norms and values related to diversity in the organisation. The authors assert that the success rate of a particular diversity management approach is depending on how well it interlocks with other characteristics of the organisation and its members. Olsen & Martins stresses that it is not the approaches stated in explicit diversity statements and human resource practises that affects the outcome of diversity, instead it is the manifestation in organisational norms and general codes of conducts that are of more importance. Consequently, Olsen & Martins have created a framework that focuses on a diversity approach with the intention to manifest itself in the organisational culture and practises. The framework builds upon instrumental and terminal values. “*Instrumental values are those that guide behaviour in such a manner as to attain some desirable end state. Terminal values refer to the desirable end states themselves, which individuals strive to achieve*” (p. 1170). These values takes place within the organisation, and are not always explicitly expressed or recognised by the organisation. Organisations differ in the way they embrace diversity, either in an instrumental manner or in a terminal manner. Organisations that use diversity management approaches to focus on leveraging diversity to achieve business related goals views diversity as instrumental for achieving business success (Olsen & Martins, 2012).

Organisations that on the other hand view a diverse workforce itself as an objective without considering it as a mean for achieving business outcomes consider diversity as a terminal value. Nevertheless, organisations may hold diversity as both terminal and instrumental. Olsen & Martins (2012) refer to this as having a “*dual value*” for diversity. The authors propose that organisations with emphasis on diversity as a dual value will demonstrate greater diversity than organisation with emphasis on diversity as an instrumental value, which in turn demonstrate greater diversity than organisation with emphasis on diversity as a terminal value. This proves that diversity outcomes are

affected more deeply by embedded values of diversity than they are affected by rationales. Olsen & Martins also points out that organisations may not realise substantial performance benefits of workforce diversity if they view diversity as a purely terminal value.

Olsen & Martin's (2012) framework also includes the impact of acculturation strategy. Acculturation refers to the process of which cultural changes occur because of continuous contact between cultural groups. The different groups adapt or borrow traits from each other's cultures and by doing so changes their attitudes and behaviours. Organisations generally either adopt an *assimilation strategy* or an *integration strategy*. An assimilation strategy will recognise and respect demographic differences, however, the policies and practices within the organisation encourage conformity to a dominant culture. An integration strategy will on the other hand aim to preserve employees' demographic identities, and entails mutual valuing of differences among individuals within the collective. An integration strategy advocates mutual understanding and respect for differences within the organisation. The authors propose that an organisation's choice of acculturation strategy will affect the level of diversity within the workforce. Organisations applying an integration strategy will generally demonstrate greater diversity than organisations using an assimilation strategy. For further explanation of Olsen & Martins framework see Appendix 1.

Evidently culture plays a crucial role when it comes to introducing diversity into an organisation (Pless & Maak, 2004, Olsen & Martins 2012). Diversity management needs to go further than just complying with rules and reactions to a shifting labour market. According to Pless & Maak (2004), who also addresses the importance of cultural norms and values in relation to diversity management, management and personnel plays a crucial role when it comes to diversity work. To enable different and multiple voices within the organisation to thrive, principles regarding recognition, mutual understanding, mutual enabling, trust, and integrity needs to be enforced. Thus, teamwork, leadership and decision-making must be refined in order to foster integration among employees.

Pless & Maak (2004) highlights the importance of building awareness, educating and developing people, reformulating current and introducing new personnel processes and tools. Moreover, management needs to foster and reward inclusive behaviour systematically within all organisational levels of the organisation (Pless & Maak, 2004).

Diversity and Innovation

Innovation has become a key differentiator for the world's largest companies. In a study conducted by Rizy, Feil, Sniderman & Egan (2011) the data shows that diversity is a key driver of innovation and a crucial component if a company aims to succeed on a global level. For global organisations having a diverse and inclusive workforce is crucial for driving creation and execution of new products, services or business processes. Diversity is no longer the simple matter of creating a heterogeneous workforce, but also using that workforce to innovate and gain a competitive advantage on the market (Rizy et al., 2011). According to the study by Rizy et al., (2011) senior executives are recognising the beneficial influences a diverse workforce have. Different experiences, perspectives, and backgrounds are crucial for the development of new ideas and for fostering innovation within organisations. Furthermore, the study also shows that having a diverse and inclusive workforce attracts and retain top talent which also influences the organisation's ability to compete in today's global economy (Rizy et al., 2011).

The competitive environment in which today's organisation operate, is becoming increasingly aware of the importance on innovation and knowledge. If people think alike they are more likely to come up with similar ideas and solutions. Finding new ideas and solutions requires people that think differently, as different perspectives leads to more creative solutions (European Commission, 2013). Diversity within the workforce creates larger pools of knowledge, skills, experiences and perspectives, which in turn enables innovation (European Commission 2013). Hunt, Layton & Prince (2015) presents a study that shows that companies who have high levels of gender-,ethnic-, and racial diversity

are more likely to have financial returns above their industry medians. *“While correlation does not equal causation (greater gender and ethnic diversity in corporate leadership doesn’t automatically translate into more profit), the correlation does indicate that when companies commit themselves to diverse leadership, they are more successful”*. The authors does accentuate that being diverse does not have to mean that a company will be successful. Nevertheless, more diverse companies do attract top talents, improve customer orientation, employee satisfaction, and decision-making, which in turn leads to increasing profits (Hunt, Layton & Prince, 2015). The authors concluded that since the world we are living in is deeply connected and global, it is not surprising that companies that are more diverse achieves better performances.

The Downside of Diversity

Many organisations aim to diversify their workforce, however, researchers have found that this may have both positive and negative effects on the organisation (Van Knippenberg & Schippers, 2007;Olsen & Martins, 2012). Some literature even questions whether diversity management is beneficial for an organisation at all (Muhr, 2009). According to Muhr (2009) there is no agreement within the diversity management literature over whether diversity is beneficial for the organisation or not. The negative effects referred to are generally caused by increased conflicts and reduced cohesiveness (Williams & O’Reilly, 1998). Based on these contradictory views, circumstantial variables needs to be examined to determine an organisation’s ability to manage diversity. Factors such as society-level factors, time-factors, and managerial-and organisational approaches play important roles (Olsen & Martins, 2012). Olsen & Martins (2012) consider the managerial and organisational approaches to be particularly important since it is within the control of the organisation. Thus, how an organisation decides to approach diversity management can have a substantial impact on whether or not they are helped or harmed by diversity. Pless & Maak (2004) also discusses the fact

that many organisations are disappointed with the results they have achieved within the diversity challenge. According to Pless & Maak this is caused by the lack of attention that is being paid on the norms and values involved in the integration process.

Moreover, diversity can bring risks as well as benefits to an organisation. Chau (2013) argues that even though an organisation's ability to foster diversity is of great importance, getting people from different cultures and backgrounds to cooperate can be a very complex and difficult matter. Different worldviews and cultural styles can cause intercultural anxiety, and in some cases even lead to conflicts. Chau (2013) discusses the notion that a diverse workforce promotes creativity, however, the creativity is highly vulnerable. Tension between people over matters of culture can pollute the organisation's environment and reduce multicultural creativity. Chua refer to this as “*ambient cultural disharmony*”, which is the indirect experience of intercultural tension and conflicts in individuals immediate social environment. Nonetheless, Chau (2013) supports the belief that for organisations to succeed in this century they need to be able to think creatively in a global setting. However, it is crucial to take intercultural disharmonies into account since they are inevitable and can undermine multicultural and diverse organisations.

As Europe is standing in the midst of a great refugee challenge there needs to be an overall understanding of both the refugees' situation and the companies abilities to take-in and manage these refugees. Our research is focusing on Sweden, which has in the past had difficulties with managing diversity and have failed to take advantage of the skills and knowledge immigrants can bring to an organisation. Therefore, there is an evident need to restructure the currently used processes of integration, to enable Sweden to take advantage of its already diverse population (Bremán & Hallberg, 2015).

Organisational Ambidexterity

A recurring theme in a variety of organisational literatures is that successful firms in dynamic environments are ambidextrous - able to pursue two disparate things at the same time. More specifically, companies that are ambidextrous achieve alignment in its management of current operations while also adapting effectively to changing environmental demands (Tushman & O'Reilly, 1996). Tushman and O'Reilly (1996) define ambidexterity as the “ability to simultaneously pursue both incremental and discontinuous innovation and change”. The simple idea behind the value of ambidexterity is that the demands of an organisation in its task-environment are always to some degree in conflict (for instance investment in current vs. future projects), so there are always trade-offs to be made. Whereas earlier studies often regard these trade-offs as insurmountable, more recent research present a range of organisational solutions to support ambidexterity (Gibson & Birkinshaw, 2004). Although these trade-offs can never be entirely eliminated, the most successful organisations reconcile them to a large degree. By being attentive to the existing demands and adapt to changes in the environment, companies enhance their long-term competitiveness and are more likely to not miss out on future business opportunities (Duncan, 1976; Gibson & Birkinshaw, 2004; Tushman & O'Reilly, 1996).

Furthermore, in order for an organisation to adapt to changes and have long-term success they have to engage in organisational learning. The concept of organisational learning can be divided into explorational and exploitative learning. Exploitation is related to and associated with productivity, enhancement and involves building on existing knowledge and capabilities. In comparison, exploration is often connected to things such as innovation and risk taking, which requires new skills and processes (March, 1991). Literatures on ambidexterity argue that successful organisations are ambidextrous as they generate competitive advantages through exploratory and exploitative innovation (Tushman & O'Reilly, 1996). Innovation is defined as “the sequence of activities by which a new element is introduced into a social unit, with the intention of benefiting the

unit, some part of it, or the wider society” (West & Farr, 1992). The new element does not need to be entirely novel or unfamiliar to members of the unit, but it must involve some discernible change or challenge to the status quo (West & Farr, 1992).

March’s (1991) article has frequently been cited as the promoter for the current interest in ambidexterity (Raisch & Birkinshaw, 2008). He argues that exploitation and exploration are two facets of organisational learning that are interdependent processes that need to be combined and embedded to generate synergistic outcomes and long-term success. A one-sided focus on exploitation may enhance short-term performance, but it can result in a competency trap because firms may not be able to respond adequately to environmental changes (Raisch & Birkinshaw, 2008). Conversely, companies that focus only on exploration risk wasting resources on ideas that may not prove useful or never be developed (Ahuja & Lampert, 2001; Leonard-Barton & Leonard-Barton, 1992). However, although many scholars argue that organisations should focus on exploration and exploitation simultaneously, earlier research often claim that organisational practices that concurrently address efficient exploitation and effective exploration might be impossible to achieve. Some scholars suggest that firms need to make choices that favor one activity over the other to not risk being mediocre at both (Raisch & Birkinshaw, 2008). Wernerfelt and Montgomery (1988) argue that firms pursuing both activities at the same time are sacrificing internal consistency, which may lead to inferior performance if compared to more focused firms. These arguments are contrary to March’s (1991) belief that firms have to pursue both types of activities, despite the challenges involved. These arguments have lead to the popular “ambidexterity premise” (Raisch & Birkinshaw, 2008).

Raisch et. al (2009) claim that there are four closely interrelated “central tensions” that needs to be addressed when researching ambidexterity. These are (1) *differentiation* and *integration* as alternative or complementary pathways to ambidexterity, (2) ambidexterity at the *individual* or *organisational* level, (3) *static* vs. *dynamic* perspectives on ambidexterity, and (4) *internal* vs. *external* perspectives on ambidexterity.

Differentiation and Integration as Pathways to Ambidexterity

The first tension relates to *differentiation* and *integration* as alternative or complementary pathways to ambidexterity. Differentiation concerns the separation of exploitative and explorative activities into different organisational units, whereas integration refers to the mechanisms that enable organisations to address exploitative and explorative activities within the same organisational unit. Scholars are in agreement that both mechanisms are important for organisations to enable effective outcomes. However, ambidexterity researchers have typically focused on one side or another of this duality (Raisch et al., 2009). Focusing on differentiation means the subdivision of tasks into distinct organisational units that tend to develop appropriate contexts for exploitation and exploration. In this approach, the separate organisational units pursuing exploration are smaller, more decentralized, and more flexible than those responsible for exploitation. This structural differentiation helps ambidextrous organisations maintain different competencies with which to address inconsistent demands arising from emerging and mainstream business opportunities (Raisch et al., 2009). Duncan (1976) and Tushman & O'Reilly (1996) were first to present a theory of organisational ambidexterity. They suggest that superior performance is expected from the ambidextrous organisation and describe dual structural arrangements for managing innovation. Duncan (1976) argue that organisations manage trade-offs between conflicting demands by putting in place “dual structures”, so that certain business units – or groups within business units – focus on alignment, while others focus on adaptation. This is referred to as structural ambidexterity (Duncan, 1976).

Scholars have pointed to the shortcomings inherent in focusing too much on one side over the other of this duality. Critics of the differentiation approach, for example, claim that exploitation and exploration have to be recombined to create value (Raisch et al., 2009). Hence, in recent years, scholars have increasingly recognised the importance of simultaneously balancing seemingly contradictory tensions and have begun to shift their focus from trade-off (either/or) to paradoxical (both/and) thinking. Integration means the

behavioral mechanisms that enable organisations to address exploitation and exploration activities within the same unit (Raisch et al., 2009). Gibson and Birkinshaw (2004) developed the complementary concept of contextual ambidexterity. Contextual ambidexterity differs from the traditional concept of structural ambidexterity because the former is best achieved not through the creation of dual structures. Instead it is achieved by the organisations context that builds a set of processes or systems that encourages individuals to make their own choices as to how they divide their time between alignment and adaptability across an entire business unit (Gibson & Birkinshaw, 2004). Alignment refers to coherence amongst all the patterns of activities in the business unit: they are working together toward the same goals. Adaptability refers to the capacity to reconfigure activities in the business unit quickly to meet changing demands in the task environment. This view supports the recent focus on a paradoxical approach to management, as opposed to an “either/or” focus (Lewis, 2000; Gibson & Birkinshaw, 2004).

Ambidexterity at the Individual or Organisational level

The second tension relates to the question of whether ambidexterity is apparent at the *individual* or *organisational* level. Ambidexterity research has often described organisational mechanisms, such as formal structures or lateral coordination mechanisms that enable firms to simultaneously address exploitation and exploration. Hence, the focus on ambidexterity is mostly on firm and business unit level. Research has suggested that ambidexterity is rooted in an individual's ability to explore and exploit. Organisational mechanisms may be required to enable ambidexterity at the individual level, and ambidextrous individuals may be vital to the usefulness of organisational mechanisms (Raisch et al., 2009).

Recently there has been an increasing interest amongst scholars to investigate whether leadership-characteristics affect leaders to act ambidextrously to achieve organisational ambidexterity. Some studies suggest that managers' ability to lead ambidextrously can have a significant impact on the organisation's success. Other studies on structural ambidexterity also acknowledge that a few people at the top need to act ambidextrously by integrating exploitative and explorative activities. Rosing, Frese and Bausch (2011) were first to introduce the concept of leadership into the ambidexterity area. They define the concept holding the idea that leaders should be able to lead their team to match the complexity and the pace of innovation (Goodman et al., 2001). Other studies claim that ambidextrous managers need to deal with change (Duncan, 1976) and to engage in paradoxical thinking (Gibson & Birkinshaw, 2004).

A study conducted by Mom et. al (2009), investigating managers' ambidexterity, shows that ambidextrous managers have three related characteristics: first, *ambidextrous managers host contradictions* which means that they have the motivation and ability to be sensitive to, understand, and pursue a range of seemingly conflicting opportunities, needs and goals (O'Reilly & Tushman, 2004). Second, *ambidextrous managers are multitaskers* i.e they fulfill multiple roles and conduct multiple different tasks within a certain period of time. Studies have shown that ambidextrous managers are more generalists rather than more specialists (Gibson & Birkinshaw, 2004). Third, *ambidextrous managers both refine and renew their knowledge, skills, and expertise*. Prior literature related to this, suggests that ambidextrous managers engage in both local and distant search for knowledge within their networks of contacts to obtain different kinds of knowledge and information (Mom et al., 2009).

In addition, according to O'Reilly and Tushman (2008), an ambidextrous leader is able to switch between transformation/exploration and transaction/exploitation when necessary in order to foster innovation and then implement strategies. In their study of 35 different organisations, they conclude that ambidextrous organisation need ambidextrous managers, senior management commitment as well as a clear vision (O'Reilly &

Tushman, 2008). Nonetheless, Raisch et. al (2009) argue that although these studies observe that some managers seem to be able to take on contradictory tasks, they fail to explain why these managers as opposed to others are able to do so.

Static vs. Dynamic Perspectives on Ambidexterity

The third tension is about *static* vs. *dynamic* perspectives on ambidexterity. It has been argued that firms should temporarily cycle through periods of exploration and exploitation. Considering this perspective, sequential ambidexterity is expected to arise from dynamic and temporal sequencing of exploitation and exploration. However, contrary to this assumption, the majority of ambidexterity research defines ambidexterity as a simultaneous pursuit of exploitation and exploration. Studies that present organisational solutions that enable organisational ambidexterity often have a static perspective (Raisch et. al, 2009). However, according to the modern contingency theory alignment is a dynamic process rather than static. In light of this organisations have to continuously reconfigure their activities and processes to be able to meet the changing demands of their internal and external environments (Raisch et. al, 2009). Therefore, it is unlikely that ambidextrous configurations provide a steady-state function that is able to deal with all boundary conditions that an organisation continuously faces. According to O'Reilly and Tushman (2008) ambidexterity can only become dynamic if management constantly and intentionally adapt the firm's resources. Dynamic capabilities are built upon both static and dynamic components and the interaction of exploitation and exploration becomes fully developed over time. Therefore, managing organisations to reach ambidexterity may be a more of a dynamic pursuit, rather than a static one. In addition, according to O'Reilly and Tushman (2008), ambidexterity only becomes a dynamic capability if the firm's exploitation and exploration activities are strategically integrated. Strategic integration requires a common set of values, a shared vision, and an overarching governance process (Raisch & Birkinshaw, 2008).

In terms of structural ambidexterity it is difficult to determine how structurally differentiated units evolve over time. One way to address this is by temporarily decentralise the units. By doing so the organisation can use differentiated units for exploration, and then reintegrate them. Units may also be transitioned into more integrated designs at later stages of the innovation cycle. Some theorists describe differentiated units that remain autonomous over time (Raisch et. al, 2009). Contextual ambidexterity also entails dynamic components. As mentioned previously, in these components individuals makes their own judgements on how to in the best way possible divide their times between conflicting demands for alignment and adaptability. The individuals may consider both demands on either a simultaneous-or sequential basis. The former means that the individual, or employee, performing routine tasks is able to identify opportunities for improvement. The latter means that the employee switch between the two types of tasks instead of trying to address them at the same time (Raisch et. al, 2009).

Based on Raisch et. al's (2009) theory it is clear that managing ambidexterity is a dynamic rather than a static task. The different solutions, such as structural and contextual ones, may be required to over time create and maintain ambidexterity. Moreover, it is clear that ambidexterity can arise from both simultaneous and sequential attention to exploitation and exploration (Raisch et. al, 2009).

Internal vs. External Perspectives on Ambidexterity

Finally, the fourth tension relates to *internal* vs. *external* perspectives on ambidexterity. Organisations make both strategic and operational decisions between exploration and exploitation, and are increasingly confronted with paradoxical challenges of exploiting existing competencies and exploring new ones. Studies on dynamic capabilities describe interrelations between internal and external knowledge processes that play an important role in corporate renewal (Raisch et al., 2009). Companies need to generate new knowledge associated with new products and services for emerging markets, whilst also leverage current competences and exploit existing products and services (Jansen, Tempelaar, van den Bosch, & Volberda, 2009). Hence, ambidexterity is thus likely to require both internal and external knowledge processes as well as their integration across organisational boundaries (Raisch et al., 2009). Additionally, Henderson and Cockburn (1994, p. 66) define "architectural competence" as "the ability to access new knowledge from outside the boundaries of the organisation and the ability to integrate knowledge flexibly across boundaries within the organisation" (Raisch et al., 2009).

Related research on innovation and knowledge processes stresses the importance of the external acquisition of new knowledge for exploration. One suggestion for resolving the paradoxical requirements of exploitation and exploration has been to externalize one or another set of activities through outsourcing or by establishing alliances. Eisenhardt and Martin (2000) describe the risk of falling behind when firms source all their knowledge internally. Other studies show that exploration beyond organisational boundaries has more impact than exploration within organisations and that it contributes to the reconfiguration of existing knowledge bases (Raisch et al., 2009).

Ambidexterity and Corporate Social Responsibility

Issues related to the involvement and responsibility of companies in society has been up for debate for a long time (Jutterström & Norberg, 2013). Corporate Social Responsibility (CSR) can be described as a contemporary concept expressed through guidelines, principles, norms, codes, and so on. Jutterström & Norberg (2013) defines CSR “..as a company’s integrated responsibility for three areas: environment, working conditions and human rights”(p5).

CSR is often seen as counterproductive for organisations (Porter & Kramer, 2006). According to Porter and Kramer (2006) this critique is motivated by two reasons. The first reason is that it separates organisations and society, when in reality the two are interdependent. The second reason is that it encourages organisations to think about CSR in a generic way, instead of in a way, which is more suitable to the organisations’ individual strategies. Porter & Kramer (2006) argue that organisations should approach CSR by using the same frameworks that guide their core business choices. By doing so, organisations will discover that CRS is much more than a cost, constraint, or charitable action- it can be a potential source for innovation and competitive advantage. Ambidexterity is often proposed as an important determinant of CSR, corporate social performance, and sustainability initiatives (Hahn, Pinkse, Preuss & Figge, 2015). Firms are considered to achieve higher levels of corporate social performance by applying ambidextrous methods when pursuing instrumentally and morally driven social initiatives. By emphasising on the interconnection and tensions between different types of social initiatives, using an ambidextrous perspective, it provides a better understanding of corporate social performance (Hahn et. al., 2015).

CSR and the Refugee Crisis

The on-going refugee crisis has sparked the debate regarding organisations responsibilities when it comes to societal issues. According to Scott (2015), organisations can make a difference in this crisis, but only to the degree that they are willing to demonstrate leadership on the scale of the crisis. *“While some of the world’s richest companies are indeed contributing support, there is criticism that many are not doing nearly enough, especially when it comes to coughing up significant donations, not just raising awareness”* (Scott, 2015). According to Koser (2015), the business community is generally more flexible and faster than governments when it comes to facing societal issues. Moreover, political constraints or bureaucracy does not limit organisations in the same way as it does to government. Furthermore, organisations are in generally more adept to move quickly in response to market changes, or in this case the refugee crisis (Koser, 2015).

In recent years, many have argued that because of the failure of governments to take action in socio-environmental issues, organisations should instead step in and contribute towards a solution (Ioannou, 2015). According to Ioannou (2015), the business community has been absent from the current refugee crisis debate. As we live in a time where organisations are becoming increasingly powerful, many argue that organisations should share the responsibility of dealing with the on-going refugee crisis (Ioannou, 2015).

The Frameworks

In this section three separate frameworks is presented. The first framework is created by Segal, Mayadas & Elliott (2006), and concerns the immigration experience. The framework consists of five different levels which identifies factors that causes emigration and affect immigration. The second framework, presented by Raisch and Birkinshaw (2008) is based on the concept of ambidexterity and organisations' ability to align its management of today's business demands whilst also adapt to changes in the environment. After the two frameworks are presented a third framework, created by us, is presented. Based on the immigration and ambidexterity frameworks we have created a structure that integrates the two. By doing so the third framework aims to provide an overview of how the two fields could be combined to enable the exploration of refugees at Swedish organisations.

The Immigration Framework

Segal, Mayadas & Elliott (2006) identifies factors that causes emigration and affect immigration, providing a background for understanding the immigration process. The authors have created a framework for immigration, not depending on the origin or destination, but instead an overall summary of the involved aspects, processes and experiences, see figure 4. The following text present an overview of the framework including reasons for leaving the home country, transition to the country of immigration, and response to the immigration process.

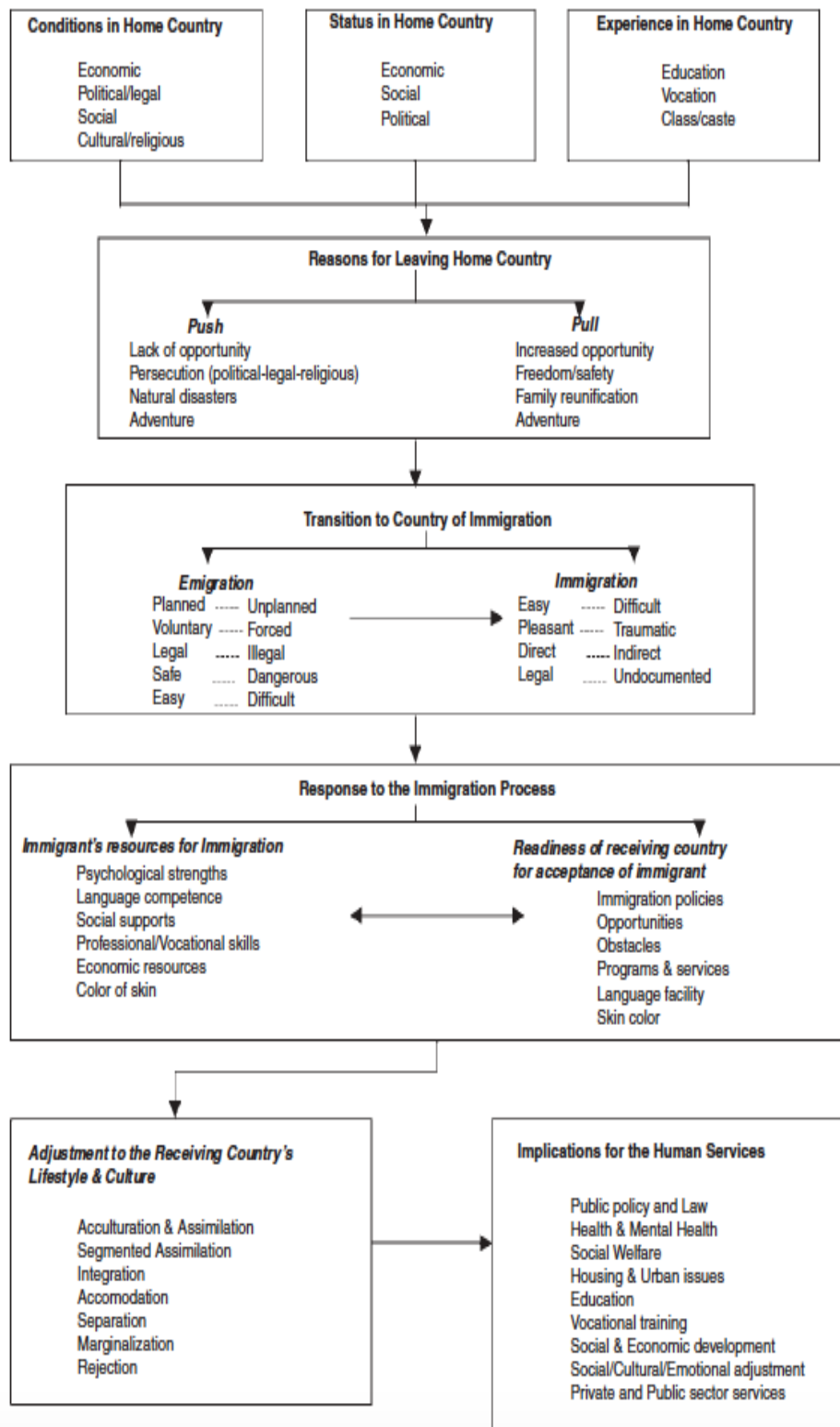


Figure 4. Immigration Framework by Segal, Mayadas & Elliott, 2006

Reasons for Leaving the Home Country: Voluntary-and Involuntary Immigrants

Economic, political, or religious turbulence are often factors that result in mass-migration. Segal, Mayadas & Elliott (2006) distinguishes two different types of immigrants, *voluntary immigrants and refugees/involuntary immigrants*. Voluntary immigrants can in turn be classified into labourers, entrepreneurs, and professionals. Labour migrants are characterised by low level of education and few skills relevant in the industrial world. In the case of labour migrants it is common that the goal is not to improve their lot, but instead earning money to send back to the family who are remaining behind in the home country. Entrepreneurial migrants, on the other hand, are those who hold business expertise and acumen and recognises opportunities for development and growth abroad. This type of immigrants usually have a higher socio-political standing in their home country than for instance migrant workers, and also networks through which they can explore resources and opportunities. Lastly, the authors mention professional migrants, who can be considered as the “*brain drain*” of their home countries. These types of migrants are usually highly educated and possess high levels of professional competencies. This group emigrates to enhance their careers, leaving their countries where the infrastructure is insufficient to accommodate their level of expertise.

Refugees and involuntary immigrants have a very different home-country situation. Voluntary immigrants base their decision to move on available resources, their professional skills, and established networks. Refugees, on the other hand, have left their home country because of sudden and traumatic experiences. In the case of refugees, a higher socio-economic status does not affect the refugees’ ability to escape persecution, it does however provide them with greater opportunities to avoid the potential dangers before they are victimised. Those with a higher socio-economic status are often more aware of environmental factors and potential dangers. Therefore, they often flee before the situation fully erupts. Thus, the first wave of refugees are often more educated, wealthy, and well connected (compared to later waves), and can therefore adjust more

rapidly to other societies. Later groups of refugees are more likely to be farmers and labourers, who leave after experiencing persecution.

Segal, Mayadas & Elliott (2006) also underlines the importance of human capital being transferable across nations, the authors refer to this as *transferable human capital*. The two main factors that positively affect transferability are education and vocation. According to Segal, Mayadas & Elliott (2006), the higher the level of education possessed by individuals, the greater is their ability to adjust to a new country. The occupation and whether one's profession is useful to the economy of the new country is also a major factor. Nevertheless, it is worth noting that even though a person does hold a higher education or a relevant profession it does not ensure success outside the home country.

Transition into Country of Immigration

Just as emigration, immigration to another country occurs for a variety of reasons. Much is dependent on the receiving country's immigration policies and the perception of immigrants by the receiving parties. Different societies, and the different segments within societies, perceive immigrants as an asset to the receiving country, while other consider them to be a threat that steals resources and endangers the opportunities of the native population. If one is entering into a country legally it involves a number of processes, such as attaining a Visa, and legal immigration is in most cases based on personal decisions. On the other hand, Refugees and undocumented immigrants are unendorsed by authorities. This means that since their movement are not legally authorised it increases the difficulties, dangers, and traumas of the people's journey to the new host country.

Response to the Immigrant Process

This is a complex matter since it depends on both the immigrants and the receiving country. The benefits and costs associated with immigration depend on the current political, economic, and social conditions of the receiving country, as well as the human capital the immigrants bring with them. Identifying the human capital the immigrants bring, i.e. their assets and capabilities are crucial when understanding the response to the immigration process.

The readiness of the receiving country to accept immigrants is a complex matter. If the receiving country perceives immigrants to be connected to the nation's political, economic, and social well-being it is more likely to be welcoming. However, immigration policies are temporal and reflecting the beliefs at a particular moment, they are likely to change. International agreements concerning resettlement or provision of asylum to a large number of refugees also impact countries' decisions to take in and receive immigrants. A further factor of a country's readiness to receive immigrants is the opportunities available to them, i.e. the services accessible. These involve programs assessing basic health, education, and welfare needs. Moreover, a country's openness to diversity and ethnic-specific factors also influences a country's readiness. Refugee immigration is usually a very chaotic matter that requires substantial efforts and adjustment by the receiving country since it puts a lot of pressure on the government and the society. In these cases many countries re-negotiate and change their policies regarding long-term and short-term asylum.

Adjustment to the Receiving Country

Individuals adapt to circumstances in a variety of ways and are influenced by personal resources, desires, and the receiving country's acceptance. Figure 5 shows a continuum along which individuals adjust to the host country, and positions on the continuum change over time.

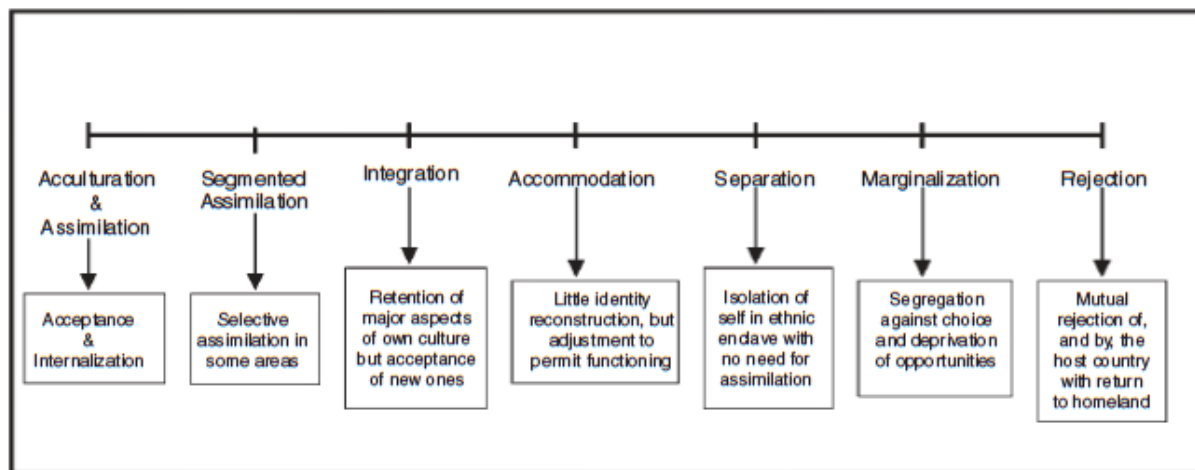


Figure 5. *The Continuum of Adjustment* by Segal, Mayadas & Elliott, 2006

At one end lies total acculturation and assimilation; while on the other end lays rejection. However, Segal, Mayadas & Elliott states that rather than assimilating, immigrants are more likely to fall along the continuum of adjustment, accepting some norms while maintaining some traditional ones.

Implications for Policy and Services: A focus on Social Capital

Receiving countries have felt the impact of immigration and must now modify, expand and develop policies, programs, and services to be able to manage the outcomes. An influx of people with different traditions, expectations, cultures and skills leads to different needs when it comes to services, public policies, and laws. Societies must ensure that formal structures are functioning for a diverse population. Furthermore, nations must address economic-, healthcare-, social welfare- and education policies and must ensure that they can provide protection for the immigrants, through the nation's legal system. Moreover, policies regarding business practises, hiring, wages, and equality must be addressed. Immigrants must also be able to familiarise themselves with relevant economic policies. The availability and accessibility of social capital is another crucial aspect. Immigrants must receive the social and economic tools needed to succeed in the new country.

The framework presented here can help to develop an understanding of the immigration experience and may provide a foundation for the interpretation of the experience of particular groups within the context of the receiving country's readiness to accept them.

The Ambidexterity Framework

Based on various streams of literature, Raisch and Birkinshaw (2008) have developed a comprehensive model within the field of organisational ambidexterity. The framework provides an overview of the research within the field of organisational ambidexterity and emphasises areas, which are in need of further research (see figure 6).

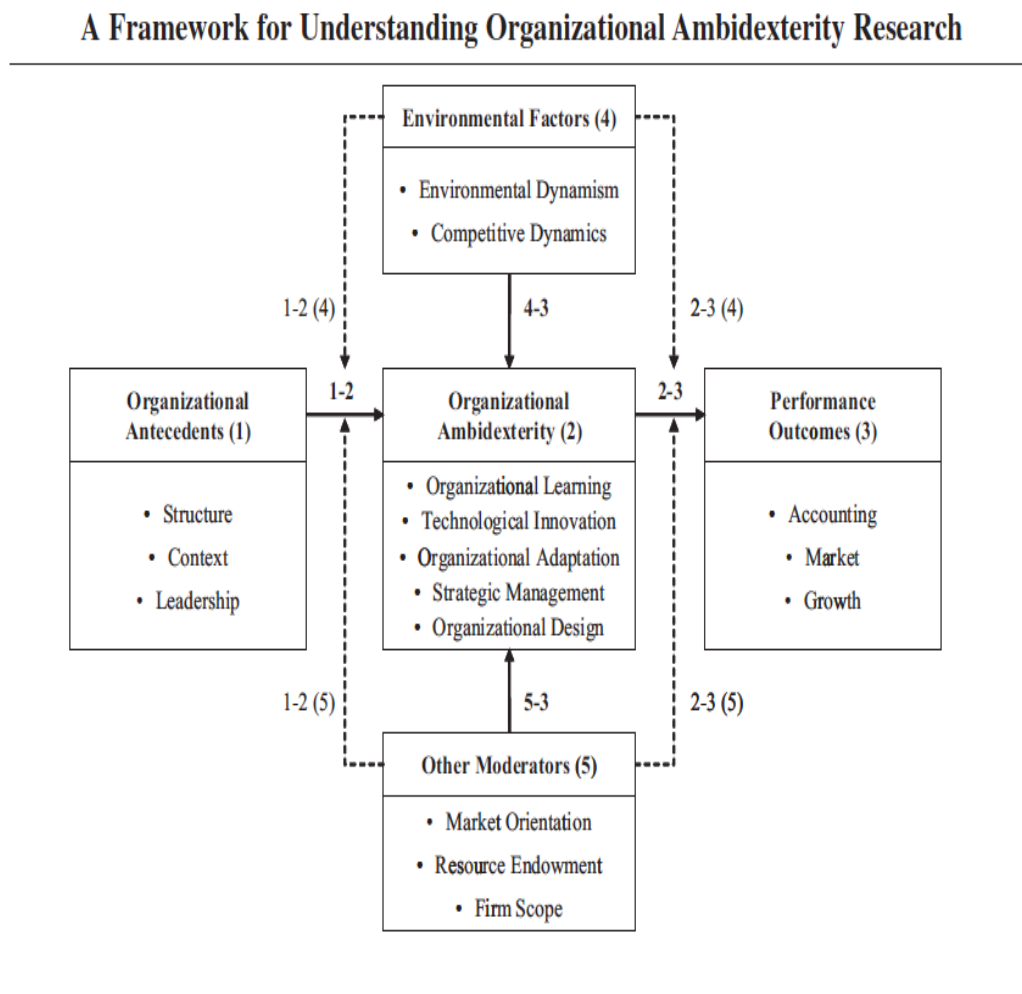


Figure 6. Ambidexterity Framework by Raisch and Birkinshaw, 2008

Organisational Ambidexterity

The framework discusses the notion of organisational ambidexterity. The need to balance between exploration and exploitation is underlined and explained in the context of organisational learning, technological innovation, organisational adaption, strategic management, and organisational design. The first section starts out by examining how both exploration and exploitation should be associated with organisational learning. Exploitation is often associated with local search, experiential refinement and selection/reuse of current routines. Exploration on the other hand refers to learning through processes of concentrated variation and planned experimentation. Even though the two concepts require different types of learning the literature agrees that a balance between the two is crucial.

The second part of the framework examines technological innovation in terms of incremental and radical innovation. Incremental innovation refers to minor adaptations of existing products and business concepts. In contrast, radical innovation refers to big and fundamental changes which leads to a complete switch from existing products /concepts to completely new ones. Within the literature regarding technological innovation there is also a consensus that pursuing both is essential.

Organisational adaptation refers to the balance between continuity and change within organisations. There is a need within organisations to balance continuity and change; too much change can create chaos and too much continuity can hinder change. Top-management is a crucial part of mediating between these two aspects, and they need to be supported by middle management.

The fourth point, strategic management, distinguishes between variation-reducing and variation-increasing processes. Variation-reducing, and induced strategic processes, refers to the initiatives that are within the scope of the organisation's current strategy and its existing knowledge. The variation-increasing, and autonomous strategic processes are

initiatives that emerge from outside of the current strategy scope and involve creation of new competencies. The two competes for scarce resources; therefore this aspect also requires a balance between the two. It can be challenging for organisations to enable both efficiency and flexibility. Recent studies often assert that many firms resolve this issue by combining mechanistic organisational designs, i.e. standardisation, centralisation, hierarchy, and organic features, i.e. decentralisation and autonomy, to their organisational designs.

Organisational Antecedents

Based on the current literature within the field, Raisch and Birkinshaw (2008) present three approaches that enable ambidexterity within organisations. Firstly are structural solutions that allow activities to be conducted in different organisational units. This entails developing structural mechanisms to cope with competing demands faced by companies. Most solutions are related to two basic models: spatial separation and parallel structures. Current research is dominated by the concept of spatial separation at the business unit or corporate level. The trade-off is addressed by having separate units that pursue either exploitation or exploration. This ensures that the organisational units are aligned according the requirements of its environment. Parallel structures on the other hand allows for people to switch back and forth between two or more types of structures. This enables for competing demands for exploitation and exploration to be tackled within a single business unit.

Secondly, contextual solutions allows for activities to be carried out within the same unit of the organisation. Contextual ambidexterity is defined as the possibility to simultaneously demonstrate alignment and adaptability across the entire business unit. Context refers to processes, systems, and beliefs that shape the individual-level behaviour within an organisation. The aim is to enable and encourage all individuals to

judge how to best divide their time between conflicting demands for exploitation and exploration.

Lastly, leadership-based solutions make the top-management team responsible for reconciling and responding to tensions between the two activities. The leaders and the top-management within the organisation play an important role when it comes to fostering ambidexterity. Recent research shows that the founding team is an important antecedent of explorative and exploitative behaviour. Organisation with founding teams who have diverse and common prior company affiliations have a higher degree of ambidexterity: *“Firms whose founding teams had both diverse and common prior company affiliations demonstrated a higher degree of ambidexterity”* (p 392).

Performance Outcomes

There is some debate within the field of ambidexterity regarding if simultaneously pursuing exploration and exploitation compromises the potential value of each on its own. There is a risk when an organisation does pursue both activities and try to find a balance between them that the organisation instead becomes mediocre at both. Furthermore, pursuing both can also mean sacrificing internal consistency, which may lead to lower performance compared to a firm that is more focused. Based on the theory there is an agreement of the fact organisations that are capable of simultaneously pursuing exploration and exploitation are more likely to achieve superior performance. However, organisations with more resources are more capable of pursuing both aspects. An organisation that has the resources to pursue both will be able to sustain a balance between them and reap the benefits. On the other side, an organisation that does not have the available resources may instead favour one of the two. If for instance an organisation were to only pursue exploration they run an inherent risk since it is very difficult to estimate returns, and results may also take time to materialise. As mentioned, researchers often refer to this problem as the “ambidexterity premise”, the issues and tensions that

arise if a firm focus on one of them, at the expense of the other. Raisch & Birkinshaw (2008) concludes that a firm's ability to compete successfully in the long run depends on their ability to jointly ensure exploration and exploitation.

Environmental Factors

The dynamics and level of competitiveness within the business environment have important impacts on the conditions for organisational ambidexterity. The local environment and dynamics can require firms to become ambidextrous. For instance, if competition intensifies and/or the pace of change accelerates the tension between exportation and exploration increases. Studies shows that pursuing exploratory innovation is more effective in dynamic environments, while pursuing exploitative innovation is more beneficial in more competitive environments. The environments characteristic, such as long periods of stability or disruptive and rare events, and so on, also affect ambidexterity.

Other Moderators

Raisch & Birkinshaw (2008) identifies a number of other moderators that impact an organisation's organisational ambidexterity construct. The authors divide them into three separate categories; market orientation, resource endowment and the firm's scope. Market orientation regards a firm's ability to generate, disseminate and respond to intelligence regarding current and future customers. It involves the market orientation, and how it guides managerial decisions. Resource Endowment concerns how a firm's resources will affect the organisation's ambidexterity. Richer firms have the resources to pursue both exploration and exploitation, while smaller firms may struggle to pursue both in a jointly manner. A lack of resources can mean limited ability to both explore and exploit within the company. Firm's Scope refers to the idea that the concept of

ambidexterity may be more suitable for large and diversifies organisations. Smaller firms may instead benefit from leadership-based ambidexterity.

Our Framework

We have developed our own framework based on the immigration framework by Segal, Mayadas & Elliott (2006), and the ambidexterity framework by Raisch & Birkinshaw (2008). The reason why we have created our own framework is because of the current lack of available frameworks that combine the integration of refugees into the labour market and the concept of ambidexterity. Furthermore, combining immigration with ambidexterity provides a novel way for organisations to handle the immigration crisis that Sweden is currently facing. It is evident that the refugee crisis will have a substantial impact on the country's labour markets. Ambidexterity will enable organisations to investigate the situation and analyse how they can best use the refugees to their advantage. Furthermore, by using ambidexterity to incorporate refugees in their business practices, organisations will increase their potential of becoming diverse. The aforementioned literature on the subject of ambidexterity mostly relates the concept to product-and process innovation. We argue that utilising ambidexterity should also be focused on an individual level to exploit and explore the competencies of the organisations' employees', which leads to advantageous outcomes.

The structure of our framework mainly follows the structure of the ambidexterity framework by Raisch & Birkinshaw (2008) as we analyse our data based on the main categories from their framework. However, we have adapted and changed some parts of the framework to analyse our empirical findings. Moreover, we have incorporated the "Readiness of receiving country for acceptance of immigrant" into the suitable parts of our framework. Furthermore, we have added and removed parts depending on if they are applicable to our case or not.

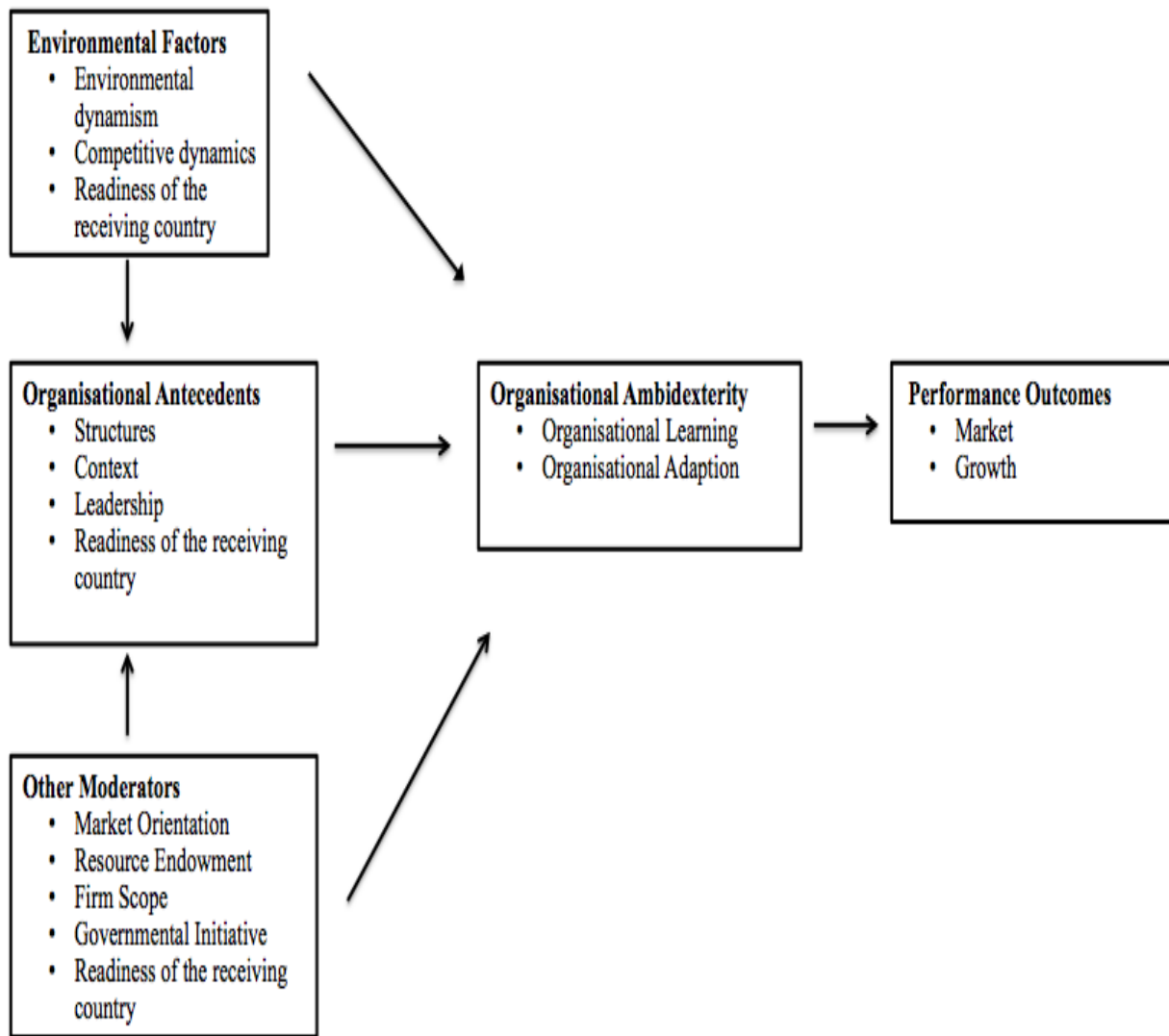


Figure 7. Immigration and Ambidexterity Framework by Magnuson and Stjernswärd, 2016

Explanations of our Framework

Organisational Ambidexterity is a central part of our framework. This part investigates how our case companies balance exploration and exploitation efforts within organisational learning and organisational adaption. Organisational learning discusses how our case companies search for knowledge, both internally and externally, which has a substantial impact on the level of ambidexterity within a company. Organisational adaptation will relate to how organisations balance between continuity and change. Evidently, too much change can lead to chaos, while too much continuity can hinder change. The notion of ambidexterity will permeate all parts of the framework.

In our framework we have adapted the “Environmental Factors” part of Raisch & Birkinshaw’s model to not only include environmental aspects, such as dynamism and competitiveness, and how they can require firms to become ambidextrous. Since we are analysing several case companies that operate within different industries, with different levels of competition, our framework analyse the impact of the environmental factors in terms of the changes in the Swedish population. This section also takes Segal, Mayadas & Elliott (2006) “Response to the immigration process” section into account, from the “Readiness of receiving country for acceptance of immigrant”-part. By including this aspect in the environmental factors we are able to analyse the external environment in which organisations are operating. Since the external environment plays a vital part when it comes to immigration this needs to be included in the framework. Sweden’s readiness to receive immigrants will have an impact on how well and how quickly the refugees are integrated into the job market. Thus, the needs of the job market, in terms of skills and workforce are investigated in this section. Furthermore, the capabilities, skills, professional-and academic background that refugees brings to Sweden and how well it matches with the needs in the Swedish labour market is also analysed. The “Response to the immigration process”-aspect is incorporated into most parts of the framework.

“Organisational Antecedents”, focus on the organisation's internal perspectives of ambidexterity. We investigate how organisations balance and synchronise exploratory and exploitative activities in relation to their internal processes, such as recruiting and training strategies. In this section we reflect upon how the case companies have structured their different integration initiatives and programs. We also analyse how the different organisations introduce and train the refugees/immigrants they take in. Since we study organisations from different sectors and industries we analyse their differences and similarities. We thereby gain an insight into how the structures of organisations influence their integration initiatives, by analysing their structure and context. We also investigate how the management and leadership are engaging in the processes of integrating refugees, and how that impacts the organisations' potential to be, or to become, ambidextrous. This part provides us with the opinions and perspectives from the organisations themselves. This section is also analysed through the lens of Segal, Mayadas & Elliott (2006) “Response to the immigration process” part. According to the framework, the immigration process is dependent on initiatives and programs from the receiving country in order to be successful. Thus, the initiatives taken by companies are important factors to facilitate the integration process of refugees into the Swedish workforce.

In the part “Other moderators” we investigate how several other moderators also can affect a company's organisational ambidexterity construct. We investigate how the market orientation affect a firm's ability to identify, meet and respond to the stated or hidden needs and wants of current and future customers. We analyse how the firm resources may moderate ambidexterity's effect on the organisation's performance. In addition, we also investigate how a firm's scope, influences an organisation's ability to be ambidextrous. Lastly, this part investigates the governmental initiatives currently available for refugees. We look at the initiatives that are applicable for refugees in Sweden. The governmentally sponsored language-learning initiatives available for refugees are also investigated. As mentioned, according to Segal, Mayadas & Elliott (2006) “Response to the immigration process”, the outcome of a successful integration

depends on the readiness of the receiving country. This can be facilitated through governmental initiatives, amongst others. Hence, this part reflects upon how the government cooperate with organisations to help them take in refugees into their businesses.

The last part of the framework, “Performance Outcomes”, concerns if the effects the initiatives, both organisational- and governmental, have had on our case companies. Furthermore, since we analyse some initiatives that have just started, or is about to start, we speculate on their potential outcomes. We investigate the tangible and intangible costs and profits that are often associated with ambidexterity (Fernhaber & Parel, 2016). This part of the framework takes a critical look into the benefits and drawbacks of integrating refugees into Swedish organisations, and thereby into the Swedish society. The underlying reasons for engaging in the refugee crisis is analysed as well as what the organisations perceive to be the benefits of taking in refugees. We also analyse if, as stated by in the literature, organisations that do pursue both exploitative and exploratory aspects to be ambidextrous becomes mediocre at both. The amount of resources and the environment in which our case companies operate in, determines if they can engage in ambidexterity to reap the benefits.

Methodology

This section presents the methodological foundation of our research, followed by the research design. The chapter describes how the data was sampled, collected, and analysed. Lastly, a critical reflection of ethical aspects and limitations of our chosen methodology and methods is presented.

Our research is built upon qualitative research methods, which means that we use research techniques and procedures to generate non-numerical data. Qualitative research is preferred when the aim of the research is to “*view the case inside out, to see it from the perspective of those involved*” (Gillham, 2000 p 11). Using a qualitative research method will, according to Gillham (2000), enable us to understand the meaning of what is going on within our case organisations. This is achieved by primarily focusing on finding evidence that enables us to illuminate issues and develop possible explanations (Gillham, 2000).

Epistemological Foundation

Our research is inspired by what Langley & Abdallah, (2011) refers to as the “Eisenhardt Method”, which is an approach for doing and writing qualitative research. This method is mainly built on Eisenhardt’s (1989) paper about inducing theory using case studies. The epistemological foundation of this method follows a positivist orientation, as it aims to develop a testable hypotheses and theory that can be generalized across different settings. Our research also follows a positivist orientation since we attempt to access factual data about what is currently happening in our selected case companies. We also aim to develop generalizable motives that can be applicable to more cases than the ones we have selected. We started off by taking a deductive approach to answer our research question. However, there are currently no clear existing theories that incorporate immigration and ambidexterity to be tested, thus solely the deductive linear process of theory testing is not

possible. The research therefore also took an inductive approach where we collect empirical data and theorise upon what is observed. The Eisenhardt Method is in general oriented towards an inductive approach since it aims to generate sets of formal propositions that is presented for a situation where little is known. By combining the two approaches theoretical assumptions are made, and the deductive approach is then used to test the accuracy of our research findings.

An abductive study, i.e. the combination of inductive and deductive studies, can use theoretical frameworks but can also modify them as a consequence of empirical findings or theoretical insights during the research process (Dubois & Gadde, 2002). When investigating our empirical findings and existing theoretical models, we discovered that there is currently no existing framework that combines immigration and ambidexterity. Therefore, we created our own framework based on two different frameworks; one regarding immigration and the other one regarding ambidexterity. Most theories about immigration are about societal impacts and/or how to integrate immigrants into society. Ambidexterity models, on the other hand, concerns how organisations should explore and exploit new business opportunities in terms of technical innovations and services - often not people. We find it interesting to combine immigration and ambidexterity because ambidexterity is concerned with keeping up and adapt to the changing environment that businesses are facing. And currently, refugees are a big changing factor in Sweden, which will have substantial impact on the job market and the entire Swedish economy. Our framework and the reasoning behind it is expanded upon in the literature review.

In line with the Eisenhardt Method our research use a number of different sources of data. The primary data comes from four different case companies. From the primary data common constructs are abstracted and then used to describe and compare generic process components across all cases. Those components are then related to the outcome constructs that represents the case companies performances (Langley & Abdallah, 2011).

In order to produce knowledge that is credible and novel, the case companies are selected based on the knowledge that is likely to emerge from them. Furthermore, by comparing the different case companies to each other we ensure that we cover different perspectives within the field we study. We also use secondary data to gain additional information to get an as accurate picture as possible in order to answer our research question.

Research Design

In light of the research question, and the objectives of this study, we apply an exploratory research approach. The aim of an exploratory study is to investigate a situation and to ask questions and assess a situation in a new light. The exploratory research method is particularly useful when the aim is to clarify one's understanding of a problem (Saunders et al., 2009). The situation we are investigating is an on-going issue, and since it is a recent topic we have to investigate the situation ourselves and not only depend on secondary data. We explore four case companies within four different business sectors in order to find out how organisations can use refugees to become more innovative, diverse and ambidextrous. We want our research to be applicable to a wide range of companies, not just one.

Data Collection

Our sampling method, i.e. the process of selecting a suitable sample for answering the research question, is based upon the nature of our research question. Sampling has a substantial impact on the validity, reliability and generalizability of a study (Adams, et al. 2007). Our study samples primary data through interviews. As the goal of this research is to provide a picture of the “*real world*” and draw conclusion based on this, we choose to use a *non-probability sample*, i.e. the sample unit is selected on the basis of personal

judgement (Adams, et al. 2007). The sampling methods of the interviews are based on a *convenience-sampling plan*, where we as investigators have the freedom to choose the organisations we think provide a good representation of the current situation (Adams, et al. 2007). Using a convenience-sampling plan also aligns with the Eisenhardt Method as it is based on our perceptions of the quality of information the organisations can provide us with. The organisations, i.e. Arbetsförmedlingen, Swedbank, Företagarna, and Hemfrid, are considered to be representative within their industry and in the Swedish job-market. Hence, each of them provides us with a wide-range and diverse set of data.

The sampling of secondary data is conducted through books, journals, magazine articles, the web, and by information provided by the organisations partaking in this study. The quality and validity of the secondary data is closely investigated and only used if the information is produced by a reliable and relevant source (Adams, et al. 2007). By collecting empirical and theoretical data we create a clear view of our case and support information and statements with multiple sources.

Primary Data

Interviews are used in this study to gather valid and reliable data relevant to our research question and objectives. As this research is an exploratory study, and follows the Eisenhardt Method, we aim to analyse a situation and seek novel insights into the subject. The main primary data collection strategy is semi-structured and in-depth interviews. All semi-structured and in-depth interviews are conducted face-to-face and in Swedish. Before conducting the interviews a list of themes and questions are prepared. However, the questions vary from interview to interview, as they are adapted depending on the organisational context encountered in the different interviews. Furthermore, more questions are added if we are required to explore and elaborate upon the themes that we discuss even further. The length of the interviews varies between 45 minutes and 60

minutes depending on the flow and structure of the conversations. The interviews are followed up by email correspondence if there are areas that are unclear when revising the interviews afterwards.

During the interviews we explore the opinions companies have when hiring refugees. During the interviews we ask questions about the situation from the point of view of the organisations. This results in new angles and perspectives that we would not necessarily have been able to foresee if we did not have an exploratory research approach.

Secondary Data

Secondary data can be both qualitative and quantitative. Both types are utilised in this study, and it includes both raw data and published summaries. The secondary data is based on material that is available to the public as well as material provided by the involved organisations themselves. This includes company reports, publications, overviews and statistical summaries. Furthermore, written documents, such as journals, magazines, books and articles are also included within the secondary data and analysed in our research (Saunders et al., 2009). The research question, the research objectives and the literature reviewed, guide which secondary data that is chosen and used. The secondary data provides us with a large representative sample that makes it helpful for us to identify trends within the relevant literature (Adams, et al. 2007).

Data Analysis

According to the Eisenhardt Method the data analysis is a two-stage process. In the first step the within-case narratives are constructed. In the second step the data from the different cases are compared to each other to enable us to compare similarities and differences between the cases. By doing so we construct themes that explain the reasons

behind the similarities and differences that emerge (Langley & Abdallah, 2011). According to Matthews and Ross (2014) the purpose of data analysis is to describe, discuss, evaluate and explain the content and characteristics of the data that have been collected. When analysing qualitative data the analytical approach needs to work with raw data that varies and appears in different formats (Matthews & Ross, 2014). The data we collect is analysed based on the framework we created, which we present in the “Theoretical Background” chapter. When going through the raw data we organise it into coherent categories based on the narratives from the interviews. In the following step we then compare the similarities and differences between our case companies. By doing so we are able to identify patterns and interpret main themes amongst the views and opinions of the interview participants (Daymon and Holloway 2011). We then divide these patterns into coherent categories to identify the main objectives of each category. The results are summarised and discussed in the “Analysis” and “Discussion” chapters.

Ethics

Throughout this study we aim to conduct our research with constant considerations of ethical aspects. Ethics in this context refers to formulated principles and codes to ensure moral behaviour (May, 2010). The aim of conducting research in an ethical manner is to ensure the integrity of all participants and to protect them. According to the British Sociological Association (2002) it is most crucial for the researcher to obtain informed consent forms to all participants in the research project. Furthermore, privacy and identity of all individuals must be taken into consideration to avoid infliction of social, physical and emotional harm (Chapman and McNeill 2004). Adams, et al. (2007) state, “*In doing any research there is an ethical responsibility to do the work honestly and with integrity*” (p 35). The aim of ethical consideration is to protect the research objects and the overall wellbeing of those participating in the research (Piccolo and Thomas, 2009).

In light of these ethical issues we provide all interviewees with a consent form that was signed by all who take part in this project. The consent forms inform the participant about the aim of the research and also notify them about their right to at any time withdraw from the project. By signing the form the participant give their confirmation of taking part in the research and also that they are informed of their rights and all details regarding the project.

Critical reflections and limitations

A regularly discussed limitation associated with qualitative research is that the likelihood that the outcomes of the study will vary, if the context or environment changes, is high. In light of this, we have considered the validity and reliability of our research. The validity of a research refers to whether the investigators see and hear what they think they do. There are three possible faults that can occur that are related to: that the researcher see things that are not correct, that the researcher refuse to see things that are correct, and that the researcher has asked the wrong questions (Flick, 2009). During our interview process we carefully evaluated if the comments and answers are interpreted correctly.

According to Silverman (2007) interviewer bias is very common, and a crucial aspect to take into account when analysing qualitative data. We are aware of the fact that the interviewees will be biased in their way of presenting their company, and themselves, as personal and professional reputation will be influential. This concerns how comments, tones, and/or non-verbal behaviour during the interview create bias. This has the potential to influence how answers are framed and how they are interpreted. We deal with the interview bias by being aware of the fact that it exists. Moreover, we use several sources such as secondary data to question the reliability of what is said in the interviews. In

regards to the literation of the interviews, one aspect worth reflecting further upon is the fact that body language is not shown through recordings, which means that these linguistic nuances are not included in the transcriptions. It can also be difficult to capture one's tone of voice. Accordingly, we have been aware of these difficulties and thus made an effort to make sure that the transcriptions and our interpretations of them are as truthful as possible. Additionally, we are aware of the implications of translating the interviews from Swedish to English and have taken measures to assure that they are as similar as possible.

We are also aware that the Eisenhardt Method entails some limitations. For instance this method focus on explaining variations as outcomes rather than focus on understanding evaluation patterns over time (Langley & Abdallah, 2011). Our research focuses on the processes and patterns within our case companies during a specific point in time. Evidently, organisations change and evolve over time. However, because of the limited resources available to us, such as time limit and page limitations, in this study we choose this method as it does suit our research goals and objectives.

The following chapter presents our empirical findings, based on the data collected from our case companies, and the theoretical concepts used in order to answer our research question. The data is analysed and presented in relation to our framework.

Analysis

The analysis section presents the empirical findings and theories that support our research. We have based the analysis on our own framework, which is a combination of Segal, Mayadas & Elliott (2006) and Raisch & Birkinshaw's (2008) frameworks. The framework presents an overview of how ambidexterity enables the integration of refugees into organisations. It also shows how companies become ambidextrous by integrating refugees, see figure 7 for the structure of our framework.

Environmental Factors affect Ambidexterity

A key characteristic of the organisational theory discipline is its emphasis on a firm's environment. Researchers argue that local environmental aspects such as dynamism and competitiveness can require firms to become ambidextrous (Floyd & Lane, 2000; Levinthal & March, 1993; March, 1991; Volberda, 1998). In our study we also analyse the impact of environmental factors in terms of the changes in the Swedish population. The refugee crisis results in an increase in the population and a new employee pool for companies; thus, a change in their task environment. Therefore, as immigration intensifies and the pace of change accelerates, firms are increasingly confronted with a tension between exploiting existing employee-capabilities and exploring new ones.

Hemfrid operates in the household-service industry, which experiences high competitive dynamics. As the industry is filled with competitors the organisation needs to be attentive to what is happening in their environment. As Hemfrid is a large organisation, the company have many resources, thus, they have the potential to improve their explorative efforts in order to keep up with the changing demands. Even if they perform well at this moment in time there is always a chance that a disruptive innovation appears

and changes the entire industry. Thus, Hemfrid must be able to foresee if this will happen, which is possible if the company engages in ambidextrous activities. Additionally, being explorational enables them to create an entire new way of conducting their business activities; they have the potential to create a disruptive business-model or idea that could influence their stand on the market.

In the case of Swedbank, being ambidextrous in the banking industry, and finding a balance between continuity and change is of great importance. The banking industry is operating in an increasing dynamistic environment. Recently technological advances have changed the previously traditional and latent industry, which has resulted in a more fast moving industry. This has in turn increased the competitive dynamics as well. Therefore it is crucial for Swedbank to engage in organisational learning in order to be successful within their environment. For SMEs, the level of ambidexterity required will vary depending on which industry the companies are operating in. Some industries are more prone to fast-and radical changes than others.

Readiness of the receiving country – Competencies and Municipalities

The refugee crisis results in an increased employee pool

The increase of immigrants leads to a larger employee pool for companies to explore new talents. The newcomers that have arrived to Sweden most recently are relatively young, and/or in working-age, which rejuvenates the population. Data from 2014 indicate a mean age of about 25 years for new arrivals, compared to 40-45 years for natives (Bremán & Hallberg, 2015). Many are highly educated, while others might not have an educational background but adequate professional knowledge that are advantageous for companies. Företagarna (2016) describes the positive outcomes in the following way: *“I have to make sure that the company’s need is met. There is a skill shortage so even if you come*

from Mariefred or Aleppo it does not really matter as long as you have the competencies needed. As companies get what they need, they will be able to grow and hire more people. This creates a virtuous circle that benefits all parties". In 2015, Swedbank also put together a pilot project with eight other large enterprises such as ABB, SSAB, EON etc. to explore the immigrants competencies: *"Many of these companies need engineers, and as there is a lack of engineers in Sweden they are looking for innovative ways to find the competencies they need"* (Swedbank, 2016).

Moreover, companies are not always aware of what is going on in their environments, and often miss out on business opportunities. When exploring refugees, companies are exposed to diversity, and new perspectives, skills and knowledge. The refugee might bring new business ideas or be aware of things happening in the environment that the company might not be aware of. The current immigration stream will increase the Swedish population by 2%, and lead to a new subset of population with different tastes, preferences and finances (Bremán & Hallberg, 2015). These people can become a new business opportunity and target audience for a company, leading to competitive advantage. These opportunities might be easier to explore when having refugees at the company since they are aware of the cultural differences, needs etc. According to Swedbank (2016), *"Of course it is good for business. Customers are more inclined to come in and discuss something as serious as bank issues, if they can speak to someone in their own language e.g. Arabic. We also learn more about the different cultures, and that is a way to find out if we can create new business opportunities"*.

Variations within Municipalities impact Ambidexterity

When refugees arrive to Sweden they are often placed in sparsely populated municipalities. These municipalities need a larger workforce to counteract aging and reduce dependency ratio, while metropolitan regions currently enjoy good demographics, but a glaring lack of housing. Today it takes about 150 days from the time a refugee gets

asylum and then receive accommodation in a municipality (Breman & Hallberg, 2015). Arbetsförmedlingen is responsible for helping refugees to find accommodation if they are apart of the “Establishment Plan”. The election of the municipality depends on what is said in the establishment plan and the possibilities of receiving a job within a relative distance (commuting distance). The refugee has the option to decline the accommodation, and one of the most common reasons for rejecting an accommodation is when the placement is far from an attractive labor market region. Since job chances and access to networks are greater in larger cities than in sparsely populated municipalities, refugees placed on receiving accommodations in rural municipalities move to metropolitan regions when they receive a residence permit. However, due to the lack of housing in Sweden many refugees cannot move to larger cities and university towns where job chances are greater. Therefore they continue to stay in asylum facilities, even after they have received asylum (Breman & Hallberg, 2015).

In Sweden 99,9% of the companies are SMEs. The majority of these SMEs are placed in the smaller municipalities (Företagarna, 2016). Therefore, SMEs must understand the benefits incorporating a refugee bring to the organisation. Hence, organisations within the smaller municipalities need to be encouraged to take in refugees. Creating stronger relationships between the municipalities and the organisations within the municipalities could enable Arbetsförmedlingen to match refugees with companies that suit their competencies. Using internships and similar initiatives is a way for companies to do so, without the pressure of permanently hiring the refugee. This would enable organisations to realise the benefits of exploring refugees and by doing so, it might make them more open to commit to hiring refugees on a permanent basis.

Since the different environments where our case companies operate within are dynamic and competitive in their own way, it is important for the companies to be ambidextrous. Thus, exploring the capabilities of refugees should be seen as an opportunity to explore new talents in order to gain competitive advantage. The decisive factor whether this can

be tapped and benefit the companies depends on the extent to which, and how quickly, the refugees are integrated into the labor market at all Swedish municipalities.

Organisational Antecedents - the Organisation's Perspective

Organisational Antecedents focus on the organisation's perspective in terms of the organisational structure, context and leadership. We investigate how organisations balance and synchronise exploratory and exploitative activities in relation to their recruiting and training strategies related to their initiatives.

The Structures and Contexts of our Case Companies

The development of structural mechanisms that enables exploration and exploitation varies depending on the context the organisations operate in and the organisation's structure. The data collected shows that companies who are concerned with integrating refugees have clear strategic objectives concerning diversity and integration included in their organisational strategy. An organisation can use different pathways to reach ambidexterity, either via differentiation or integration (Raisch et al., 2009).

Swedbank's Structure and Context

Swedbank emphasises how their values "*simple, open, and caring*" permeates the organisation and their strategies. This includes their strategies related to the integration of immigrants, through their "Äntligen Jobb" initiative (Swedbank, 2016). Moreover, the structures and mechanisms used by organisations are influenced by the industry the

organisation operates in, and the size of the organisation. Swedbank has chosen to focus on immigrants with an academic background since that is demanded by the industry Swedbank conducts their business within. The company is also a large company, with a hierarchical structure. At Swedbank the interns walk side-by-side with an employee, i.e. a mentor. The organisation's reasoning behind this decision is that since they recruit interns from such different backgrounds and cultures it is more suitable to have a mentor, instead of an official training program, that can help the intern with all questions and training. Thus the interns will receive a more customised internship (Swedbank, 2016).

In addition, the company exploits the mentor's capabilities and knowledge. These skills are then transferred and can be utilised by the refugee. The mentor also gets to work with an entirely new person from a different background and with other experiences. Hence, the mentor also benefits from the internship program as he or she is exposed to the diverse perspectives and knowledge of a person who is not from the same culture. Swedbank's structural mechanisms are parallel, in accordance with Raisch and Birkinshaw (2008) theory, as they allow for their employees to switch back and forth between two or more types of structures. It is up to the mentor and the mentee to explore and exploit each other's competencies and capabilities. This enables them to tackle exploitation and exploration within the single business units in the way they see as most appropriate. Moreover, they follow an integration pathway, as the exploration and exploitation occurs within the division the mentor and intern works (Raisch et al., 2009).

However, as Swedbank's initiative works on a volunteer basis, i.e. employees need to sign up as a mentor; one might argue that some departments have more interaction with interns than others. Therefore, since management cannot control who volunteers, there might be a risk of limiting the positive outcomes of the internship to those departments who interact more with interns. Since Swedbank then will have some departments that explore more than others the organisation also shows evidence following a differentiation pathway (Raisch et al., 2009). Focusing on differentiation means the subdivision of tasks into distinct organisational units that tend to develop appropriate contexts for exploitation

and exploration. This structural differentiation helps ambidextrous organisations such as Swedbank to maintain different competencies with which to address inconsistent demands arising from emerging and mainstream business opportunities (Raisch et al., 2009).

As mentioned, since the internship is structured around a mentorship, they need employees to volunteer to take on an intern. The mentor is responsible for the intern throughout the entire internship and also the one who is responsible for giving the intern a good introduction to the organisation and to the job. Swedbank encourages their employees to become mentors by labelling the mentor-experience as leadership training. *“Since we are depending on our employees willingness to take on a intern we have tried to brand the mentorship as a great way of gaining some leadership experience”* (Swedbank, 2016). If for instance an employee at Swedbank has the ambition to become a manager they can use the mentorship program to practice on their leadership capabilities. The employees’ sign up if they are interested in becoming a mentor and get to specify what kind of profile they are looking for. This process encourages employees to engage in the “Äntligen Jobb” initiative, and thereby align the goals of the organisations with the employees’ personal goals (Swedbank, 2016). Creating a systems and beliefs that shape the behaviour of the employees at an individual-level is a crucial aspect for creating an ambidextrous organisation. This is also an example of Swedbank using contextual solutions to allow for activities to be carried out within the same unit of the organisation. It enables and encourages the employees to judge for themselves how to best divide their time between conflicting demands for exploitation and exploration (Raisch and Birkinshaw, 2008).

Nevertheless, a possible negative aspect that occurs when Swedbank encourages its employees to take on interns as a way to enhance their career is that employees become mentors for the wrong reasons. Instead of having the motivation to train and educate, whilst also explore and exploit the capabilities of the refugee, the employee might be motivated by their own personal gains. Additionally, the level of support and training the

intern receives may vary depending on the mentors engagement and capability of educating another person. Training someone is a complex matter, and it might become even more apparent when cultural barriers appear. This might result in a lot of pressure on the mentor, and also on the refugee. However, even if challenges occur for both parties, the literature on ambidexterity underlines the importance of enabling and encouraging individuals to judge for themselves how to divide their time between conflicting demands (Raisch et. al, 2009).

Hemfrid's Structure and Context

Hemfrid does not have any academic requirements when hiring employees. Instead the company focus on the applicant's capabilities, experiences and personal traits. Since Hemfrid does not operate from an office, but in the homes of their customers, the employees must be able to transport themselves between the different workplaces. The work also requires a lot of responsibility since it involves handling the keys to the homes of the customers. These aspects are crucial for the organisation when hiring employees. Since Hemfrid does not currently offer any internships as Swedbank and Företagarna do, they have to employ refugees in order to explore their competencies. However, Hemfrid does offer permanent jobs which in the end is the goal of the internship initiatives. Moreover, since Hemfrid does not have any academic requirements they can offer jobs to a wider range of people, and thereby make a substantial impact.

In addition, Hemfrid does not provide a mentor. If a refugee works for the company they are divided into different geographical areas, with an area manager who is responsible for the budget, results, and general employee-management aspects: *"Since we are managing at a distance we are trying to develop efficient ways of doing so. We work within about 35 different areas in Stockholm but only have one office. And the further you are from the office, the longer is the distance, both psychologically and physically"* (Hemfrid, 2016). Hence, it is crucial for Hemfrid to create a strong company culture even if their

employees do not work from an office base. The employees are divided into teams of 25-50 people who are out at their customer's home. Since most of their employees work independently Hemfrid have team meetings where the employees meet the managers and the rest of the group from their geographical area. There are also other meetings, such as "key meetings" where employees meet on a weekly basis. During these meetings someone usually arranges a coffee break and people get the opportunity to interact with each other. Hemfrid is continuously working to promote team spirit and belonging within the organisation. In an ambidextrous organisation the company must both exploit and explore capabilities jointly. By engaging with each other through team meetings the employees get the opportunity to exploit each other's knowledge and experiences that might not have been transferred otherwise, since they usually work individually.

Contrary to Swedbank, Hemfrid has a much higher percentage of employees with a non-Swedish background, 85% (from 40 different nationalities); therefore they have to embrace this diverse workforce in a different way than Swedbank (Hemfrid, 2016). The managers, in particular the group managers, do have a challenging job since it entails managing people from very diverse backgrounds and with very different experiences. However, according to Hemfrid themselves *"Yes, from time to time it can be challenging to manage people from so many different backgrounds, however, we feel that it only makes our company stronger as it has led to new innovative ways of working"* (Hemfrid, 2016).

While Swedbank is more concerned with creating and integrating a diverse workforce, Hemfrid is more concerned with managing their already diverse workforce. Swedbank arguably views diversity as a dual value. They focus on leveraging diversity to achieve business related goals for achieving business success, i.e. as an instrumental value. However, they also show evidence of seeing diversity as a terminal value as they see diversity itself as an objective (Olsen & Martins, 2012). Evidently this leads to different approaches of exploiting and exploring capabilities. Hemfrid also show evidence of viewing diversity as a dual value. Hemfrid's strategy aim to communicate and manage

their diverse employee-group in a sufficient way in order to perform well. Dividing the workforce into different groups means Hemfrid to have a more spatial separation of their business units (Raisch and Birkinshaw, 2008). This entail that the different units within Hemfrid pursue either exploitation or exploration separate from each other.

Variation in Leadership impact Ambidexterity

All of our case companies emphasise the substantial impact that the leadership of the organisation has on the organisational outcomes. Hemfrid stresses that the engagement from their management team is a driving force behind their business. Hemfrid's top-management team strives to balance exploration and exploitation by bringing in new competencies to some units. Through their employee groups (and utilising well-developed competencies in others), and via their managers (their middle-and group managers) - the organisation strive for ambidexterity (Raisch & Birkinshaw, 2008). Organisations have to continuously reconfigure their activities and processes to be able to meet the changing demands of their internal and external environments (Raisch & Birkinshaw, 2008). Hemfrid shows evidence of being aware of this notion since they are also engaging in the "100-club" initiative created by the Swedish government. The management needs to constantly and intentionally adapt the firm's resources. Moreover, Hemfrid demonstrate having a common set of values, a shared vision, and an overarching governance process. Hence, when needed they are most likely to be able to adapt their ambidexterity pursuits in a swift manner. Hemfrid is founded on the notion that diversity is the key to their success, which influences all parts of their organisation (Hemfrid, 2016).

According to Swedbank (2016) *"One of the reason behind the success of our internship-program is the support from our executive management and our former vice-president who initiated this project and drove the cooperation with the other companies"*. Just as

Hemfrid, Swedbank's leadership aligns with the literature; top-management engagement is a crucial factor for facilitating ambidexterity within an organisation. It is evident from the data that managers have a substantial effect on the outcomes related to ambidexterity. At Swedbank, the top-management and vice president were highly aware of the beneficial outcomes that come from exploiting current resources and also exploring new opportunities. Additionally, they were willing to test a previously untried way of recruiting people to their company. The benefits of this even lead to Swedbank adjusting their entire recruitment process (Swedbank, 2016). This aligns with O'Reilly & Tushman, (2004) theories that managers that create ambidexterity have the motivation and ability to be sensitive to, understand, and pursue a range of seemingly conflicting opportunities, needs and goals. Swedbank's management are very engaged in creating diversity within their organisation. However, Swedbank (2016) argues that it takes time to see the results of their internship. Thus, although the company exploit the capabilities of their interns, this might be a reason for managers not to be willing to engage in the matter of ambidexterity.

The managers at SMEs are in general more restricted in their resources, and therefore more limited to pursue dynamic exploration of ambidexterity. Moreover, in a small organisation the managers are often more emotionally engaged in their companies. For instance, smaller family driven organisation depend on their business to be able to live, all their income comes from the company (Företagarna, 2016). Therefore, they are likely more risk-averse when pursuing exploration. However, to increase their chances of surviving managers of SMEs cannot ignore what is happening in the market. They need to be sensitive to changes within their industry; otherwise they face the risk of becoming lacklustre, which can lead to bankruptcy.

Even if the leadership within the organisation is crucial, it is also clear that the integration within the organisation, i.e. the collaborative behaviour, quantity and quality of information exchanged, and joint decision-making, are also factors that are vital. The entire company needs to engage in the matter of creating ambidexterity.

Readiness of the receiving country - Company Language Initiatives

Företagarna (2016) identifies that in order to receive a job in Sweden it is important to speak Swedish. The company claims *“If you are not a CEO or a top manager, people are still speaking Swedish at most companies”*. Swedbank (2016) also argues, *“Although the corporate language is English, part of the internship is that we expect the refugee to improve their Swedish.”* Swedbank is one of the companies that have English as their official language. However, in some cases speaking Swedish is required if it is demanded by the job: *“..it depends on which department you are applying to but we are an international organisation and our official language is English so it is not always required”* (Swedbank, 2016). At Swedbank, Swedish is required if you are working in a service position where you meet customers face-to-face. Swedbank does not offer any specific Swedish courses but instead encourages the interns to socialise with their employees to develop and practice on their Swedish (Swedbank, 2016).

Compared to Swedbank, Hemfrid (2016) has Swedish as their corporate language. The company motivates this in the following way: *“Hemfrid has chosen to keep Swedish as the official language of our organisation even though we work with more than 40 different nationalities because we think it is very important to learn Swedish to be able to integrate into the society, and keeping the official language Swedish will encourage employees to learn it”*. Hence, the decision to keep Swedish as their official language is based on the notion that it will encourage and motivate the employees to learn Swedish. The company also offers their employees courses in Swedish. These courses have been developed together with the organisation “Swedish for Professionals”, an organisation that works with both organisations and private parties. At Hemfrid’s Swedish courses the materials used are all related to cleaning, as the company consider it to be easier for the employees to understand and learn if put in context: *“We have created an educational material of 150 pages that is focused on cleaning. We believe that when you get a context it is easier to pick up the words and learn”* (Hemfrid, 2016). The course is held ten times, twice a week, at almost all Hemfrid’s facilities/locations. When they first started

with the course, Hemfrid noticed that the language skills varied a lot amongst the students. As a consequence, the people that had the highest Swedish language skills dropped out. Therefore, employees are now required to take an assessment test in order to create different group-levels based on the language skills (Hemfrid, 2016).

Providing language trainings at companies enable further opportunities for the refugees to learn Swedish. The faster they learn the language that is necessary for the job required, the faster they can communicate with their co-workers and start exploiting each other's diverse capabilities. Moreover, it enables non-Swedes who are not from the same country to communicate with each other.

Other Moderators that impact Ambidexterity

The literature suggests several other moderators to explain conflicting findings in respect to the organisational ambidexterity construct. Firm-specific factors include Market Orientation, Resource Endowment, and Firm Scope. In order to answer our research question we also reflect upon the impacts that governmental initiatives have on the integration of refugees into the Swedish job market (Raisch & Birkinshaw, 2008).

Market Orientation – what do the customers want?

Market Orientation is regarding a firm's ability to identify, meet and respond to the stated or hidden needs and wants of current and future customers (Raisch & Birkinshaw, 2008). The competitive environment, in which today's organisations operate in, is becoming increasingly aware of the importance of innovation.

A key to innovation is knowledge and diversity. Achieving long-term success therefore requires firms to be aware of the current and future demands of their environment by engaging in explorational and exploitational activities. Ambidexterity is thus likely to require both internal and external knowledge processes as well as the integration across organisational boundaries (Raisch et al., 2009). If companies source all their knowledge internally, they risk falling behind. As mentioned, both Företagarna and Swedbank have initiated projects such as internships that enable companies to retain the competencies of the refugees without hiring them. Hence, since the refugees are not employees at the organisations, they are external knowledge sources that create architectural competences for Företagarna and Swedbank (Henderson and Cockburn, 1994, p. 66). When engaging in the exploration of refugees through internship-initiatives, and simultaneously exploiting the knowledge of their existing employees the organisations reap the benefits of receiving both internal and external knowledge.

In addition, in order to respond to changing market demands, companies need to be innovative. Diversity is a key driver of innovation and crucial for the creation and execution of new products, services or business processes. Hence, by exploring the integration of refugees in the workforce, companies create a larger pool of knowledge, and expose their current employees to different experiences, perspectives, and backgrounds (European Commission 2013). This is important for the development of new ideas and for fostering innovation within organisations. Furthermore, having a diverse and inclusive workforce attracts and retains top talent, which also influences the organisation's ability to compete in their industry and keep up with changing customer demands (Rizy et al., 2011). As we previously discussed, both Swedbank and Hemfrid operate in environments with high degrees of competitive dynamics, and therefore it is crucial for these companies to have talented employees in order to assure long-term success.

On the other hand, having a diverse workforce does not necessarily make a company successful. The organisation's ability to foster diversity is of great importance, as getting

people from different cultures and backgrounds to cooperate can be a very complex and difficult matter. Different worldviews and cultural styles can cause intercultural anxiety, and in some cases even lead to conflicts. As a consequence, companies can experience ambient cultural disharmony. (Chau, 2013) Our case companies are exploring the integration of refugees into their organisations. However, it is important that they do not assume that they will automatically reap the benefits of diversity only by incorporating refugees in their business. They also need to engage in creating an organisational environment that enables diversity to bloom. As we mentioned, an organisation's structure and leadership can determine the outcome of ambidexterity and diversity.

As the demands and needs of customers can change quickly in today's fast changing environments, companies need to be innovative in order to keep up. By exploiting the needs of their current customers, whilst simultaneously exploring the demands of the future, companies are ambidextrous which results in innovation. In addition, diversity and knowledge is one of the leading factors to innovation. Thus, by exploring the opportunities of hiring a refugee, companies are creating a more diverse workforce, which will lead to more innovative thinking.

Resource Endowments impact Ambidexterity

Some researchers argue that firm resource differences may moderate ambidexterity's effect on performance (Kyriakopoulos & Moorman, 2004; Venkatraman et al., 2007). Rich firms have the resources to exploit and explore concurrently, whereas firms with less resources may not be able to afford such a complex strategy.

Our case companies vary in their availability of resources (e.g. MNEs vs. SMEs), which may affect their ability to explore the possibility to integrate refugees in their operations. Both Hemfrid and Swedbank are rich companies with many resources. For instance, both

have a Human Resource department (HR) that refugees can turn to if they have any questions. The HR department also plays a vital role in diversity management, and is in charge of workforce planning, also referred to as *talent management* (Stewart & Harte, 2010). Talent management is the process of analysing the skills, and retention of employees etc. (Risberg, Beauregard & Sander, 2012, Stewart & Harte, 2010). Having a HR department is important since a company that explores refugees creates a talent pool that has a more varied background than usual.

In addition, resources may help Swedbank and Hemfrid explore the capabilities of the refugees they hire more easily: When the refugee and employer experience cultural barriers, the knowledge and skills acquired by the refugee might not be transferred, although the refugee is the perfect candidate for the job. Hemfrid (2016) claims that communication is the biggest challenge when hiring a non-Swede. Since Hemfrid sends their employees to the home of their customers, it can be hard for the refugee to understand what the customer wants/needs if they do not speak the language or understand the Swedish culture: *“It can be hard if the team leader is not in place and they are communicating via phone or text message. This is often the case since the employee is in the home of the customer”*. Swedbank (2016) mentions that the company also notices that some of their interns can have difficulties in understanding particular aspect of the Swedish job place. The example they bring up is communication with your boss. In Sweden it is not unusual to have a casual conversation with your manager and even share a joke together. Some interns find this to be a peculiar thing.

Thus, companies can introduce educations and trainings (e.g. Swedish courses at Hemfrid, mentorships at Swedbank) in order to reduce the cultural barriers as we have previously discussed. However, these initiatives might require resources that many companies do not have, or are not willing to spend on the exploration of refugees' capabilities. Arbetsförmedlingen (2016) states that in general it takes longer time to integrate a refugee into the workplace due to cultural differences, new environments etc. than for a Swede. The organisation claims that although the goal is to match candidates

with jobs, the focus is to make a suitable match, not only contact people and say that there is a job available. The reason is because there are many things to take into account when the applicant is a refugee. Arbetsförmedlingen deliberates *“We have to explain to them what type of job it is, and at times we need to bring in a translator. We have made quick matches before, but it has happened that the refugee does not know what is expected of them. It then becomes a challenge because the employer is expecting one thing, and the refugee does not know what that is”*. As a consequence, if employers consider it less time-consuming to hire Swedes (already accustomed to the cultural aspects of working in Sweden) employers might exploit existing capabilities and search for employees within the organisational network, instead of exploring refugees.

Företagarna (2016) argues that SMEs have fewer resources, and might therefore not have the same opportunity to spend on the exploration of refugees. As a consequence, it can affect their prospect to be ambidextrous. SMEs are therefore more dependent on education and training provided to refugees through governmental initiatives, as is discussed further in the analysis. Hence, due to their resources, Swedbank and Hemfrid should be ambidextrous as they have the capabilities to explore the opportunities received when engaging with refugees, while concurrently exploiting the skills of their existing employees.

Firm Scopes impact Ambidexterity

A firm's scope refers to the idea that the concept of ambidexterity may be more suitable for large and diversified organisations. Smaller firms may instead benefit from leadership-based ambidexterity. Many established, and large organisations are good at incrementally improving their existing products and processes to reflect changes in consumer tastes or economic environments (O'Reilly and Tushman, 2004). However,

they are often not as skilled at exploring opportunities for future business as they are at exploiting and refining current operations.

Hemfrid and Swedbank are both large and diversified companies. Therefore, the companies should be even more prone in engaging in ambidexterity. SMEs are usually small companies, thus they might not have the same resources, needs and capabilities to explore refugees (Företagarna, 2016). Nonetheless, research shows that it is not necessarily the size or age of the organisation that determine if a company is having trouble with ambidexterity, but rather the creation or presence of routines and process management that encourages exploitation over exploration (Benner & Tushman, 2002). As SMEs are smaller and less hierarchical in their structure, they do have the ability to change processes and explore new options at a faster pace than MNEs. A challenge that arises in larger organisations is that the structures needs to be approved by several managers, which takes time to initiate. Swedbank (2016) debates *“Even if we explore new ways of discovering competencies by taking in interns, evaluating the benefits of the internship takes a long time at a MNEs such as Swedbank”*.

In addition, many large firms find ambidexterity challenging as they often develop structural and cultural inertia. Swedbank argues that it can be challenging to be ambidextrous at all organisational levels as some departments have set routines and ways of doing business that have not been changed in many years. Thus, people might be reluctant to organisational change (Raisch & Birkinshaw, 2008). As a consequence, there might be some departments that are more ambidextrous than others. This can result in the other departments falling behind and not being innovative enough since they are only exploiting the existing capabilities of the organisation.

Readiness of the receiving country - Governmental Initiatives

There are several initiatives created by the government and the governmental organ Arbetsförmedlingen to facilitate the integration of refugees into the Swedish labor market. These initiatives are important as they aim at integrating refugees into the Swedish society, and reduce the cultural barriers between refugees and organisations.

One governmental initiative is “the 100-club” i.e. 100-klubben. The initiative started in 2015 due to the ongoing refugee streams. The Swedish government asked companies for help to identify opportunities for more newcomers to enter the labour market. The initiative requires businesses to receive at least 100 newly-arrived within three years depending on the company’s circumstances and needs. By participating, and contributing to the establishment of the new arrivals, Arbetsförmedlingen offers support and package solutions for the company. During a personal meeting the company's needs and wishes are discussed to identify the applicants wanted and then a company-tailored package is created. Examples of actions are fast track, professional skills assessment, validation of knowledge, and job training with a supervisor (Arbetsförmedlingen, 2016).

However, according to our case companies one of the main obstacles when exploring refugees is that it is in general very time consuming and inefficient to go through Arbetsförmedlingen. Hemfrid (2016) states “*Arbetsförmedlingen is probably one of the worst authority to work with, it simply does not work*”. Hemfrid (2016) that is part of the 100-club, argue that Arbetsförmedlingen is bad at understanding what candidates the organisation is searching for. The company and Arbetsförmedlingen have together organised recruitment meetings on several occasions. However, they have been more time consuming than successful. Hemfrid describes, “*At these meetings, out of 100 people that show up, 75 of them do not fulfill our criterias*”. *It takes a lot of time from us, and Arbetsförmedlingen should look up the candidates before they send them to these meetings*”(Hemfrid, 2016).

Another project in order to facilitate the integration of refugees faster into the Swedish workforce is “Fast Track” i.e Snabbspåren, by Arbetsförmedlingen. The goal is to quickly take advantage of the past professional experiences and educational backgrounds of the arrived refugees. Many of the skills they bring are needed in the Swedish job market today. A validation is made to ensure that the skills of the refugee meet the requirements of the industry that the person is eligible for. If the competencies lack in some aspect, Arbetsförmedlingen offers complementary trainings and education. These courses can be provided in the refugee’s mother tongue (Arbetsförmedlingen. 2016). As mentioned, the objective of the initiative is to quickly integrate the refugees with previous professional skills into the job market. However, according to Företagarna (2016), many companies are in need of more manpower, but the problem is that Arbetsförmedlingen do not have the capability to cater to this need (Företagarna, 2016; Hemfrid, 2016). Currently, the average time for Arbetsförmedlingen to match candidates with some sort of occupation is 1-1,5 years (Arbetsförmedlingen, 2016). When discussing the matter with Företagarna, they claim *“This is problematic at an organisational level and on a humane level. People sit around and wait for something to do, while we have so many organisations that are ready to employ people but they are waiting for an approval from Arbetsförmedlingen”* (Företagarna, 2016). As a consequence, instead of acting as a mediator between companies and refugees in order to facilitate the exploration of refugees for companies, Arbetsförmedlingen is hindering the process.

On the other hand, Swedbank (2016) is very positive about their cooperation with Arbetsförmedlingen. They claim that Arbetsförmedlingen usually send them appropriate profiles to select from for their intern-positions. One reason to the contrasting opinions about the governmental organ might be that Arbetsförmedlingen and Swedbank have had an ongoing cooperation since 2011, thus, they have had some time to develop their collaborative program to ensure that it works in an efficient way. In addition since Swedbank is a large organisation it is possible to assume that it can influence the level of help and support they receive from Arbetsförmedlingen. Arbetsförmedlingen might put some of their best administrators on the task to find them candidates. As stated by

Hemfrid (2016) the contact person you have at Arbetsförmedlingen have great influence on the quality of help you get. Therefore, one might argue that smaller organisations, such as Hemfrid, do not receive the same level of service as Swedbank gets.

Evidently, the majorities of our case companies are critical of Arbetsförmedlingen and consider the organisation to be inefficient. Hemfrid (2016) state, *“Overall, the organ should be digitalized. At the moment, there are several forms that you have to fill out and email back and forth. It is very bureaucratic and inefficient and in the end very time-consuming for the company”*. The consequence of dealing with the difficulties when collaborating with Arbetsförmedlingen is that it takes away time that the companies could have spent exploring refugees (Hemfrid, 2016; Företagarna, 2016). Hemfrid (2016) claims, *“Instead of getting people jobs, you are focusing on trying to figure out which forms to fill out, trying to reach your administrator etc.”*

As Arbetsförmedlingen is not helping organisations with the integration of refugees, companies are increasingly finding new ways of exploring how to incorporate refugees without having to go through the governmental organ. This is unfortunate as Arbetsförmedlingen is initiating many projects to help organisations and refugees. However, the current streams of people have put a lot of pressure on the organisation, and therefore they are failing to handle the situation without the help from companies. We will discuss this issue more into-depth in *“The impact of organisational change on ambidexterity”* part.

Language training enables exploration

In Sweden, immigrants are provided the opportunity to attend SFI courses i.e. Svenska För Invandrare, which are Swedish language courses for immigrants. SFI provides basic knowledge in the Swedish language and about the Swedish society. The training is offered at different educational levels and takes up to a couple of months to several years for them to finish depending on the capabilities of the refugee. It is the municipality that

is responsible for providing SFI. The ambition is that refugees should take SFI courses during the asylum process, which can take several years. By learning the language during the asylum process, the refugee has a bigger chance of receiving a job faster in Sweden, since many jobs still require Swedish when hiring (Arbetsförmedlingen, 2016). Also, it might be easier for the refugee and the employer to explore and exploit the capabilities of the refugee that is needed for the job if they both speak the same language. In addition, many organisations' cannot themselves afford to provide language trainings; hence both refugees and the companies' have to rely on the courses provided by the municipalities. Another possibility for the immigrant to learn Swedish is to attend "Swedish for professionals" i.e. yrkessvenska, which is an education provided by Arbetsförmedlingen. The education is full- or half-time, and the goal is to teach the refugee Swedish that is directly related to their profession, i.e to fast track the process (Arbetsförmedlingen, 2016).

Since it is the municipalities that are responsible for language courses there needs to be Swedish language programs available in the entire country. Many SMEs operate outside of the bigger cities. If the government wishes to encourage SMEs to take in refugees it is crucial that they can provide them with language training outside of the companies. The level of the Swedish courses varies greatly depending on the municipalities. According to Hemfrid the SFI-courses available in the bigger cities, such as Stockholm, are really good. However, smaller municipalities are often not offering the same range of courses, or the same quality, because of the lack of teachers, according to Företagarna (2016). Arbetsförmedlingen (2016) explains *"At present there are geographical variations in the availability of teachers and the number of vacant training places there are for job seekers. Therefore, the quality and the availability varies a lot depending on the municipality as it is hard to find people that have Swedish as a second language, and are willing to teach yrkessvenska"*.

Since the education varies depending on the municipalities, a consequence is that refugees have different opportunities to integrate in the workforce depending on where

they are placed. These refugees could have skills and knowledge that the companies in municipalities could benefit from, but instead they miss out on exploring them.

Is Organisational Ambidexterity Possible?

There are some debates within the field of ambidexterity regarding if concurrently pursuing exploration and exploitation compromises the potential value of each on its own (Duncan, 1976; Gibson & Birkinshaw, 2004; Tushman & O'Reilly, 1996). When an organisation pursues both activities and tries to find a balance between them, there is a risk that the organisation instead becomes mediocre at both. Pursuing both simultaneously can also mean sacrificing internal consistency, which may lead to lower performance compared to a firm that is more focused. In this part of the framework we analyse our case companies and how they balance their ambidextrous-efforts in regards to organisational learning, and organisational adaption.

The Importance of Organisational Learning

The way an organisation search for knowledge, both internally and externally, has a substantial impact on the level of ambidexterity within a company (Raisch & Birkinshaw, 2008; March, 1991; Tushman & O'Reilly, 1996). For organisations to be able to adapt to changes and create long-term success they have to engage in organisational learning. Organisational learning can be divided into exploitative- and explorative learning.

Does Swedbank engage in organisational learning?

Swedbank is a good example of an organisation that possesses the resources to simultaneously pursue exploitation of current resources while also exploring new capabilities. As the literature suggests, pursuing both aspects generates competitive advantages through exploratory and exploitative innovation. Swedbank is, based on the data collected, an organisation that can be deemed as ambidextrous. The company is willing to explore new strategies, in the case of their “Äntligen Jobb” initiative, as a new way of recruiting. Swedbank’s internship program started as a way to explore a new way of recruiting, which then proved to have very beneficial outcomes for the entire organisation, “*We gain new perspectives, new ways of working, and we increase our diversity which we really need*” (Swedbank, 2016). Moreover, when realising the potential of taking in immigrants with an academic background, Swedbank was also open to exploit those potentials.

Although, Swedbank attains knowledge from outside of the organisation, the internship-program also provides an example of how organisations learn from both local search, and concentrated variation or planned experimentation (Raisch & Birkinshaw, 2008). Through the internship-program, Swedbank attains knowledge from outside of the organisation, i.e. planned experimentation. However, the internship program is also built on exploiting the capabilities of the employees, i.e. the people who mentor the interns. The mentor’s capabilities and experiences are exploited to provide the interns with help and support to enable them to grow and learn within the company. By adapting their organisation and making use of their current employees to train the interns, Swedbank utilise local search, as they adapt and refine their current internal routines (Swedbank, 2016).

Does Hemfrid engage in Organisational Learning?

Hemfrid's diverse employee pool provides them with a great amount of employee capabilities to explore and exploit. The organisation quickly discovered that their non-native employees take much more pride in their work and see it as more of a career, compared to their native employees, *"We notice that non-Swedes take more pride in the cleaning profession. They see it more as a craft and something you can evolve at - a long-term career"* (Hemfrid, 2016). Because of this the organisation aims to attract a more foreign workforce. Furthermore, the employee turnover of native Swedes is much higher, while non-natives tend to stay longer at the organisation (Hemfrid, 2016).

Hemfrid is one of the organisations taking part in the governmentally sponsored "100-club" initiative and has pledged to take in at least 100 newly arrived refugees, within three years, into their organisation. To engage in that initiative shows that Hemfrid is open to engage in explorative learning. However, according to themselves *"..since we already take in such a high number of non-natives I can't really see that it is going to create any differences for us. But of course we want to help in this crisis as much as possible, that is why we are part of the project"*. Evidently, Hemfrid is not only motivated by utilising organisational learning to explore the capabilities and skills of the refugees, they are also motivated by the social responsibility aspects of it. As the refugee crisis at its core a social issue it is crucial that organisations also consider this aspect.

We argue that Hemfrid is a very ambidextrous organisation. They engage in initiatives, which enables them to explore external knowledge, i.e. by exploring the capabilities and skills of the refugees. Moreover, since they already have a very diverse workforce they often improve and refine their internal processes based on the experiences, skills and knowledge of their current employees, in accordance with local search initiatives. They exploit their resources by using the skills of their managers and group leaders to lead and train their employees. Furthermore, except from the "100-club", which is a relatively new

initiative, Hemfrid has had very limited support from Arbetsförmedlingen. Instead Hemfrid has created their own recruitment and training tools based on what suits them.

Does SMEs engage in Organisational Learning?

Företagarna (2016) claims that the problem with the current system is that the asylum process today in Sweden takes approximately 18 months, and before the refugee gets approved or denied for asylum, they are not allowed to work. Företagarna states that the issue with that is, *“..when people sit around and are not able to work, they loose the possibility to integrate in society faster and feel a sense of self worth”*. In light of this issue, Företagarna has created an internship-initiative targeting asylum seekers. The idea is that during the asylum process, Företagarna provides internships for three months at a time for two periods. Usually internships are not provided to asylum seekers because many argue that it is costly to implement and if the refugee does not get asylum, it will be money wasted. However, Företagarna (2016) argue *“ofcourse some people that take part in an internship might not get asylum in the end, but those that do will have a reference from a previous employer in Sweden on their resume which will hopefully give them a job easier, and thus be able to pay back society faster”*. There are no specific requirements for accepting refugees as interns at the SMEs that Företagarna work with. They state that many companies are more interested in the competencies, personality etc. and not the academic backgrounds of the refugee (Företagarna, 2016). Företagarnas other initiative, NF-företag, explores the knowledge of refugees with entrepreneurial experience. According to Företagarna, entrepreneurial ventures conducted by refugees often have a higher turnover than Swedish start-ups. However, their profits are often lower.

As a representative of Swedish SMEs, Företagarna is very engaged in the learning process within SMEs. The organisation continuously encourages SMEs to explore

external sources of competencies. According to Företagarna (2016) there is a growing need within SMEs to find new competencies to be able to grow “*We have a barometer every year, and this year skill-shortage came up as the biggest obstacle for SMEs to grow*”. To search the arriving stream of refugees for competencies could therefore be seen as a possible alternative for the SMEs to fill this gap. Furthermore, it can be seen as too much of a risk for a smaller organisation to take the chance and integrate a refugee. The refugee will possibly need more support and help than other employees, especially in the beginning. Nevertheless, exploration is about taking risks and sometimes organisations need to take a risk since it can lead to beneficial outcomes. Further, by taking part of an internship-initiative, such as Företagarna’s upcoming “Företagarna Praktik”, the risk decreases, as the organisation will not have to hire the refugee on a permanent basis. This enables SMEs to explore and see if they can handle hiring a refugee.

The literature regarding organisational learning is in agreement over the notion that there needs to be a balance between exploitative- and explorative search. Swedbank and Företagarna evidently realise the importance of external acquisition of new knowledge for exploration. Hemfrid on the other hand should be more aware that sourcing all knowledge internally might cause them to fall behind (Eisenhardt and Martin, 2000).

The Impact of Organisational Adaption on Ambidexterity

Organisational adaption, i.e. the balance between continuity and change within organisations is also an ambidexterity related issue. Evidently, too much change can lead to chaos, while too much continuity can hinder change. It is important for our case companies to be ambidextrous and find a balance between continuity and change as they operate in highly competitive environments. Ambidexterity is about realising what the

market needs right now, but also exploring what the future may bring, which both Hemfrid and Swedbank has managed to do.

Företagarna (2016) discusses that Swedish organisations should adapt to the changing environment by loosening up on their language requirements. The company argues that organisations who offer jobs that do not explicitly require the employee to speak Swedish, should not have Swedish as a requirement (Företagarna, 2016). This is a way for Företagarna to encourage SMEs to be more adaptable to the current climate on the market. Hemfrid (2016) agrees with Företagarna on this point. They state that in light of the increasing stream of people arriving to Sweden organisations need to ease up on their Swedish requirements, *“I think we are going to have to be more flexible when it comes to language, which is possible since there are other tools that enable communication, Google translate for instance”* (Hemfrid, 2016). Using technology to enable communication with employees that do not speak Swedish is an example of how Hemfrid is open to adapt to their external and internal environment.

Arbetsförmedlingen's Lack in Organisational Adaption

As previously discussed, Arbetsförmedlingen is frequently criticised for their slow and bureaucratic ways of managing their tasks and communicating with other organisations. One might argue that Arbetsförmedlingen is an example of an organisation that is not able to find a balance between continuity and change, i.e. the organisation is lacking in their organisational adaption efforts. Even before the crisis Arbetsförmedlingen was struggling with matching immigrants with jobs. According to Företagarna (2016), *“If smaller organisations contact Arbetsförmedlingen for help it takes a very long time before anything happens. One of our members tried to hire a person but did not get any response from either Arbetsförmedlingen or the Migration Agency. Since she had not heard anything in several months, she finally hired the person. But as a result she was*

taken to the Swedish Labour Court". This type of problems causes organisations to be reluctant and discouraged to hire a refugee.

Hemfrid (2016) also discusses that different Arbetsförmedlingen-offices provides different levels of service and support. This will also have an impact on the external organisations decision to engage in one of Arbetsförmedlingen's initiatives. Arbetsförmedlingen seems to struggle with both their exploitative and explorative efforts. According to Arbetsförmedlingen themselves (2016) *"Sweden does have the potential to integrate immigrants and refugees into our job market, we top the list when it comes to institutions, translation, conversion of academic grades, and industry models. We have the capabilities but something goes wrong, we achieve worse results than many other countries. Clearly, it is not only about the efforts, they also have to function well with each other"*. Consequently, Arbetsförmedlingen can be seen as an example of how negative consequences arise when there is no balance between continuity and change.

Since the refugee influx, Arbetsförmedlingen have had an even harder time to integrate people into the Swedish workforce. Hence, adding pressure to an already not functioning organisation will decrease the efforts of ambidexterity. According to Arbetsförmedlingen (2016), the organisation is changing organisational processes to decrease the time it takes to match refugees with some sort of occupation. As mentioned throughout our analysis, Arbetsförmedlingen is engaged in two projects with Företagarna (Företagarna Praktik and NF-företag), the governmental initiative "100-club" (that Hemfrid is a part of), and "Äntligen Jobb" with Swedbank (Arbetsförmedlingen, 2016). It is advantageous that the organisation is exploring new options to improve the integration of refugees into the job market, but by engaging in many alternative projects, the organisation might be overwhelmed. Thus, Arbetsförmedlingen is lacking in their organisational adaption efforts, as the company is not able to find a balance between continuity and change.

There seems to be a need within Arbetsförmedlingen to, at an organisational level, restructure their different initiatives and they way they interconnect with each other.

Moreover, all parts and employees within the organisation needs to be aware of what is going on, what initiatives are in place, what companies that are involved, and who is responsible for what. As Arbetsförmedlingen has such a large amount of different ongoing projects they should coordinate these in a clear manner in order to exploit and improve their structures.

Performance Outcomes

There are disagreements within the field of ambidexterity if jointly pursuing exploration and exploitation compromises the potential value of each of its own. Some researchers argue that when pursuing both activities, companies' risk sacrificing internal consistency, which may lead to lower performance compared to an organisation that is more focused in one of the concepts. However, most literature is on the agreement that organisations that are capable of simultaneously pursuing exploration and exploitation are more likely to achieve superior performance (Raisch & Birkinshaw, 2008).

Organisations that have resources to pursue both have the opportunity to find a balance between the activities in order to reap the benefits of ambidexterity. Swedbank and Hemfrid are large firms with many resources. As discussed, the two companies are proactive in both exploiting the existing capabilities within the organisational network, whilst exploring new skills by their internship program, or 100-club initiative. However, although we argue that Swedbank is good at exploring innovative ways of incorporating new knowledge in their business practices, it can be argued that the exploration mostly is centered around their "Äntligen Jobb" initiative. Hence, instead of exploring refugees at all departments, and on a regular basis, they only recruit through the internship. As a consequence, they might not actually explore as much as they could, considering the magnitude of the organisation and their resources. This also results in different

performance outcomes in the different departments. Some are more ambidextrous than others, which makes some more innovative than others. Although we argue that Swedbank is ambidextrous, due to their internship-initiative specifically targeting immigrants, one could argue that Hemfrid is more explorative than Swedbank.

At Hemfrid the vast majority of the employees are foreign-born, and the organisation encourage this notion as they consider non-Swedes to be better at the cleaning-profession in general (Hemfrid, 2016). In addition, they argue that they have better working morale when it comes to the cleaning profession. This increases the company's performance outcomes. Furthermore, the organisation is also taking part in an initiative that enables them to explore new competencies and skills ("100-club"). However, since the initiative was only recently started, there are no clear performance outcomes to analyse. Nevertheless, because of Hemfrid's already existing structures and integration initiatives, such as their language programs, we deem them to be very capable of integrating refugees into their organisation. Hemfrid shows that it is possible to integrate refugees, or non-natives, without the support from Arbetsförmedlingen, which is a point other organisations should be aware of. Because of the previous failure of the Swedish government to integrate refugees into the job market there is a need for organisations to take the matter into their own hands. As the business community is generally more flexible and faster than the Swedish government when it comes to facing social issues they are likely to create faster results (Koser, 2015) Therefore, we argue that Swedish organisations should be inspired Hemfrid's way of creating their own integration initiatives.

A further interesting development that has occurred at Hemfrid is that some employees work at Hemfrid to gain experience from a Swedish company, develop their Swedish language skills, and receive a reference: *"Some of our employees, or previous employees, have worked at Hemfrid while learning Swedish and to get some experience of what it is*

like to work at a Swedish company. When they are ready they then apply for jobs that matches their competencies better, and we can then provide them with a Swedish reference. We have had everything from doctors and academics working here and they have used Hemfrid as a stepping-stone into the Swedish job market” (Hemfrid, 2016). To have a reference from a Swedish company can be very beneficial for a refugee when they apply for a job in the future. Since a large amount of the refugees that comes to Sweden do not have a social-network in the country, or references that can support their previous educational- or professional background, a reference from a Swedish workplace can be crucial.

For SMEs, depending on the environment the companies are operating in, the need for ambidexterity differs. Since SMEs are smaller companies, they might not have the means necessary to engage in organisational learning. Therefore, they might instead favor either explorational or exploitational activities. Moreover, SMEs carefully needs to evaluate if they are capable of managing the diversity that refugees brings to the organisations. Factors such as time-factors, and managerial-and organisational approaches must be sufficient to enable them to integrate the refugees (Olsen & Martins, 2012). On the other hand, some SMEs might not need to explore the competencies of refugees, as they might not be interested in growing and being innovative. However, by only pursuing one of the activities they run an inherent risk of not being aware of what is going on in their environment (Raisch & Birkinshaw, 2008).

Furthermore, when hiring a new employee, companies usually experience some tangible and intangible costs (Fernhaber & Patel, 2012). Tangible costs include recruiting costs, costs of training, salary, benefits, and workplace integration. Intangible costs are less easy to measure since the costs are often not predicted. Some key and intangible costs might include a drop in employee morale, dissatisfaction with working conditions and customer dissatisfaction due to a decline in service or product quality. One could argue that both

the tangible-and intangible costs are higher when it comes to taking in refugees. However, it is difficult for us to measure the tangible and intangible performance outcomes of the different initiatives, as most of them have just started. Företagarna (2016) have recently started their two initiatives, therefore there are no outcomes or results available for us to analyse. The “100-club” initiative Hemfrid is part of also recently started. Swedbank’s initiative, on the other hand, has been active since 2011. In light of this, Swedbank has been able to identify the outcomes, however the results are mostly intangible. The company mentions that the apparent benefits are increased language capabilities, other ways of seeing and solving problems, and cultural integration amongst the co-workers (Swedbank, 2016).

In general, our case companies are very positive about exploring new ways of recruiting employees and increase the diversity within their organisations. They are in agreement with each other, and with the related literature, that a diverse workforce is a key driver of their firm’s performance. The organisations also underlined the fact that their increased diversity has made them very appealing to future applicants. This aligns with Rizy et al. (2011), which states that having a diverse and inclusive workforce attracts and retains top talent, which also influences the organisation’s ability to compete in today’s global economy. Ng and Burke’s (2005) study shows that minority groups find diversity management to be important when accepting a job offer. Hemfrid (2016) is also very positive to the benefits of their diverse workforce. The company argues that it provides them with competencies, skills, language capabilities, and a passionate workforce. This then results in positive performance outcomes.

The majority of our case companies were reluctant to discuss the negative performance outcomes they have encountered related to taking in immigrants. They were unwilling to share the costs and issues that arise from their different initiatives. According to Swedbank (2016), *“There are no direct costs that we have encountered during our*

initiative, we actually save money since we know the person before we hire them". One might argue that they are reluctant to discuss negative aspects because of the picture they want to project to the public. Swedbank for instance is encouraging other companies to create their own "Äntligen Jobb" initiative, therefore they may be reluctant to share negatives aspects of the project, since it may discourage interested companies. In addition, all our case companies are very engaged in the social-issue aspects of integrating the refugees into the job market. They want the refugees to be able to create a life for themselves in Sweden. Thus, the reason why they might be reluctant to state disadvantageous aspects of integrating refugees might be because they want to present their ideas and initiatives in the most favourable way as possible - to encourage more organisations to engage in the matter.

Discussion

In the following section we present three final motives based on the analysis of our data. These are structured to be applicable to all organisations, not only to our case companies. The motives answer our research question: *Why should Swedish companies use ambidexterity to integrate refugees into their organisations?*

1. Integrating refugees into the organisation creates a diverse workforce

In order to survive in today's changing business environments, innovation has become a key differentiator for companies. We argue that in order to be innovative, companies need to have a diverse work force, as diversity is a key driver of innovation. Therefore, it is a crucial component if a company aims to succeed in the long-term. The refugees that arrive to Sweden come from different countries and they bring new experiences, perspectives, and backgrounds that can be vital for the development of new ideas and for fostering innovation within organisations. By exploring the competencies of people with different cultural backgrounds, companies also exposes their current employees to new perspectives. This challenges the employees to think differently, and different perspectives lead to more creative solutions.

Integrating refugees into the workplace also leads to the exploitation of the capabilities and knowledge of the company's current employees. As the refugee needs to be trained to learn the company culture and the specific work tasks, the employee that trains the refugee gets to work with an entirely new person from a different background and with other experiences. The employee then benefits from the integration as the person is exposed to the diverse perspectives and knowledge of a person who is not from the same culture. These skills are then transferred and can be utilised by the refugee. It is therefore

up to the current employees and refugees to explore and exploit each other's competencies and capabilities. This enables them to tackle exploitation and exploration within the organisation and foster recognition, mutual understanding, mutual enabling, trust, and integrity. As a result, it can lead to "out of the box" thinking and innovation. Thus, the positive outcomes of integrating refugees in the workplace affect the current employees, the refugees and the organisation.

By analysing our case companies, we noticed that companies incorporate diversity in different ways. Large, rich firms with more resources have the potential to establish departments such as HR departments, which plays a vital role in diversity management. Other companies have managers that are very passionate about the importance of having a diverse workforce. Ambidextrous leaders are very prone to deal with change and explore new ways of finding competencies. Thus, companies that have top-managers that are ambidextrous and value having a diverse workforce might also be more willing to invest in integrating refugees in the workplace. Moreover, some organisations are very diverse, however, the diversity is concentrated to specific business departments and not throughout all business levels. This can be problematic as only some departments reap the benefits of exploring the capacities of refugees, whilst others have cultural inertia. One reason behind this could be that some departments have more ambidextrous leaders than others. Another reason could be that some departments require language skills (e.g. Swedish) that the refugee might not have. As a result, these departments might only exploit the capabilities of their existing employees, which reduce the opportunity of new innovative thinking. Having a diverse workforce is also a way for companies and the different departments to attract top talents as it appeals to applicants. It has been proven that people are more eager to work for a diversified company. Thus, the integration of refugees into Swedish companies therefore needs to be incorporated at all levels of the organisation in order for some departments to not fall behind.

When hiring a new employee, companies usually experience some tangible and intangible costs. Since a refugee needs to be accustomed to the cultural differences of working in a new country, and the work tasks itself, we argue that some tangible-and intangible costs are higher when it comes to integrating refugees in a Swedish workplace. Most advantages of having a diverse workforce are also hard to measure in the short-term, thus some companies might not understand the real value diversity brings to the organisation in the long-term. As a consequence, they are not ambidextrous, which can result in them not seeing changing demands in their task environment.

Nonetheless, we argue that Swedish companies should use ambidexterity to explore the integration of refugees into their organisation. This will also lead them to become more ambidextrous. As a result, it creates a more diverse workforce, exploits their current employees capabilities, and expose them to different perspectives and ways of thinking. This leads to more innovative thinking, which is required for the organisation, in order to respond to the demands of their customers.

2. Refugees create new business opportunities for organisations

The increase of immigrants leads to a larger employee pool for companies to explore new talents. The newcomers that have arrived to Sweden most recently are relatively young, and in working-age (mean age is 25). Many are highly educated, while others do not have an educational background but adequate professional knowledge that are advantageous for companies. As Sweden is facing an increasing need for qualified workers within a large number of industries, incorporating refugees in the organisation is a way to solve this issue. One of the main reasons why many SMEs cannot grow is due to the lack of competencies available. As many of these companies are small businesses, the consequence can be that they have to close down or reject business opportunities due to

the lack of employees. Thus, training and educating refugees within these fields can enable SMEs pursue their business goals and reach their potential.

Moreover, it is said that the current immigration stream will increase the Swedish population by 2%. This will result in a new subset of population with different tastes, preferences and finances. These people can turn out to become a new business opportunity and target audience for a company, leading to innovation and competitive advantage. Hence, companies should be ambidextrous by exploiting the demands of their current customers, whilst exploring the needs of this new population. Since refugees are apart of this new subset group, they are aware of the needs and preferences that a typical Swede might not necessary be aware of. By integrating refugees into the company, through e.g. internships, these opportunities might be easier to explore. It is therefore both an opportunity for the refugee to learn about the Swedish job market, and for the organisation to explore information about these new needs. Hence, a win-win situation because both parties benefit and are exposed to new knowledge.

In addition, many refugees that arrive to Sweden are entrepreneurs and have previously had their own business in their homeland. According to our data, entrepreneurial ventures conducted by refugees often have a higher turnover than Swedish start-ups. However, their profits are often lower. Entrepreneurs are often ambitious, innovative and go-getters. If organisations invest in exploring the capabilities of refugees, it is another opportunity for them to gain competitive advantage. The refugee might also have had a venture within the same industry as the organisation, and therefore it is an additional possibility to learn and experience ways of conducting business, and thus ameliorate the Swedish organisation.

Conclusively, refugees create business opportunities for companies since they are part of this new subset of population that brings new preferences, needs and finances. They are able to understand this subset in a way that a native-swede never could. Thus, using ambidextrous measures to incorporate the refugees into the organisations leads to new knowledge, and creates a competitive advantage.

3. Integrating refugees into the workforce integrates them into the Swedish society

Sweden is one of the countries that have the greatest potential to handle this refugee crisis. It is evident that the refugees can provide a boost to the Swedish economy if they are efficiently incorporated into the Swedish job market, and thereby into the Swedish society. To integrate the refugees is not solely an issue of gaining financial capital and resources for organisations- it is also a social issue. Therefore, organisations should not only be motivated by the financial impact refugees can have on their organisation. Thus, helping people in need should also be a motivator for organisations. Integrating socially responsible practices and engage in the refugee issue is something which will influence Sweden's ability to integrate refugees into the job market. Not integrating the refugees sufficiently into our society will influence the economy of the entire country, and thereby also organisations'. Therefore, it is in the best interest for all involved parties to engage in the integration issue.

Larger organisations have large resource endowments and are therefore able to explore different options of integrating refugees into their organisation. By CSR initiatives, innovative recruitment tools, and ambidextrous strategies MNEs can explore the benefits of integrating refugees and increasing their internal diversity. However, the majority of the refugees are placed in the smaller municipalities. In the smaller municipalities most of the organisations are SMEs. The data shows that SMEs benefit from taking in refugees

and utilise their competencies and skills. As mentioned, the growing skill-shortage in SMEs should motivate them to explore this new stream of people and what they can bring to their companies. However, SMEs should not only see the refugees as a way of gaining competencies. They also need to consider the social aspects of the situation. We argue that SMEs should be motivated by social responsibility aspects to take in refugees. This would create a substantial amount of new jobs for refugees in the Swedish job market, since 99.9% of the organisations in Sweden are SMEs. Only because MNEs have more resources they should not alone engage in this social issue, SMEs also need to do their part. Depending on their firm scope and readiness, the leaders of SMEs should investigate how they can benefit from taking in refugees, to help people integrate into the Swedish society.

Since SMEs have more limited resources they need more support from the municipalities and Arbetsförmedlingen. Arbetsförmedlingen needs to enable organisations that want to take in refugees to do so. Currently, Arbetsförmedlingen is facing some substantial issues with both internal- and external communication, and irregular service and engagement depending on geographical location. In general, the smaller municipalities receive a lower level of service from Arbetsförmedlingen. Furthermore, they also offer more limited options of language training, introduction courses and other initiatives. We assert that Arbetsförmedlingen needs to ensure that living in a smaller municipality is a valid option; therefore the level of service provided within the municipalities needs be at the same level throughout the entire country. In addition, Arbetsförmedlingen needs to encourage both MNEs and SMEs to take in refugees into their organisations. By providing internships and similar initiatives organisations are able to explore the benefits of hiring refugees without having to hire them on a permanent basis. Thereby, the risks are lower for the organisations. These types of initiatives are especially beneficial for SMEs who are more sensitive to risks, compared to MNEs. By providing the refugees with experience from working in a Swedish organisation and with a reference from a Swedish company it will also increase the refugees chances when applying for future

jobs. However, since Arbetsförmedlingen is dealing with some internal problems and are under a lot of pressure, organisations should themselves develop integration initiatives and programs. Instead of waiting for help from Arbetsförmedlingen, organisations should themselves explore how they could take in refugees. By creating their own initiatives, or incorporate an initiative created by another organisation, like “Äntligen Jobb”, organisations can start to integrate refugees.

As the refugee crisis is a social issue organisations', should consider the social aspects of taking in refugees. Companies, municipalities, the governments, schools, and business leaders all need to unite to face this crisis. Furthermore, if the refugees are not sufficiently integrated into the Swedish society it will put great pressure on Sweden's finances and have long-term negative impacts. There needs to be an equal level of service provided to refugees, and companies that wants to explore them, throughout all Swedish municipalities. Otherwise it will prohibit the efforts of organisational changes from companies that want to incorporate refugees into their organisations.

Conclusion

The thesis aims to investigate why Swedish companies should use ambidexterity to integrate refugees in their organisations. As we live in an increasingly globalised and competitive world there is a need for organisations to be ambidextrous in order to survive. Ambidexterity enables organisations to meet the requirements of the market, since the company both exploit and explore the environmental changes. In addition, as competition increases, companies need to be innovative. By integrating refugees into their business practices, companies are able to explore the knowledge and skills of refugees. At the same time organisations should exploit their current employees capabilities and expose them to the new perspectives of the refugees. This creates a more diverse workforce, which in turn leads to more innovation and “outside of the box” thinking.

We created our own framework because of the absence of frameworks that combines both immigration and ambidexterity. Integrating refugees into organisations’ business practices is a novel way for companies to respond to the immigration crisis. We argue that organisations that strive to be ambidextrous will be open to take in refugees since they are a resource to the company within a number of areas.

Based on our analysis we have presented three motives that answers our research question:

1. Integrating refugees into the organisation creates a diverse workforce
2. Refugees create new business opportunities for organisations
3. Integrating refugees into the workforce integrates them into the Swedish society

If organisations use ambidexterity to integrate refugees they will reap the benefits of having a diverse workforce, which enables the organisation to deal with challenges that may occur in the future. Refugees also create business opportunities, as they are apart of

the new subset of people that have arrived with new preferences and needs. Many of the refugees will be placed in smaller municipalities. Therefore, there needs to be sufficient services provided throughout the country, including governmental initiatives. Moreover, as the refugee crisis is a humanitarian issue, organisations should also consider the social impact of taking in refugees.

To conclude, by considering these three motives, companies can turn the current refugee crisis into an advantage. Therefore, it should not be a question of “should organisations be ambidextrous?” instead companies should focus on what practices are best suitable for their organisation (depending on size, resources, requirements etc.) in order to best explore the capabilities of refugees.

Further Research

Considering further research areas, since our research is based on a very current topic, it can be interesting to investigate more deeply how previous refugee crises have been handled in Sweden; both on an intergovernmental level and by organisations. By doing so, one can compare the situations and look at the advantages and disadvantages of the actions previously taken. It is difficult for us to come with any concrete solutions or suggestions as to which procedures that would work best in order to incorporate the refugees into companies, because there are so many factors that are crucial for a successful integration. Looking at previous case studies would have been advantageous.

Since refugees come from crisis situations, there are many differences between the exploration of a new employee, and a new employee that also is a refugee. Therefore an important research angle is to look into the psychological issues refugees might have, and how that affect their integration into the Swedish job market.

Additional research is also needed in regards to the organisational structures and leadership styles organisations have. Successful organisational ambidexterity is very much dependent on the leadership styles and engagement from the management teams. Our research suggests that there are considerable differences between MNEs and SMEs in terms of handling ambidexterity and the integration of refugees. Thus, further research in this area would be very interesting.

We chose to investigate several case studies, as we claim that it gives a more accurate and broad perspective of our research. Following one of our research companies and one of their initiatives to see if integrating a refugee actually leads to ambidexterity would be interesting. Also, analysing the tangible and intangible results to see whether it makes a difference compared to hiring a Swede.

It would also be interesting to conduct a more longitudinal study to see how changes occur over a longer period of time. By doing so, one could investigate how the different parties are affected by each other. Moreover, how political-and policy changes influences the organisation's initiatives is also an interesting area. As it is a highly political issue it would also interesting to evaluate the different political parties engagement in the issue.

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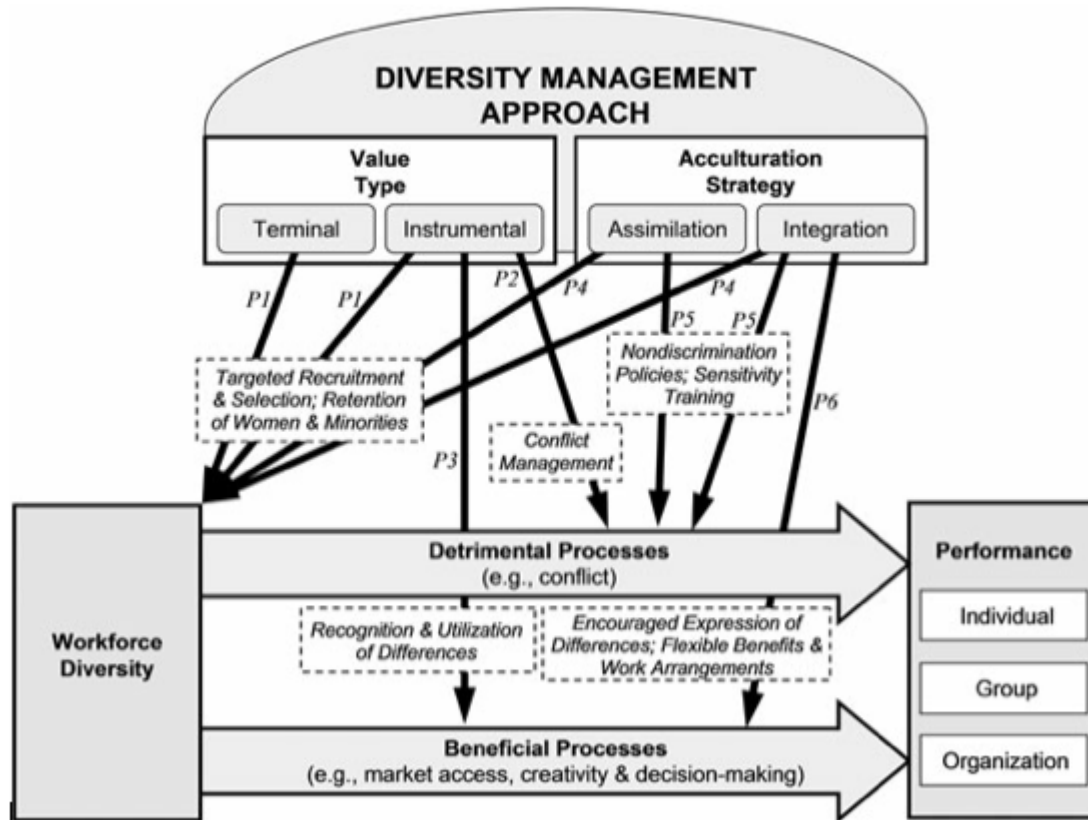
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Appendices

Appendix 1:



Diversity management approaches and the diversity-to-performance relationship by Olsen & Martins (2012)

Based on the three values types presented (terminal, instrumental, and dual) and the two acculturation strategies (assimilation and integration) the authors presents six approaches to diversity management:

1. **Terminal assimilation:** focus on diversity as a terminal value but de-emphasize differences among demographic groups in favor of assimilation into the dominant organizational culture. An organization with a terminal assimilation approach to DM is likely to emphasize equal opportunities for women and minorities in its staffing and promotion practices. However, it will discourage any further consideration of demographic differences in day-to-day activities
2. **Terminal integration:** An organization taking this approach instead emphasizes integration as an ethical principle, requiring equal consideration of all cultural groups. The focus of this approach is therefore on the moral obligation to treat cultures , in addition to individuals, equally.
3. **Instrumental assimilation:** recognize diversity as an instrumental value, but they still expect employees to conform to policies and practices rooted in the dominant culture' s norms and values
4. **Instrumental integration:** An instrumental integration approach recognizes diversity as a means to achieve organizational objectives and encourages organizational members to draw upon their cultural identities to inform business operations
5. **Dual-value assimilation:** treats diversity as both a valuable end state and an instrument toward the achievement of business objectives but holds that organizational members should generally conform to the dominant organizational culture. Organizations with a dual-value assimilation approach to DM uphold the fair treatment of individuals for the sake of satisfying moral, social, or legal responsibilities.
6. **Dual-value integration:** value diversity for both its potential contributions to the achievement of organizational goals and its inherent value as an end state, while encouraging the expression of deeper level cultural identities among organizational members. Dual-value integration organizations may resemble their instrumental integration counterparts to a large degree. However, in addition to the instrumental considerations underlying their DM approach, they also demonstrate moral, legal, or social responsibility aspects in their DM approach.

