

Internationalization of enterprises is an important driver of economic development. However, it requires the firms to overcome numerous barriers, such as limitations of resources and knowledge, as well as geographic and cultural distance. To successfully operate in foreign markets, the firms need to gain acceptance from their stakeholders (e.g. governments and local communities). Such an acceptance, referred to as 'legitimacy', is an organizational attribute acquired through the process of 'legitimization'. It is socially constructed, therefore it depends on a subjective assessment of social actors. Legitimization has three dimensions: pragmatic, moral, and cognitive. Pragmatic legitimacy reflects the evaluation of economic benefits (e.g. new jobs) provided by the organization to its stakeholders. Moral legitimacy depends on the extent to which the firms conform to stakeholders' expectations, norms and values. Cognitive legitimacy reflects the acceptance of the organization as a necessary element of an environment. Firms operating domestically typically gain immediate legitimacy, since their activities are aligned with local expectations. Conversely, for firms entering a foreign market, legitimacy becomes a valuable and rare resource, due to the firm's foreignness. Divergent expectations of the firm's stakeholders located in the home market and abroad pose an additional obstacle to firm's legitimization. Therefore, the legitimization process is one of the key challenges of multinational enterprises. At the same time, it remains underexplored in the literature. Our project aims to address this gap by exploring political and social strategies of Polish firms entering Sub-Saharan Africa (SSA). We ask the following research questions: (1) How do Polish firms establish legitimacy in SAA?, (2) Are they able to translate gains from increased legitimacy into competitive advantage?, (3) How do they compete against other EMNEs (e.g. from China, India), and how do they compete against developed country MNEs, including firms from former colonial empires (e.g. UK, Portugal)?

Given the novelty of the phenomenon under study, we will use qualitative research methods. We will first use archival records (including those available in the Archive of Modern Records in Warsaw) and we will conduct oral history interviews with diplomats and other professionals who worked in African countries before 1989. This will allow us to understand whether and how the historical ties between Sub-Saharan Africa and Central and Eastern Europe may facilitate business relations nowadays. We will then interview managers of Polish firms operating in SSA, in order to identify mechanisms through which these firms attempt to legitimize their operations in the eyes of political and social stakeholders. Finally, to get an in-depth understanding of political and social strategies of legitimization, and to assess their outcomes, we will conduct interviews with stakeholders (diplomatic missions, non-governmental organizations, governmental agencies, local communities) in Poland, as well as in Angola and Nigeria. These two countries are among the largest economies in SSA and they have been an important target of expansion of Polish firms. We will code the collected empirical material with the use of a content analysis software. The expected outcome of the research process is to identify legitimization mechanisms, and to understand their role in achieving competitive advantage.

Theoretical and practical significance of this project stems from two reasons. First, the project addresses a novel phenomenon of internationalization of emerging market firms. As noted in the literature, the country of origin is a major liability, posing a threat to the legitimacy of emerging market firms. Yet, a number of firms from China, India, Brazil, as well as Central and Eastern Europe, have successfully internationalized their operations, and, remarkably, have become increasingly active in geographically and culturally distant markets. For example, over the last decade, Sub-Saharan Africa has become an economic battlefield for multinationals from developed and emerging markets. Polish firms (e.g. Asseco, Ursus, Navimor, Lubawa) has also joined this rivalry. The expansion of Polish firms to Africa has been long supported by government-sponsored initiatives (e.g. 'Go Africa') and has attracted media attention. However, it has not yet been followed by rigorous research, which would allow to understand the challenges for multinationals operating in African countries, the firms' coping strategies, and their outcomes. This project will address this gap, revealing how Polish firms search for their place in a global economy, leveraging 'historical' resources. Second, the unique context of our research provides an opportunity to unveil new mechanisms of legitimization, and to identify 'atypical' sources of competitive advantage of emerging market firms. We therefore expect the project to bring important contributions to both theory of International Business and management practice.