THE MEDIATING EFFECT OF ENDOGENOUS CREATIVITY ON KNOWLEDGE EXPLOITATION AND FIRM PERFORMANCE IN AN EMERGING ECONOMY

Karen Yuan Wang
Paul Wang
Renu Agarwal
University of Technology, Sydney

ABSTRACT
The emerging economies are key factors in the future growth of world trade and the maintenance of global financial stability. Little is known about the way in which firms in emerging economies strategically manage the learning – creativity process to develop competitive advantage in both domestic and global markets. We extend the literature on learning and human capital by positing a model and examining 1) the mediating role of higher-order human capital in the relationship between learning facilitation and knowledge exploitation (KE); and 2) the mediating role of endogenous creativity in the KE – firm performance relationship. Qualitative method based on the sample in China’s firms was adopted and the results indicate that all the hypothesized relationships are supported.

Keywords: Structural Equation Modeling, Organizational Learning, Knowledge-Based View, Human/Knowledge Capital, Endogenous Creativity

INTRODUCTION
Despite the turbulence of their fast-changing environments, firms in emerging economies such as China and India have emerged, grown and even dominated in some markets. However, research on how these latecomer firms strategically manage the learning – creativity process to develop competitive advantage in both domestic and global markets is limited (Bruton, Dess, & Janney, 2007; Lu, Tsang, & Peng, 2008).

Recent advances in understanding exploitive learning for high firm performance have been informed by human capital theory, which places emphasis on the role of employees’ quality in firm learning and performance (Pueyo & Sanso, 2005). However, few studies have specifically explored how higher-order human capital (HOHC), defined as an employee’s capabilities, creativity with sufficient knowledge base, firm-specific experiences, and expertise is fostered, and the role it plays in emerging economies. In addition, although social capital has been linked to knowledge sharing (e.g., Nahapiet & Ghoshal, 1998; Rastogi, 2000; Tsai, 2001), there is no empirical study that specifically examines the facilitating role that unit social interactions and trust in peers play in the exploitation – endogenous creativity process, especially in the context of emerging economies (Bruton et al., 2007).

Henceforth, to bridge these research gaps, our study seeks to understand how HOHC with specific learning facilitation and KE contribute to a firm’s endogenous creativity in emerging economies. Specifically, we develop a model and examine 1) the extent to which learning facilitation leads to the development of HOHC, which in turn effectively contributes to a firm’s KE; and 2) the endogenous creativity as a mediator of the KE – firm performance relationship. The nomological framework for this research study is presented in Figure 1. We choose Chinese firms as the research setting for our study because China is currently the largest emerging economy.
Our study attempts to make several contributions to the extant literature. First, by exploring the mediating effect of HOHC, we extend the learning literature concerning the role played by firm learning facilitation in increasing the context-specific capacities of employees that enable them to contribute to KE effectively. Second, our study extends creativity literature by establishing the importance of the relationships among learning facilitation, HOHC, KE, and endogenous creativity from an enhancement perspective (Bowman & Swart, 2007). Our latecomer catch-up model includes a set of antecedents, which reflect particular characteristics of creative social environments and processes for endogenous creativity in emerging economies.

THEORETICAL BACKGROUND AND HYPOTHESES DEVELOPMENT

Theoretical Background

Drawn upon extant literature (Pueyo & Sanso, 2005; Youndt & Snell, 2004), high-order human capital (HOHC) in this study is defined as above. Grounded within extant literature, learning facilitation in this study refers to learning activities that aim to increase employees’ capacities to absorb and integrate up-front knowledge, including participation in industry-specific seminars and symposia, industrial community gatherings, interactions with stakeholders, and formal and informal programs of self-capacity development (Soosay, 2005). Following previous research, particularly that of March (1991) and Nonaka (1994), we refer to knowledge exploitation (KE) as a learning process that is made up of intertwined activities, including sharing and refining existing knowledge into new knowledge, and codifying and converting new knowledge for more effective applications (Tsai & Li, 2007).

Previous studies propose (March, 1991; Miller et al., 2006) and empirically find (Atuahene-Gima & Murray, 2007) that an appropriate balance between exploration and exploitation is a crucial factor in a firm’s long-term development of competitive advantage. However, given the limit of higher-order resources, firms in emerging economies tend to choose exploitation to implement a low-cost competitive strategy in the first phase of catch-up (Dixon et al., 2007; Li et al., 2010). Chinese firms in the automobile industry, for example, successfully competed with multinational companies through innovative architecture modification in the domestic market (Wang, 2008).

Learning facilitation and HOHC. Both human capital theory (Grant, 1996) and competency-based learning theory (Jones et al., 2002) support the cross-level linkage between learning facilitation and individual HOHC. Employees must possess information and skills across a diverse and multi-faceted business to be able to contribute to the firm’s KE process. The learning facilitation activities improve the quality of human capital talent by encouraging employees 1) to establish deliberate associations between past actions, current personal experience, industrial applications, and future situations (Agarwal & Selen, 2009); 2) to search information in depth and breadth from internal and external sources for new products (Katila & Ahuja, 2002); 3) to develop competencies for double-loop learning (Argyris & Schon, 1978); and 4) to associate creation and amendment to routines (Agarwal & Selen, 2009). The articulation of these embedded experiences and intelligence will be translated into higher-order creative skills and dynamic capabilities (Zollo & Winter, 2002). Both internal and external learning facilitation activities also enhance employees’ industry-related vision and their critical thinking skills (García-Morales et al., 2007)

HOHC and KE. The relationship between HOHC and KE is underpinned by the double-loop learning theory, which supports the individual’s ability to view and modify what they previously learnt in single-loop learning. Consequently, this ability to question and expand previous knowledge leads to individual knowledge exploration and exploitation as a second-order learning mechanism (Argyris & Schon, 1978). KE requires the abilities of summarizing, communicating, creating, and integrating ideas. Employees’ capabilities, to a large extent, determine whether the relevant experiences can be refined to generate new knowledge effectively in a double-loop learning process. Context-specific HOHC possesses sufficient and relevant knowledge to share, and also arms individuals with strong capabilities to extract and synthesize meaningful new knowledge from previous experiences (Hirst et al., 2009).

We argue that context-genetic human capital (i.e., work for living) alone cannot account for effective KE and that the context-specific HOHC (i.e., work for self-actualization) plays a critical role in KE (Agarwal & Selen, 2009; Van de Ven, 2004). More recently, researchers have begun to pay attention to the relationships between
employees’ capacities and firm knowledge practices (Kjargaard & Kautz, 2008). The empirical evidence indicates that the failure of many knowledge management projects is accounted for by employees’ lacking sufficient relevant knowledge, making incorrect assumptions about what knowledge is required for the firm’s competitive advantage, or possessing limited abilities to convert knowledge shared from others into meaningful outcomes (Smith, McKeen, & Singh, 2006).

It is clear that productive KE cannot take place without HOHC (Hirst et al., 2009). The firm’s capacity to recognize and enhance its employees’ aptitude for exploitation is vital to KE (Cohen & Levinthal, 1990). Based on the foregoing theoretical discussion, we hypothesize the following:

Hypothesis 1a: Higher-order human capital mediates the relationship between internal organizational learning facilitation and knowledge exploitation in the latecomer firms in an emerging economy.

Hypothesis 1b: Higher-order human capital mediates the relationship between external organizational learning facilitation and knowledge exploitation in the latecomer firms in an emerging economy.

Mediating effect of endogenous creativity on KE and firm performance

Creativity has been examined primarily at the individual level (Amabile, 1997) and at the group level (Maddux & Galinsky, 2009), but only limited research has investigated creativity at the organizational level (Agarwal & Selen, 2009; Phan et al., 2010). It has been studied from a variety of perspectives in extant literature, including cognitive decision-making, individual learning, and personality theories (Hirst et al., 2009). Our study attempts to fill the gap and draw upon the performance perspective to investigate the mediating effect of organizational endogenous creativity between KE and firm performance.

The link between knowledge creation and its implementation has been largely ignored by previous studies in the learning literature (Mehta, 2007; Smith et al., 2006). Following a knowledge creativity-action-outcome model proposed by Smith et al. (2006), we analyze the action role of endogenous creativity in mediating KE and performance link.

The direct effect of KE on firm performance. Informed by exploitation learning theory, previous studies have provided empirical evidence that firms can achieve higher performance (Miller et al., 2006), better competitive positions (Adenfelt & Lagerström, 2006), and higher endogenous innovation (Li et al., 2010), when employees 1) exploit their existing knowledge; 2) access and share past learning and experiences; and 3) re-assess and re-design past and current designs. In emerging economies, economies of scale in knowledge use and economies of scope in knowledge accumulation have a significant impact on the outcomes of business operation (Hitt, Ahlstrom, Dacin, Levitas, & Svobodina, 2004). Accordingly, Hitt and colleagues (2004) argue that firms in emerging economies will first cull their internal knowledge basis to respond quickly to fleeting opportunities.

The effect of KE on as the mediator of endogenous creativity. According to the knowledge-based view, KE is an important source of endogenous creativity (Tsai & Li, 2007). Endogenous creativity involves creative processes arising from the inner articulation of a given knowledge convergence system. Although the boundaries of such a system are open to exogenous resources, the aspects of endogenous processes are mainly assimilated, based on existing experiences (Antonelli, 2009). The intentional and contextual resource provided by KE is necessary because it allows firms to dig deeper into the analysis of characteristics of the new applications. KE results in the combination of existing and newly acquired creative ideas. It enhances the capacity of units to make novel linkages between inside experiences and outside expectations (Dooley, 2005).

The effect of endogenous creativity on firm performance. The rationale for the expected positive effect is that endogenous creativity results in product and service differentiation and process efficiency, which are important determinants of a firm’s performance (Tsai & Li, 2007). Endogenous creativity as a collective cognitive process discovers new patterns from familiar ideas, routines and mental models (Amabile, 1997; Phan et al., 2010). It thus leads to a firm’s higher performance based on production of novel and useful ideas concerning virtually all aspects of the formation and operation of an organization, including products, services, work processes, management methods and business models (Phan et al., 2010).

Specifically, firms in emerging economies like China and India adopt various strategies of endogenous creativity for efficiency-effective driven performance (Dixon et al., 2007; Li & Kozhikode, 2008). By creating what customers want and need, successful firms in emerging economies, such as Chinese television
manufacturer TCL, appliance-maker Haier, and Chinese-language Internet search provider Baidu, build brands that appeal to consumers under a relatively low cost business model (Stafford, 1998). Summarizing all of the above, we hypothesize the following:

Hypothesis 2: Endogenous creativity mediates the relationship between knowledge exploitation and firm performance in an emerging economy.

METHOD

Sample and Data Collection

Data were collected using a highly structured and pretested questionnaire. As suggested by Hoskisson and colleagues (2000), collaboration with local researchers is a key means of obtaining reliable and valid data in an emerging economy, and face-to-face interviews are desirable because they increase response rates and generate more valid information. Through these efforts, we obtained a total of 186 completed surveys. Examining the demographics of the sampling frame, our sample was diverse with a broad representation of various industry types, 56.5% of the sample was from service industries including finance, electricity & transport, and the remaining 43.5% was from the manufacturing sector.

Instrument Measures

All the measures in the questionnaire were professionally translated with the recommended back-translation procedure (Brislin, 1970; Hoskisson et al., 2000) to ensure conceptual equivalence. The questionnaire was pre-tested on a convenience sample of Chinese managers. On the basis of the responses received, we revised a small number of questionnaire items to enhance clarity in expression. Unless specially indicated, we measured all the measurement items using a 5-point Likert scale (1 = “strongly disagree”, 5 = “strongly agree”). Research constructs were measured using existing instruments in the relevant literature. Due to space limitation, the detailed items of the eight measures shown in Table 1 are not presented in this paper. Although we focus on examining the relationships among the eight constructs, two control variables were included in our empirical analysis in order to provide a stronger test of our theoretical framework. The two control variables were firm size measured by the number of employees and firm history measured by the number of years that the firm is in operation.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Alpha</th>
<th>CR</th>
<th>AVE</th>
<th>HSV</th>
<th>Mean</th>
<th>StdDev</th>
<th>ILF</th>
<th>ELF</th>
<th>HHC</th>
<th>USI</th>
<th>TIP</th>
<th>KE</th>
<th>EC</th>
</tr>
</thead>
<tbody>
<tr>
<td>ILF: Internal Learning Facilitation</td>
<td>0.85</td>
<td>0.90</td>
<td>0.69</td>
<td>0.44</td>
<td>3.22</td>
<td>0.92</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ELF: External Learning Facilitation</td>
<td>0.70</td>
<td>0.82</td>
<td>0.61</td>
<td>0.44</td>
<td>3.06</td>
<td>0.80</td>
<td>0.66</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HHC: High-Order Human Capital</td>
<td>0.80</td>
<td>0.87</td>
<td>0.63</td>
<td>0.40</td>
<td>3.30</td>
<td>0.70</td>
<td>0.54</td>
<td>0.44</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USI: Unit Social Interactions</td>
<td>0.81</td>
<td>0.84</td>
<td>0.58</td>
<td>0.14</td>
<td>3.20</td>
<td>0.75</td>
<td>0.31</td>
<td>0.38</td>
<td>0.35</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TIP: Trust in Peers</td>
<td>0.91</td>
<td>0.94</td>
<td>0.74</td>
<td>0.36</td>
<td>3.32</td>
<td>0.79</td>
<td>0.54</td>
<td>0.56</td>
<td>0.60</td>
<td>0.30</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KE: Knowledge Exploration</td>
<td>0.87</td>
<td>0.90</td>
<td>0.50</td>
<td>0.31</td>
<td>3.53</td>
<td>0.77</td>
<td>0.55</td>
<td>0.54</td>
<td>0.46</td>
<td>0.19</td>
<td>0.53</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>EC: Endogenous Creativity</td>
<td>0.90</td>
<td>0.93</td>
<td>0.72</td>
<td>0.40</td>
<td>2.99</td>
<td>0.91</td>
<td>0.61</td>
<td>0.51</td>
<td>0.63</td>
<td>0.29</td>
<td>0.54</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>FP: Firm Performance</td>
<td>0.87</td>
<td>0.90</td>
<td>0.65</td>
<td>0.34</td>
<td>3.34</td>
<td>0.84</td>
<td>0.52</td>
<td>0.39</td>
<td>0.48</td>
<td>0.24</td>
<td>0.48</td>
<td>0.40</td>
<td></td>
</tr>
</tbody>
</table>
RESULTS

Results of the Measurement Model

Table 1 also presents the scale means, standard deviations, and inter-correlations of the eight constructs. In addition, the CR column in Table 1 refers to the construct reliability values, which are similar to the Cronbach alpha values and the same cut-off value of 0.7 can be used to evaluate the reliability of a multi-item measure. The AVE column refers to the average variance extracted and they can be used to assess convergent and discriminant validity of the measures (Hair et al., 2006). Specifically, convergent validity is established when AVE is larger than 0.50 and discriminant validity is established when AVE is larger than the highest shared variance (HSV), which is equal to the highest squared correlation between the construct and the other constructs. It can be seen from Table 1 that the eight measures used in this study had CR scores well above the cut-off value of 0.7, AVE scores of at least 0.5 and larger than their corresponding HSV scores. Therefore, these results suggest that all the eight measures exhibited acceptable psychometric properties.

Results of the Structural Model

Since the structural model involves two direct effects (H1a & H1b), three mediation effects (H1a, H1a, & H2), we need to use a structural equation modeling approach that takes measurement errors into account (Bagozzi et al., 1991; Hair et al., 2006). The path diagram for the main effects structural model. The two direct effects refer to the path from Internal Learning Facilitation (ILF) to KE (H1a) and the path from External Learning Facilitation (ELF) to KE (H1b). H1a pertains to the mediation effect of HOHC on the relationship between ILF and KE. Similarly, H1a relates to the mediation effect of HOHC on the relationship between ELF and KE. The mediation effect of endogenous creativity (EC) on the relationship between KE and firm performance as hypothesized in H2 is depicted by the following two paths: from KE to EC and from EC to Firm Performance.

TABLE 2 Estimates for the Hypothesized Paths in the Main Effects Structural Model

<table>
<thead>
<tr>
<th>Hypothesized Path</th>
<th>Relevant Hypothesis</th>
<th>Standardized Estimate</th>
<th>T-Value</th>
<th>Hypothesis Supported?</th>
</tr>
</thead>
<tbody>
<tr>
<td>(03) Internal Learning Facilitation → HOHC</td>
<td>H1a</td>
<td>0.4426</td>
<td>5.09</td>
<td>YES</td>
</tr>
<tr>
<td>(04) External Learning Facilitation → HOHC</td>
<td>H1b</td>
<td>0.1455</td>
<td>2.15</td>
<td>YES</td>
</tr>
<tr>
<td>(05) Higher-Order Human Capital → Knowledge Exploitation</td>
<td>H1a &amp; H1b</td>
<td>0.1217</td>
<td>2.03</td>
<td>YES</td>
</tr>
<tr>
<td>(08) Knowledge Exploitation → Endogenous Creativity</td>
<td>H2</td>
<td>0.5590</td>
<td>10.11</td>
<td>YES</td>
</tr>
<tr>
<td>(09) Endogenous Creativity → Firm Performance</td>
<td>H2</td>
<td>0.5178</td>
<td>7.55</td>
<td>YES</td>
</tr>
<tr>
<td>(10) Knowledge Exploitation → Firm Performance</td>
<td>H2</td>
<td>0.1154</td>
<td>1.41</td>
<td>YES</td>
</tr>
</tbody>
</table>

DISCUSSION AND CONCLUSIONS

Theoretical implications

Our study makes a significant contribution on several fronts. We made a contribution to human capital literature by establishing the mediating effect of HOHC on the learning facilitation and KE link in an emerging economy. The findings indicate that internal and external learning activities positively increase HOHC which, in turn, effectively contributes to KE. To be engaged in KE processes, employees must possess context-specific creative capability to refine and apply knowledge, and improve routines. Competency-oriented and self awareness-oriented learning fit the low-cost, efficient strategy criteria, enabling latecomer firms to catch up with their counterparts in developed-countries (Li & Kozhikode, 2008; Li et al., 2010).

Previous studies link human capital with organizational performance directly without integrating the contextual factors (e.g., Youndt & Snell, 2004). The findings of our study may explain why the significant mediating effect of human capital on organizational performance is not found in these previous studies, if KE and endogenous creativity are not included in the path analysis. This is a significant addition to the knowledge base of human capital literature.

880
Finally, the contribution of this study relates to the significant mediating effect of endogenous creativity, defined as an action role in the knowledge-action-outcome model, on the relationship between KE and firm performance in emerging economy firms. The findings explain an important aspect of the latecomer catch-up model and suggest that endogenous creativity is an effective strategy that firms in such economies can adopt, when operating with limited higher-order resources.

Managerial Implications
Given the limitations of no substantial experience in R&D, no core knowledge, and lack of adoption of new technology for initiating and keeping pace with innovation in developed countries, firms in China were reported to generate limited outcomes out of innovation projects, even though substantial financial resources were distributed to some firms (Cao et al., 2009).

The findings of our study suggest that when adopting endogenous creativity as a competitive strategy, latecomer firms need to follow the learning-HOHC-endogenous creativity process in a structured manner with rationalized steps. First, they should initially invest and design the learning activities which guide employees to develop competencies in searching and accumulating the firm’s existing experiences and information. Second, they should consciously act on the new ideas generated by KE and make strategic efforts to turn them into tangible outcomes in the form of new improvements, new features of existing products, and new services.

Limitations and Future Research
While our study represents one of only a handful of empirical studies that explore and test the linkages among key variables of the latecomer catch-up model, a number of limitations of this study provide opportunities for further research. First, organizational intelligence is not included in our study, although its association with human capital and organizational creativity is discussed in previous studies (e.g., Youndt & Snell, 2004). Future research may enhance the model and provide a more comprehensive picture of the learning factors influencing firm endogenous creativity.

Second, although the mediating effect of HOHC on learning facilitation and KE is examined, the way in which the specific practices of HRM play a role in developing HOHC is not investigated in our current study. Future research may examine the effect of comprehensive aspects of HRM on HOHC in order to develop a better understanding of ways to advance and inculcate HOHC in these firms.

REFERENCES


7th INTERNATIONAL STRATEGIC MANAGEMENT CONFERENCE II

Investigating Strategies of Recovery from the Recession
The Proceedings of 7th International Strategic Management Conference

June 30 - July 2, 2011
Paris, France
THE PROCEEDINGS OF
7th INTERNATIONAL
STRATEGIC MANAGEMENT
CONFERENCE

II

Investigating Strategies of Recovery from the Recession

June 30-July 2, 2011, Paris-France
7th INTERNATIONAL STRATEGIC MANAGEMENT CONFERENCE

“Investigating Strategies of Recovery from the Recession”

June 30-July 2, 2011
Paris, France

Honorary Presidents
M. Emin KARAHAN (Ph.D.)
Orhan ŞAHİN (Ph.D.)
Sedat LAÇİNERT (Ph.D.)

Chairman
Erol EREN (Ph.D.)

Co-Chairs
Ali AKDEMİR (Ph.D.)
Oya ERDİL (Ph.D.)

Typesetting
Mehtap ÖZŞAHİN

ISBN 978-605-60771-4-2

Organizing Institutions
Beykent University
Gebze Institute of Technology
Canakkale Onsekiz Mart University

Statements of facts or opinions appearing in Proceedings of the 7th International Strategic Management Conference are solely those of the authors and do not imply endorsement by the Organization Committee or publisher.
# TABLE OF CONTENTS

## FIRM STRATEGIES OUT OF CRISIS

**Purple Ocean Strategy: How To Support Smes’ Recovery** (GIORGIO GANDELLINI, DANIELA VENANZI)  
3

**Management Measures To Be Taken For The Enterprises In Difficulty During Times Of Global Crisis: An Empirical Study** (MIKAIL EROL, SUDI APAK, METIN ATMACA, SEÇİL ÖZTÜRK)  
19

**Managerial Optimism To Overcome Economic Recession In The World** (K. JAYARAMAN, DAING NASIR IBRAHIM, CH’NG LI GUAT)  
33

**Operating Turnaround Strategies During Crisis Periods: A Research On Manufacturing Firms** (MEHMET TIKICI, RABIA ECE OMAY, NESLIHAN DERIN, ŞEYDA NUR SEÇKIN, MEHMET CÜREoğlu)  
45

**Applicable Vision, Mission And The Effects Of Strategic Management On Crisis Resolve** (PINAR ALTİOK)  
55

**Stability Of The Firms In Turbulent Environment: Evidence From Turkey** (MUSTAFA KURT, ONUR ÜNLÜ)  
67

**Returns Of Investment Tools In Recession Periods For Turkey** (SEFER ŞENER, ESİN CUMHUR PİRİNÇÇİLER)  
77

**Prevailing During The Periods Of Economical Crisis And Recession Through Business Model Innovation** (AHMET UÇAKTÜRK, MUSTAFA BEKMİZCI, TÜLAY UÇAKTÜRK)  
91

**Variables Perceived By Managers As Antecedents That Lead Firms To Environmental Management: An Empirical Research In The Turkish Construction Sector** (ÇAĞLAR BEKİROĞLU, LÜTFİHAK ALPKAN, OYA ERDİL)  
101

**A Study Of Superiority Of E-Trade Compared To Traditional Methods Of Commerce In Overcoming Crises: Case Study Of Kitapix.Com** (ERDAL AYDIN, SEMİH KAVAKLIOĞLU)  
117

## RECOVERY FROM THE GLOBAL RECESSION

**Fiscal Decentralization: A Local Solution To Recovery From Global Recession** (EMMANUEL INNOCENTS EDOUN)  
131

**Global Investments And Strategies Of Recovery From The Recession** (IVANA MILOSEV, ANA JOZA, LJUBICA MIJUSKOVIC, MIRJANA SUJIC, MILANA MILOSEV, SANDRA BRKANLIC)  
139

**The Global Governance Reform And The Role Of The G-20 In Recovery From The Global Crisis** (GÖKHAN ÖZKAN)  
149

**The Impact Of The Global Financial Crisis On The Greek Economy And The Role Of Imf On Recovery** (SEÇİL ŞENEL, EBRU TERAZI)  
157

**Recovering From The Global Crisis: A Panel Study** (ENGİN ERDOĞAN, MELIHA ENER, YEZYA ARICA)  
167

**Strategic Management Of Foreign Vassals In Iran Regarding World Recession Period** (SAEED ROKOOEI, RAHELEH MIRALAMI, ALİ MODARRESI, DARIOUSH POURSARRAJIAN)  
173

**Tourism Sector In Order To Recovering From The Recession: Comparison Analyses For Turkey** (MEHMET SARIŞİK, DİDAR SARI, SELAHATTİN SARI, MUHSİN HALİS)  
179

**The Firms’ Survival And Competition Through Global Expansion: A Case Study From Food Industry In Fmcg Sector** (YASEMIN ORAMAN, M. OMER AZABAĞAOĞLU, İ. HAKKI İNAN)  
187
MARKETING STRATEGIES OUT OF CRISIS

Analysis Of Customer Expectations After The Recession: Case Of Food Sector (OMER AZABAGAOGLU, YASEMIN ORAMAN) 227

A New Strategic Tool For Managing The Economic Recession: Creating Shareholder Value With Lateral Marketing (SABIHA KILIÇ, EMRE ÇAĞLAR, EREN GÜNGÖR, İRFAN ÇAĞLAR) 235

E-Commerce As An Alternative Strategy In Recovery From The Recession (CÜNEYT KILIÇ, MESUT SAVRUL) 243

To Be Or Not To Be In Social Media Arena As The Most Cost-Efficient Marketing Strategy After The Global Recession (KAZIM KİRTİŞ, FILIZ KARAHAN) 255

Marketing Strategies During Recession: A Literature Review And Proposed Guidelines (VOLKAN POLAT, AHMET TUNCAY NERGIS) 263

Recovery From Crisis For Turkish Firms: Synergistic Action Between Foreign Policy And Marketing Process (HUSEYIN A. KANİBIR, SIMA NART, REHA SAYDAN) 273

The Effect Of Marketing Expenditures During Financial Crisis: The Case Of Turkey (AYKAN CANDEMIR, ALI ERHAN ZALLUHOGLU) 293

Is It A Way Out Of Crises For White Meat Producers To Focus On Export Strategies During Crisis Times? (CÜNEYT AKAR, YENER PAZARÇIK, YAVUZ TANSOY YILDIRIM) 301

STRATEGIC MARKETING

Online Group Buying: What Is There For The Consumers? (İREM EREN-ERDOĞMUŞ, MESUT ÇİÇEK) 309

A Decision Support On Planning Retail Tenant Mix In Shopping Malls (SEBNEM BURNAZ, Y. ILKER TOPCU) 317

Fashion Phenomenon In Postmodern Marketing Applications And Effects On The Marketing Components (MUSTAFA AKSU, GÜZIDE ÖNCÜ E. PEKTAŞ, MERVE ESEOĞLU) 325

An Application On The Social Networking Sites And Popularity On The User And Socialization (GÜZIDE ÖNCÜ EROĞLU PEKTAŞ, ZEYNEP ARSLAN, YELDA YÜKSELMİŞ, NAZLI DENIZ AKARÇAY) 339

Identifying The Factors Driving Market Selection In Latin America (VERÓNICA BAENA, JULIO CERVIÑO) 349

Influence Of Banks' Corporate Reputation On Organizational Buyers Perceived Value (VESNA BABIC-HODOVIC, ELDIN MEHIC, MAJA ARSLANAGIC) 357

Measuring Customer Satisfaction In Turk Telekom Company Using Universal Structural Equation Modeling Technique (SELM ZAIM, ALİ TURKYILMAZ, HATICE AKDAG, OMER F. DEMIREL, MEHVES TARIM) 365

Attitudes Towards Mobile Advertising – A Research To Determine The Differences Between The Attitudes Of Youth And Adults (SEVTAP ÜNAL, AYSEL ERCİŞ, ERCAN KESER) 375

The Theory Of Cognitive Dissonance: A Marketing And Management Perspective (E. ESER TELCI, CEYDA MADEN, DENIZ KANTUR) 389
A Strategic Marketing Management Approach Of The Relationship Between Companies On B2B Field In Romania And Their Suppliers (CĂESCU STEFAN CLAUDIU)

A Study Examining Consumers’ Attitudes Towards Mobile Advertising Messages (NIYAZI GÜMÜŞ, FATIH GEÇTİ)

Profiling Online Consumers According To Their Experiences With A Special Focus On Social Dimension (TAŞKIN DIRSEHAN, MELTEM ÇELİK)

**STRATEGIC HUMAN RESOURCE MANAGEMENT**

Measuring Employee Expectations In A Strategic Human Resource Management Research: Job Satisfaction (YASEMIN ORAMAN, GOKHAN UNAKITAN, UFUK SELEN)

A Qualitative Study Of Coping Strategies In The Context Of Job Insecurity (MELIH ASTARLIOGLU, SECIL BAYRAKTAR KAZOZCU, RENIN VARNALI)

Employment Predictions In Secretarial Occupation (ALI HALICI, BURCU YILMAZ, MURAT KASIMOĞLU)

Role Of Strategic Flexibility In The Choice Of Turnaround Strategies: A Resource Based Approach (SEÇİL BAYRAKTAR KAZOZCU)

Importance Of Human Resources In Strategic Merging: Example Of Mergers Between Two Banks With Foreign Capital, Which Operate In Turkey (NURDAN ÇOLAKOĞLU, GÜL NIHAN GÜVEN YEŞİLDAĞ)

An Application On The Impacts Of Human Resource Management In Technology Management Of The Companies (HARUN DEMIRKAYA, GÜROL ÖZCÜRE, NIMET ERYİGİT)

An Investigation Of The Effects Of Technology Readiness On Technology Acceptance In E-HRM (NIHAT ERDOĞMUŞ, MURAT ESEN)

A Research On Sufficiency Of University Education About Satisfaction Of University Student’s Career Expectations (BÜRHNETTIN ZENGİN, LÜTFI MUSTAFA ŞEN, SEYIT AHMET SOLMAZ)

The Relationship Between Social Climate And Loneliness In The Workplace And Effects On Employee Well-Being (OYA ERDİL, ÖZNUR GÜLEN ERTOSUN)

**ENTREPRENEURSHIP**

The Role Of Regimes To Generate A New Form Of Entrepreneurship: Central Asian Perspectives (OSKAR KAYASAN)

How Much Entrepreneurial Characteristics Matter In Strategic Decision-Making? (F. OBEN ÜÜR, SEZER C. ÇALIŞKAN, ÖZLEM ATAN, MUSTAFA AKSU)

Entrepreneurial Orientation, Learning Orientation, And Innovation In Small And Medium Enterprises (KEVIN SHIHPING HUANG, YU-LIN WANG)

The Impact Of International Entrepreneurial Orientation On Strategic Adaptation (GÜLZHANAT TAYAUOVA)

The Impact Of Strategy And Organizational Factors On Corporate Entrepreneurship (JOHAN HOUGH, RETHA SCHEEPERS)

The Relationship Between Entrepreneur’s Level Of Perceived Business-Related Fear And Business Performance (NEVIN DENIZ, İLKNUR TAŞTAN BOZ, ÖZNUR GÜLEN ERTOSUN)

Is There Any Linkage Between Entrepreneur Typologies And Strategy Typologies? (MUSTAFA YILDİRİM, M. ABDÜLMETİN DIŅÇER, ESRA DİL)
Corporate Entrepreneurship And Strategy Process: A Performance Based Research On Istanbul Market (ATA ÖZDEMIRCI) 607

Investigation Of The Effects Of Strategic Leadership On Strategic Change And Innovativeness Of Smes In A Perceived Environmental Uncertainty (ŞEBNEM ASLAN, AHMET DIKEN, ASLAN ŞENDOĞDU) 617

The Impact Of Strategic Planning Activities On Transylvanian Smes- An Empirical Research (OANA ADRIANA GICĂ, ADINA LETIŢA NEGRUŞA) 629

The Need Of Effective Strategic Management During A Planned Change: An Example Of Bologna Change Process From A Turkish University (ŞEBNEM PENBEK, DENIZ ZAPTCIOGLU SALCAN, MERT GÜNERERGIN) 635

Insights On Entrepreneurship Education In Public Universities In Turkey: Creating Entrepreneurs Or Not? (BİGE AŞKUN, NIHAN YILDIRIM) 645

EUROPEANIZATION & INTERNATIONALIZATION

The Importance Of Competitiveness Measuring In The Light Of Serbia’s Accession To European Union (ANDREA KATIC, GORDANA ABRAMOV, SASA RALETIC, BOJANA JOKANOVIC) 659

Investigating The Recovery Strategies Of European Union From The Global Financial Crisis (ŞÜKRÜ YURTSEVER) 669

The Impact Of Turkish Labour Migration On The Human Resources In The European Union (GÖNÜL ÖĞUZ) 677

Europeanization Of Labour Markets In New Member And Candidate States (SEFER ŞENER, BURCU KILIÇ SAVRUL) 693

Tacit Sources Of Competitive Advantages Of The Leading Chinese Companies Extracted From The Longitudinal Analysis Of Chinese Internationalization (MOHAMMAD SAKHAWAT H BHUIYAN) 703

Strategies Of International Growth In Enterprises And Strategic Alliances(SEFER GÜMÜŞ, SUDI APAK) 711

The Impact Of E-Commerce On International Trade And Employment (NURAY TERZI) 719

Balanced Scorecard Perspective On Change And Performance: A Study Of Selected Indian Companies (AYESHА FAROOQ, ZAREEN HUSSAIN) 727

Strategic Management For The Internationalization And Cooperative Markets(VÍCTOR MANUEL MARTÍN LÓPEZ, IGNACIO RUIZ GUERRA) 737

Information Technology’s Effect On Turkey’s Foreign Trade: An Investigation For The Last Decade (MURAT USTAOĞLU, BILGEHAN YILDIZ) 747

Problems Encountered By The Exporting Firms: An Application In The City Of Kayseri (M.ŞÜKRÜ AKDOĞAN, KURTULOŞ KARAMUSTAFA, KENAN GÜLLÜ, KUMRU UYAR, İLHAN GÜLLÜ) 757


Myth Or Reality: Corporate Social Responsibility And Stakeholder Theory In Developing World (NAHEED SULTANA, OMER FAROOQ, MARIAM MUSHTAQ) 779

INNOVATION & KNOWLEDGE MANAGEMENT

The Effects Of Science-Technology-Innovation On Competitiveness And Economic Growth (SEFER ŞENER, ERCAN SARIDOĞAN) 795

Kano Model Application In New Product Development And Customer Satisfaction: Adaptation Of Traditional Art Of Tile Making To Jewelries( BILSEN BİLGİL, AISSEL ERCİŞ, SEVTAP ÜNAL) 807
An Empirical Examination Of Performance And Image Outcome Expectations As Determinants Of Innovative Behaviour In The Workplace (AYŞE ÇİNGÖZ, A. ASUMAN AKDOĞAN) 823

The Relationships Between Firm Size, Prospector Strategy, Architecture Of Information Technology And Firm Performance (ADNAN KALKAN, OYA ERDİL, ÖZLEM ÇEŢİNKAĐA) 829

Enterprise Knowledge Management Model (EKMM) In Strategic Enterprise Resource Management (SERM) (ERCAN ÖZTEMEL, SEHER ARSLANKAYA, TÜLAY KORKUSUZPOLAT) 843

A Management Historian’s Perspective On Conceptualizing The Human Nature In A Knowledge Driven Economy (CONSTANTINE IMAFIDON TONGO) 851

Knowledge Management And Learning Capability To Enhance Organizational Innovativeness (AYŞE GÜNSEL, EVANGELIA SIACHOU, A.ZAFER ACAR) 867

The Mediating Effect Of Endogenous Creativity On Knowledge Exploitation And Firm Performance In An Emerging Economy (KAREN YUAN WANG, PAUL WANG, RENU AGARWAL) 875

The Effects Of Relationship Orientation Through Innovation Orientation On Firm Performance: An Empirical Study On Turkish Family-Owned Firms (ERKUT ALTINDAĞ, CEMAL ZEHİR, A.ZAFER ACAR) 883

The Significance Of Emotional Intelligence On The Innovative Work Behavior Of Managers As Strategic Decision-Makers (HASAN DINÇER, GÜLŞAH GENÇER, NAZIFE ORHAN, KEVSER ŞAHİNBAŞ) 893

Emotional Intelligence In Knowledge Intensive Work Groups: An Empirical Study (AYŞE GÜNSEL, MARIANA DUDUROVA, AYÇA TÜKEL, SEVGI ÇEKİŞ, ALİ EKBER AKGÜN, HALİT KESKİN) 901

The Effects Of Organizational Climate On Team Innovativeness (ATIF AÇIKGÖZ, AYŞE GÜNSEL) 909

FINANCIAL MANAGEMENT

Does Turkish Stock Market React To Public Announcements Of Major Capital Expenditures? (AYŞEGÜL ÖZBEBEK, SEDA CANIKLI, YUSUF AYTÜRİK) 919

Financial Risk Management In Renewable Energy Sector: Comparative Analysis Between The European Union And Turkey (SUDI APAK, ERHAN ATAY, GÜNGÖR TUNCER) 925

Cross-Border Bank Acquisitions And Banking Sector Performance: An Empirical Study Of Turkish Banking Sector (MERVE KILIÇ) 935

Country’s Strategy In Export Of Financial Services (MARIJA LINDEMANE) 947

A Fuzzy Weibull Model With Application In Stocks Optimization (EMILIA CAMPEAN, LIVIU MORAR, LUCIA BLAGA) 957

Relationship Between Volatility Index And Credit Default Swap Spread Of Turkey During Global Crisis (FATMA SEZER) 965

The Role Of Credit Default Swaps On Financial Market Stability (NURAY TERZI, KORKMAZ ULUÇAY) 973

Assessing Risk For Strategy Formulation In Steel Industry Through Real Option Analysis (FARRAH MERLINDA MUHARAM) 981

TOURISM MANAGEMENT

Russia And The Russian Tourist In Finnish Tourism Strategies—The Case Of The Karelian Region (KATRI JAKOSUO) 993

How To Manage Yacht Tourism In Turkey: Swot Analysis And Related Strategies (MEHMET SARIŞIK, OGUZ TURKAY, ORHAN AKOVA) 1003
<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Effect Of Service Interaction Orientation On Customer Satisfaction And Behavioral Intention: The Moderating Effect Of Dining Frequency (RONG-DA LIANG)</td>
<td>1015</td>
</tr>
<tr>
<td>Antecedents Of Contractual Completeness: The Case Of Tour Operator-Hotel Allotment Contracts (TUGBA GURCAYLILAR-YENIDOGAN, ALP YENIDOGAN, JOSEF WINDSPERGER)</td>
<td>1023</td>
</tr>
<tr>
<td>Tourists’ Perception And Satisfaction Of Shopping In Alanya Region: A Comparative Analysis Of Different Nationalities (SÜLEYMAN BARUTÇU, HULUSI DOĞAN, ENGİN ÜNGÜREN)</td>
<td>1033</td>
</tr>
<tr>
<td>Strategic Analysis Of The External Environment And The Importance Of The Information: Research On Perceptions Of Hotel Managers(OGUZ TURKAY, SEYIT AHMET SOLMAZ, SERKAN SENGUL)</td>
<td>1043</td>
</tr>
<tr>
<td>Patient Care Costs In The State Training And Research Hospitals In Istanbul In Years 2000-2007 (NURŞEN AYDIN, REFİKA BAKOĞLU DELİORMAN)</td>
<td>1051</td>
</tr>
<tr>
<td>Self Assessment As A Gate To Performance Improvement: A Study On Hospitality Management In Turkey (AYTUĞ SÖZÜER)</td>
<td>1067</td>
</tr>
</tbody>
</table>

**ORGANIZATIONAL LEARNING & ORGANIZATIONAL BEHAVIOR**

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Learning Organization Challenges Within The Smes Tourism Field Of Activity (DAN POPESCU, IULIA CHIVU, ALINA CIOCĂRLAN-CHITUCEA, DANIELA OANA POPESCU, CĂLIN GEORGEL)</td>
<td>1077</td>
</tr>
<tr>
<td>To Continue Prospecting: Performance Implications Of Combinative Capabilities And Explorative Learning (NOR LIZA ABDULLAH, ABDUL LATIF SALLEH)</td>
<td>1085</td>
</tr>
<tr>
<td>The Role Of Organizational Learning And Knowledge Transfer In Building Strategic Alliances: A Case Study (NURULLAH GENÇ, N. ÖYKÜ İYGÜN)</td>
<td>1101</td>
</tr>
<tr>
<td>The Effects Of Information Technology Supported Education On Strategic Decision Making: An Empirical Study (IKRAM DASTAN, MESUT ÇİÇEK, ABDULLAH NARALAN)</td>
<td>1109</td>
</tr>
<tr>
<td>Contingency Approach To Strategic Management: A Test Of The Mediating Effect Of Leader Member Exchange On The Relationship Between Psychological Empowerment And Job Satisfaction In 21st Century Workplace (M.GÖKHAN BITMİŞ, AZIZE ERGENELİ)</td>
<td>1117</td>
</tr>
<tr>
<td>Perceived Procedural Rationality And Political Behaviors In Strategic Decision Making Process And Organizational Commitment Triangle (MÜNEVVER ÇETİN, DILEK PEKİNCİ)</td>
<td>1127</td>
</tr>
<tr>
<td>The Proactive Studies In Developing Corporate Strategies In Police Units: Due Diligence And Satisfaction Assessment (EMEL BAHAR, FERUDUN KAYA)</td>
<td>1135</td>
</tr>
<tr>
<td>Independent And Joint Effects Of Perceived Corporate Reputation, Affective Commitment And Job Satisfaction On Turnover Intentions (ÜMIT ALNIĄÇIK, ERŞAN ÇİGERİM, KÜLTİGIN AKÇİN, ORKUN BAYRAM)</td>
<td>1145</td>
</tr>
<tr>
<td>Promoting Creativity Among Employees Of Mature Industries: The Effects Of Autonomy And Role Stress On Creative Behaviors And Job Performance (HÜLYA GÜNDÜZ ÇEKMEÇELOĞLU, AYŞE GÜNSEL,)</td>
<td>1155</td>
</tr>
</tbody>
</table>

**BRANDING STRATEGIES & STRATEGIC CASE STUDIES**

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store Brand Purchase Intention: Effects Of Risk, Quality, Familiarity And Store Brand Shelf Space (İNCİ DURSUN, EBRU TÜMER KABADAYI, ALEV KOÇAK ALAN, BÜLENT SEZEN)</td>
<td>1163</td>
</tr>
<tr>
<td>International Branding Strategies Of Developing Countries: The Case Of Arçelik (TANSES GÜLSOY, ÖZLEM ÖZKANLI, RICHARD LYNCH)</td>
<td>1173</td>
</tr>
<tr>
<td>The Effects Of Brand Experiences, Trust And Satisfaction On Building Brand Loyalty; An Empirical Research On Global Brands (CEMAL ZEHİR, AZIZE ŞAHIN, HAKAN KITAPÇİ)</td>
<td>1187</td>
</tr>
</tbody>
</table>
Measuring Service Quality And A Comparative Analysis In The Passenger Carriage Of Airline Industry (T. SABRI ERDIL, OĞUZ YILDIZ)

Peugeot Celebrates Its 200 Years Of Life-History, Strategies, Organization And Future Prospects Of The French Car Company. A Comparison With Fiat Auto (FRANCESCO SCALERA)

Managerial Perceptions Of And Attitudes Towards Corporate Sustainability: The Case Of Turkey (OKTAY KOÇ, ÇAĞLA YAVUZ)

Core Competences In Non-Governmental Organizations: A Case Study (SENEM BESLER, HAKAN SEZEREL)

The Sustainable Company And Employee Participation As A Part Of The Solution To Triple Crisis In The European Union And Turkey: Example Of Omv Samsun Elektrik (GÜROL ÖZÇÜRE, HARUN DEMIRKAYA, NIMET ERYİĞİT)

The Effects Of Brand Communication And Service Quality In Building Brand Loyalty Through Brand Trust; The Empirical Research On Global Brands (CEMAL ZEHIR, AZIZE ŞAHİN, HAKAN KITAPÇI, MEHTAP ÖZŞAHİN)

GOVERNANCE- INSTITUTIONALIZATION & CULTURE-CHANGE

Governance In Short Term Cooperative Credit Institutions: A Study In Western India (V.M.RAO)

Disclosure And Transparency In Corporate Governance Codes - Comparative Analysis With Prior Literature Findings (ŞTEFĂNESCU CRISTINA ALEXANDRINA)

Do Corporate Governance “Actors”’ Features Affect Banks’ Value? – Evidence From Romania (ŞTEFĂNESCU CRISTINA ALEXANDRINA)

Strategic Reactions Of Organizations To Legal Environment: A Typology For Industries In The Process Of Institutionalization (ERDEM KIRKBEŞOĞLU)

Rights Issues And Their Impact On Diluting Minority Rights In Israel (YARON ZELEKHA)

Drinking Water Treatment For Reducing Risks In Albanian Conditions (ALBA DUMI, GELINA MALIQI)

Direct Investment In Modern Economy And The Role Played By Companies To That Effect (ISTRATE LUMINITA GABRIELA)

Labour Force Training Enhances The Strategic Mechanism Of The Post-Saudilisation Plan: Evidence From Construction Industry (ABDULLAH AL-MAMI, PETER COOK, ATUL MISHRA, ANDY ANNAMALAI)

BUSINESS ETHICS & SOCIAL RESPONSIBILITIES

Going Green Of Mission And Vision Statements: Ethical, Social, And Environmental Concerns Across Organizations (UĞUR YOZGAT, NILGÜN KARATAŞ)

The Impact Of Morality And Religiosity Of Employees On Their Hardworking Behavior (MERAL ELÇİ, İRGE ŞENER, LÜTFIHAK ALPKAN)

Is Ethical Leadership And Strategic Leadership A Dilemma?: A Descriptive Survey (HASAN TUTAR, MEHMET ALTINOZ, DEMET CAKIROĞLU)

The Association Between Organizational Silence And Ethical Leadership Through Employee Performance (CEMAL ZEHIR, EBRU ERDOGAN)

Corporate Social Responsibility: A Study Of Striking Corporate Social Responsibility Practices In Sport Management (BERRIN FILIZÖZ, MÜCAHIT FIŞNE)

Csr As A Tool To Cope With Economic Crises: The Case Of TEİ(VILDAN DURMAZ, SAVAŞ S. ATEŞ, GÜRCAN DUMAN)
<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perception Of Managers As To The Ethical Responsibility And Competition Strategy: A Survey (HASAN TUTAR, MEHMET ALTINOZ, DEMET CAKIROGLU)</td>
<td>1397</td>
</tr>
<tr>
<td>Social Capital Influences On Business Groups’ Diversification Strategies (ELA OZKAN-CANBOLAT)</td>
<td>1405</td>
</tr>
<tr>
<td><strong>LEADERSHIP &amp; PERFORMANCE MANAGEMENT</strong></td>
<td></td>
</tr>
<tr>
<td>Key Success Factors In Implementing Strategy: Middle-Level Managers’ Perspectives (FIRDAUS ALAMSJAH)</td>
<td>1415</td>
</tr>
<tr>
<td>Actual And Ideal Leadership Behavior Shift Within The Last Five Years (E. SERRA YURTKORU, ASLI KÜÇÜKASLAN EKMEKÇİ)</td>
<td>1421</td>
</tr>
<tr>
<td>The Effects Of Leadership Styles And Organizational Culture Over Firm Performance: Multi-National Companies In Istanbul (CEMAL ZEHIR, ÖZNUR GÜLEN ERTOSUN, SONGÜL ZEHIR, BÜŞRA MÜCEL DILLI)</td>
<td>1429</td>
</tr>
<tr>
<td>Overview Of Methodological Trends Of The Last Decade In Strategic Management Research (RAMAZAN UYGUN, EMEL ALTIN)</td>
<td>1441</td>
</tr>
<tr>
<td>Board Composition And Organizational Performance: Environmental Characteristics Matter (İRGE ŞENER, A. KADIR VAROĞLU, SELİM AREN)</td>
<td>1447</td>
</tr>
<tr>
<td>The Relation Between Diversification Strategy And Organizational Performance: A Research On Companies Registered To The Istanbul Stock Exchange Market (İHSAN YIGIT, İBRAHİM ANİL)</td>
<td>1459</td>
</tr>
<tr>
<td>The Relationship Between Reward Management System And Employee Performance With The Mediating Role Of Motivation: A Quantitative Study In Global Banks (PINAR GÜNGÖR)</td>
<td>1473</td>
</tr>
<tr>
<td>Strategic Leadership Styles And Organizational Financial Performance: A Qualitative Study On Private Hospitals (MİTHAT KIYAK, TUBA BOZAYKUT, PINAR GÜNGÖR, ESRA AKTAŞ)</td>
<td>1483</td>
</tr>
<tr>
<td>A Performance Evaluation Of The Turkish Banking Sector After The Global Crisis Via Camels Ratios (HASAN DINÇER, GÜLŞAH GENÇER, NAZİFE ORHAN, KEVŞER ŞAHİNBAŞ)</td>
<td>1491</td>
</tr>
<tr>
<td>Linking Leadership Style To Firm Performance: The Mediating Effect Of The Learning Orientation (MEHTAP ÖZŞAHIN, CEMAL ZEHİR, A. ZAFER ACAR)</td>
<td>1503</td>
</tr>
<tr>
<td>The Effect Of Organizational Culture On Organizational Efficiency: The Moderating Role Of Organizational Environment And Ceo Values (ESRA AKTAŞ, İŞIK ÇİÇEK, MİTHAT KIYAK)</td>
<td>1517</td>
</tr>
<tr>
<td><strong>STRATEGIC NETWORKING &amp; STRATEGIC INTELLIGENCE</strong></td>
<td></td>
</tr>
<tr>
<td>Perceptions Of Network Effects: Positive Or Negative Externalities? (SEYFI TOP, SERKAN DILEK, NURDAN ÇOLAKOĞLU)</td>
<td>1533</td>
</tr>
<tr>
<td>Competition Between Networks (SEYFI TOP, SERKAN DILEK)</td>
<td>1541</td>
</tr>
<tr>
<td>Network Based Determinants Of Innovation Performance In Yacht Building Clusters (FULYA SARVAN, EREN DURMUŞ, CAN DENİZ KÖKSAL, GÖZDE GÜL BAŞER, ONUR DIRLIK, MURAT ATALAY, FULYA ALMAZ)</td>
<td>1549</td>
</tr>
<tr>
<td>Partnerships And Resource/Cost Sharing: Do Environmental Conditions Matter? (LEE LI, GONGMING QIAN)</td>
<td>1561</td>
</tr>
<tr>
<td>Strategic Operations Management: Investigating The Factors Impacting Communication Effectiveness (HASSAN JORFI, SAEID JORFI)</td>
<td>1573</td>
</tr>
<tr>
<td>Strategic Operations Management: The Problematic Of Competitive Intelligence: How To Evaluate &amp; Develop Competitive Intelligence? (TANJU COLAKOĞLU)</td>
<td>1581</td>
</tr>
</tbody>
</table>
**SUPPLY CHAIN & QUALITY MANAGEMENT**

*The Effect Of Supply Chain Integration On Information Sharing: Enhancing The Supply Chain Performance* (İPek KoçOğlu, Salıh Zeki İmamoğlu, Hüseyin İnce, Halit Keskin)

*Supply Chain Management, Supply Chain Flexibility And Business Performance* (Arawati Agus)

*Decision Support Tool On Analytic Network Process Approach For Supplier Selection* (Fabio De Felice, Antonella Petrillo)

*Enhancing Production Performance And Customer Performance Through Total Quality Management (Tqm): Strategies For Competitive Advantage* (Arawati Agus, Za’faran Hassan)

*Measuring Service Quality Of Export Credit Agency In Turkey By Using Servqual* (Sibel Dinç Aydemir, Cevat Gerni)

**ORGANIZING COMMITTEE**

- Erol Eren (Chairman, Beykent University, Istanbul-Turkey)
- Oya Erdil (Co-Chair, Gebze Institute of Technology, Kocaeli-Turkey)
- Ali Akdemir (Co-Chair, Canakkale Onsekiz Mart University, Canakkale-Turkey)
- A. J. (Lonnie) Strickland (The University of Alabama, Tuscaloosa, Alabama - USA)
- Asım Şen (Beykent University, Istanbul-Turkey)
- Asuman Akdoğan (Erciyes University, Kayseri-Turkey)
- Bella Butler (Curtin University, Perth, Western Australia)
- Cemal Zehir (Gebze Institute of Technology, Kocaeli-Turkey)
- Dababrata N. Chowdhury (Plymouth University, UK)
- Edward A. Ward (St. Cloud State University, USA)
- Erdal Aydın (Canakkale Onsekiz Mart University, Canakkale-Turkey)
- Esin Sadoğlu (Gebze Institute of Technology, Kocaeli-Turkey)
- İrem Erdoğanuş (Marmara University, Istanbul-Turkey)
- Irge Sener (Cankaya University, Ankara-Turkey)
- Jamaluddin H. Husain (Purdue University Calumet, USA)
- Lütfiham Alpkân (Gebze Institute of Technology, Kocaeli-Turkey)
- Mehtap Özşahin (Gebze Institute of Technology, Kocaeli-Turkey)
- Meral Elçi (Gebze Institute of Technology, Kocaeli-Turkey)
- Richard Lynch (Middlesex University, London, UK)
- Selim Zaim (Fatih University, Istanbul-Turkey)
- Sonja Petrovic-Lazarevic (Monash University, Australia)
- Tanses Gülsoy (Beykent University, Istanbul-Turkey)
- Uğur Yozgat (Marmara University, Istanbul, Turkey)
- Zafer Acar (Okan University, Istanbul-Turkey)
- Zoltan Veres (Budapest Business School, Hungary)
ADVISORY BOARD & PEER-REVIEW COMMITTEE

- Asuman Akdoğan (Erciyes University, Turkey)
- A. J. (Lonnie) Strickland (The University of Alabama, USA)
- A. Zafer Acar (Okan University, Istanbul-Turkey)
- A.A. Bulgak (Concordia University-Canada)
- Aaron J. Shenhar (Stevens Institute of Technology-USA)
- Adem Öğüt (Selçuk University, Turkey)
- Adnan Çelik (Selçuk University, Turkey)
- Adnan Ceylan (Gebze Institute of Technology, Turkey)
- Ahmet Kesik, Ph.D., Associate Professor (President of Strategy Development Unit, Ministry of Finance, Republic of Turkey)
- Alain Crochet (University of Sorbonne Nouvelle, France)
- Alan Garcia Lira (Universidad Autonoma de Yucatan-Mexico)
- Alastair J. Wright (Stenden University-Netherlands)
- Albert Schram (Maastricht University-Netherlands)
- Alexander Egorshin (The Nizhny Novgorod Institute of Management and Business, Russia)
- Alexi Danchey (Fatih University, Istanbul, Turkey)
- Ali Akdemir (Canakkale Onsekiz Mart University, Turkey)
- Ali Ekber Akgün (Gebze Institute of Technology, Turkey)
- Ali Halıcı (Baskent University, Ankara-Turkey)
- Alistair M Brown (Curtin University of Technology, Western Australia)
- Amar KJN Nayak (Xavier Institute of Management, India)
- Andrei Burenin (Irkutsk State University, Russia)
- Andrey Dashkov (Moscow State University, Russia)
- Asım Erdilek (Case Western Reserve University-USA)
- Asım Şen (St. John Fisher College, USA)
- Atik Kulaklı (Beykent University, Turkey)
- Atılla Dicle (Yeditepe University, İstanbul-Turkey)
- Aurea Helena Puga Ribeiro (Fundacao Dom Cabral, Brazil)
- Ayşe Günsel (Gebze Institute of Technology, Turkey)
- Ayşen Hiç Gencer (Beykent University, Turkey)
- Ayten Akatay (Canakkale Onsekiz Mart University,Turkey)
- Bahadır Akin (Selçuk University, Turkey)
- Bahri Gökcebay (Kastamonu University-Turkey)
- Bernd Martin (Duale Hochschule-Germany)
- Beyza Kocapınar Bayarçelik (Yeditepe University, Turkey)
- Bige Aşkun (Marmara University-Turkey)
- Birol Bumin (Gazi University, Turkey)
- Borisas Melnikas (Vilnius Gediminas Technical University, Lithuania)
- Branko Bucar (Pace University,USA)
- Bülent Sezen (Gebze Institute of Technology, Turkey)
- Canan Çetin (Marmara University, Turkey)
- Celso ClaudioHildebrand Grisi (University of Sao Paulo-Brazil)
- Cemal Zehir (Gebze Institute of Technology, Turkey)
- Cengiz Yılmaz (Bogazici University, Turkey)
- Cevat Gerni (Gebze Institute of Technology, Turkey)
- Ceyhan Aldemir (Dokuz Eylül University, Turkey)
- Chien-Chung Nieh (Tamkang University, Taiwan)
- Con Korkojinas (Macquarie University, Sydney-Australia)
- Dababrate Chowdhury (Plymouth University, UK)
- Dursun Bingöl (Atatürk University, Turkey)
- Dzevd Sehic (Faculty of EconomicsUniversity of Sarajevo, Bosnia)
PREFACE

Dear Colleagues and Guests,

Welcome to the Seventh International Strategic Management Conference in Paris, France. On behalf of the organizing Committee, I would like to extend my heartfelt greetings to all of you and wish you a successful meeting that yields many productive academic collaborations and reinforces the already established ties, as with past meetings of our conference.

The Seventh International Strategic Management Conference is organized with the academic and financial collaborations of Beykent University, Gebze Institute of Technology and Çanakkale Onsekiz Mart University of Turkey. This year we have also enjoyed the academic support of Emerald Group Publishing.

As Conference Chairman, I deem it a great pleasure to extend my deep appreciation to my colleagues, Organizing Committee, Advisory Boards and Peer Review Committee and the distinguished Honorary Presidents of our Conference.

This year’s conference has received a total 232 papers from 37 different countries. Some of these papers were submitted as full papers from the start. Unfortunately, some of the extend abstracts were not received as full papers by the deadline given for submission of full papers are included. These were selected after careful screening.

I am happy to announce that in this year’s conference a much wider geography is represented than in the past. The number countries has increased considerably after the last two years and this indicates that we are reaching an ever wider audience of academicians and participants than before. These 37 countries are: Albania, Australia, Azerbaijan, Belgium, Bosnia and Herzegovina, Canada, China, Finland, France, Greece, Hungary, Indonesia, Iran, Israel, Italy, India, Malaysia, Mexico, Nepal, Kuwait, Kazakhstan, Kyrgyzstan, Latvia, Macedonia, Norway, Romania, Pakistan, Serbia, South Africa, Spain, Taiwan, Thailand, Tunisia, United Kingdom, United States of America, and Turkey. Also, some academicians have been unable to attend the conference due to visa problems which have caused us all much concern. This year our keynote speaker Oskar Kayasan will address you on Investigating Strategies of Recovery from the Recession.

Dear Participants, on behalf of the Strategic Management Team, I would once again like to welcome you to the Seventh International Strategic Management Conference.

Erol EREN, Ph.D.
Chairman of the Conference
Beykent University
PREFACE

We are pleased to welcome you to the 7th International Strategic Management Conference in Paris. It is a great pleasure and honor to participate in this joint meeting. This year, the theme is “Investigating Strategies of Recovery from the Recession”, an important topic around which competitive papers and special sessions are presented.

Academicians from different countries submitted original papers for conference presentation and for publication in this edition of Proceedings Book. This year, we are proud to present over 160 papers that reflect scholarly contributions to the theme coming from authors representing 35 countries. All competitive papers have been subject to a peer review. I would like to express our appreciation to the reviewers for reviewing the papers that were submitted to this conference. We also thank to all those who submitted their work to be considered for presentation at the conference.

I would like to thank to the Rectors of Universities for their continuing cooperation. My special thanks go to Orhan Sahin, Rector of Gebze Institute of Technology for his valuable support and encouragement.

Conference organizers, paper contributors, track chair persons, and paper reviewers have all worked extremely hard to develop a high quality conference program and proceedings book. We owe a special gratuity to Professor Erol Eren, Faculty Dean and Chairman of the Conference. He made great effort to organize and perfect all arrangements. Special thanks to him for his leadership and execution of 2011 Conference. I want to extend special appreciation to Mehtap Özsahin for her hard work and commitment to the Conference development.

We hope that you all will enjoy and benefit from the conference and enjoy your stay in this great city, Paris.

Oya Erdil, Ph.D
Co-Chair of the Conference
Gebze Institute of Technology
PREFACE

That this conference is being organized seventh time is very meaningful. Because Strategic Management itself required sustainability. This perspective is required for the organization for this conference as well. We had organized its first one in Çanakkale-Turkey, now we are organizing the seventh one in Paris, France.

This means conference has been both institutionalized and internationalized successfully. Variety of participants and ownership of presentations too confirms that the event has been internationalized.

I think that, because of the success of the event, Prof. Dr. Erol Eren has deserved all kinds of praise. I also congratulate Prof. Dr. Erol Eren’s team friends including Res. Assist. Dr. Mehtap Özşahin, Assist. Prof. Dr. Erdal Aydn, The Director of Public Relations Meral Aydın.

I wish a successful conference.

Ali Akdemir, Ph.D.
Co-Chair of the Conference
Çanakkale Onseki̇z Mart University