CORPORATE ENTREPRENEURSHIP AND INTERNATIONAL PERFORMANCE: EVIDENCES OF A CROSS COUNTRIES COMPARATIVE STUDY

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The purpose of this paper is to examine the relationship between corporate entrepreneurship dimensions focused on international performance. More specifically, we investigated the differences between the companies, countries, employee’s perception at different levels of the organization, the dimensions of corporate entrepreneurship, and their correlation with the international performance of the organization. Our study contributes to the literature in several ways. First, although corporate entrepreneurship generally has been found to have a positive impact on organizational performance, no research in the best of our knowledge has explicitly focused on the impact of the different components of corporate entrepreneurship on international performance. Second, we look specifically at how different contexts shape the strategic orientation of firms. In order to capture the context effect, we selected Brazil as a developing country and host of the studied multinational subsidiaries, and two developed countries as high internationalized economies (Sweden and Netherlands) as the origins of multinationals. The two groups of countries present significant differences in terms of institutional environment, openness of the economy, and last but not least different level of firms’ internationalization. Finally, in order to capture how corporate entrepreneurship affect the international performance of firms operating in different contexts, we investigated two top high tech companies, operating in three different countries: two developed countries (Sweden and Netherlands), and one emerging economy (Brazil). Two top high tech companies were researched, and at least one representing all levels at the pyramid of the companies was interviewed from the 3 different countries.

Marco Teórico
Literatures of entrepreneurship and international business have shown that the international performance of firms is highly correlated to their capabilities to develop unique strategies to enter and grow into foreign markets. On the other hand, it shows that pro-activeness and innovativeness affect the performance of the firms in domestic and foreign market (Zahra and Covin, 1995). Two main streams in the literature can be pointed out when we discuss the corporate entrepreneurship. The first one is more to establish the different dimensions that feature entrepreneurial behaviour by firms. Most part of the authors that studies corporate entrepreneurship uses 3 dimensions: pro-activeness, innovative behaviour, and risk taking. However, several authors have pointed to the high complexity of the entrepreneurial phenomena, which means that to capture complex entrepreneurial behaviour, there is a need to adopt diverse and multiple variables. We will adopt mainly the Goosen; De Coning; Smit (2002), Ireland, Kuratko; Morris (2006), and Antoncic and Hisrich (2001) to identify the dimensions of corporate entrepreneurship. This multidimensional approach of corporate entrepreneurship will be more effective particularly in cross countries comparative studies. Furthermore, the restrictive theory of the three corporate entrepreneurship dimensions approach may limit our understanding of the differences between entrepreneurial behaviour and entrepreneurial results. Drawing upon the contributions of the above cited authors, we distinguished between dimensions related to entrepreneurial behaviour, and entrepreneurial results. While the former corporate entrepreneurial dimensions are related to Pro-activeness, Innovative behaviour, and Self-renewal, the entrepreneurial results focused mainly on the following dimensions: Risk-taking, Competitive aggressiveness, Product/service innovation and process innovation, and New business ventures. Based on this we derived the following hypothesis: H1. There is a positive association between pro-activeness and international
performance. H2: There is a positive association between innovative behaviour and international performance. H3. There is a positive association between a self-renewal and international performance. H4. There is a positive association between risk taking and international performance. H5. There is a positive association between a competitive aggressiveness and international performance. H6. There is a positive association between innovativeness and international performance. H7. There is a positive association between a New Business and Ventures and international performance. H8. There is a positive association between a country’s context that is characterized as entrepreneurial and international performance. In order to achieve our objectives, we opted to investigate companies that operate in different countries. In order to capture the perceptions of different levels of management, we interviewed employees in the production department, middle management, and top management. To analyze the relationships between international performance and the 7 corporate entrepreneurship dimensions, this study opted, considering the data obtained, to use 4 statistical techniques: descriptive statistics, decision tree, cluster analysis (Dendrogram) and principal components (factorial maps). The four methods help in the convergence of the data analysis. The adopted techniques are more suitable for small samples, with limited case studies.

Método de investigação se pertinente
We examine the relationship between Corporate Entrepreneurship (CE) focused on international performance. Using a two case study, with more than one employee from the three countries and in three different levels of the organization, we used hybrid qualitative-quantitative analyses to present and estimate the effects of different dimensions of CE. Two companies were selected, that operate in high tech industries, and have continuous involvement in foreign markets, they are Alpha and Beta, respectively with headquarters in Sweden and the Netherlands; that are from Developed Countries and operate as well in developing Countries. We will focus on investigating Brazil, Sweden and the Netherlands. In order to assure the pertinence of the information derived from the data collection, we selected the companies according to the following criteria: (i) being engaged in international activities using different modes of entry; (ii) being operating in different foreign markets; (iii) being operating in high tech industries; (iv) and presenting strong evidences of CE. In total we interviewed 16 employees from the two companies that are acting in 3 countries. The responses were wrote directly into a internet platform, and imported into Excel, SPSS and LHStat. To calculate the dimensions, a categorical variable was created from the number (that are the average of the group), were defined how many classes (categories), which names the class boundaries (by default, equally spaced divisions) and the variable name was created. By default, three classes were created equally spaced (low, middle and high). To analyze the relationships between International Performance and the 7 CE dimensions, this study opted, considering the data obtained, to use 4 statistical techniques: descriptive statistics, decision tree, cluster analysis (dendrogram) and principal components (factorial maps). The four methods help in the convergence of the data analysis. The adopted techniques are more suitable for small samples, with limited case studies.

Resultados e contribuições do trabalho para a área
The results of the present study suggest when we disaggregate the three traditional dimension of corporate entrepreneurship in 8 dimensions, that there are strong specific correlations between international performance and entrepreneurial characteristics, as entrepreneurial results or behaviour. Those can be seen particularly well in the decision three results and multi-factorial maps. This study contributes in several ways to the literature on corporate entrepreneurship and international performance. First, the study identifies and shows that it is
meaningful to separate the different dimensions of corporate entrepreneurship (innovative behaviour, new enterprise, competitive aggressiveness, products and process innovations, self-renewal, pro activeness and risk taking), when studying the influence of corporate entrepreneurship on international performance. It was concluded that pro-activeness, innovative behaviour and self-renewal have direct relationship with international performance. However, the study shows that pro-activeness was the dimension that showed the most clear positive connection to international performance. The results of the present study point to some important and relevant theoretical implications for the study of the determinants of international performance. First, the distinction between entrepreneurial behaviour and entrepreneurial results can be seen as a fundamental perspective for the understanding of the relationships between corporate entrepreneurship and international performance. Second, it seems that the dimensions related to entrepreneurial behaviour (pro-activity, innovative behaviour, self-renewal) have higher impacts on the international performance than organization dimensions (risk taking, product, service and process innovation, competitive aggressiveness, and new ventures). This finding is not in line with the literature, and may suggest new research perspectives. The dimensions risk taking, competitive aggressiveness are less sensitive to entrepreneurial attitudes, and are more likely to express organizational behaviour than individual involvement. Their effects are particularly significant for the managerial and strategic positioning of the firms in the markets, while pro-activity and innovative behaviour and self-renewal are correlated with individual experience and engagement. The study shows that the international context has an influence on corporate entrepreneurship in the same organization. Brazil was the country that has presented a higher perception of corporate entrepreneurship, which was significantly higher than Sweden and Netherlands in corporate entrepreneurship. This contradicts earlier findings that have seen developing countries as a low cost production alternative. This may suggest that the institutional environment of the host country will have a strong influence on the behaviour of the top management. In countries where there is some institutional uncertainties, and high market imperfections, pro-activeness and aggressive market approaches will shape significantly the performance of the firm and its commitment in the host market.

Referências bibliográficas
Zahra, S.A.