Uniformity and Diversity in Turkish Business Groups: Effects of Scale and Time of Founding*

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This study aims to extend recent theoretical and empirical work that has begun to question the strong homogeneity argument in much of the macro-institutional literature on nationally dominant forms of organizing. More specifically, the paper develops the proposition that intra-national variety is likely to be greater in business strategies and structures than in governance patterns. Drawing upon macro-institutionalist and contingency theories, testable hypotheses are derived from this proposition that postulate relationships between size and time of founding and organizational dimensions of strategy, administrative structure, and forms of governance. These hypotheses are then tested on a sample of business groups that have historically been the dominant form of large business organization in Turkey. Findings did show, as expected, that governance structures remained insensitive to size and time of founding effects. Variety associated with size was apparent in the case of central administrative structures, although features associated with vertical control remained invariant. Hypotheses concerning diversification and internationalization strategies received only partial, and in the latter case, rather weak support. The findings are indicative, however, of divergence resulting from differences in size and institutional conditions of founding.

Introduction

Over the last three decades or so there has been an increasing interest in the cross-national study of organizations (Clark and Mueller, 1996). In the 1970s, while mainstream research emphasized a universal ‘logic of rationality’ governing organized activity, others began to argue that rationality was constructed contextually, allowing for and supporting societal variations in organizational arrangements. Challenges to universalism stemmed both from views that stressed the salience of cultural differences and those that granted primacy to nationally variable institutional frameworks (Wilkinson, 1996).

Maurice and his colleagues (Maurice, 1979; Maurice, Sorge and Warner, 1980) were among the first to differentiate between social institutions and culture as societal phenomena influencing ways of organizing, and to argue for the significant role of the former in shaping organizational arrangements. The ‘societal effect’ argument that they developed has been complemented and popularized more recently by the ‘political economy’ (e.g. Biggart and Orru, 1997; Hamilton and Biggart, 1988; Orru, Biggart and Hamilton, 1991) and the ‘national business systems’ (Whitley, 1990,
1992a, 1992b, 1994) perspectives. According to these macro-institutionalist views, social institutions particular to a country constitute a ‘societal logic’ (Maurice et al., 1980), a ‘pattern of authority relations’ (Hamilton and Biggart, 1988), or a ‘business system’ (Whitley, 1990) that mould the dominant form of organizing that survives and prospers within that national context. Thus, the macro-institutionalist position advances a ‘neo-contingency’ (Sorge, 1991), or a ‘societal contingency’ framework (Clark and Mueller, 1996; Hung and Whittington, 1997) whereby organizational forms are seen as contingent upon social institutions. As social institutions are particular to nation states and vary between them, organizations are expected to be alike within, but different across, countries. Especially with the increasing popularity of the national business systems perspective in the 1990s, the attention in this strand of literature has been on showing how organizations within particular nation states tend to coalesce into distinctive forms of organizing (Hung and Whittington, 1997). Various comparative and country-level studies (e.g. Whitley, 1992a, 1992b; Whitley and Kristensen, 1997) have delineated the central features of business systems and forms of organizing that characterize dominant economic actors in different countries.

More recently, conceptual and empirical work has begun to emerge that questions the strong slant towards intra-national homogeneity in much of the macro-institutional literature (e.g. Clark and Mueller, 1996; Hung and Whittington, 1997; Mayer and Whittington, 1999; Wilkinson, 1996). Clark and Mueller (1996), for example, have argued that there is room for organizations to deviate from societal templates due to ownership differences, size and changes in industrial contexts. In their study of Hungarian large businesses, Whitley and Czaban (1998) found that firms under foreign control made more marked changes in their strategies and structural arrangements in the face of radical societal change, lending some support to the ownership effect argument. Hung and Whittington (1997), studying the Taiwanese computer industry, found homogeneity in the nature of ownership and inter-firm linkages but also diversity in firm strategies. They attributed the strategic diversity they observed to institutional plurality. For Hung and Whittington (1997), the plurality of rules and resources provides purposive actors with an opportunity to choose and, to the extent that there are differences among the choices made, variation emerges among the organizations embedded in the same societal context. Along similar lines, Mayer and Whittington (1999) found in their study of French, German and British large industrial firms that ownership and control patterns retained their nationally specific character, whereas firm strategies and structures were more likely to converge through international emulation.

The present study draws upon and aims to extend these emerging themes. To this end, it develops the broad proposition that within forms of organizing which have become dominant in particular societal contexts intra-national variety is likely to be greater in business strategies and structures than in governance patterns. To derive testable hypotheses from this proposition, the study draws upon macro-institutionalist thinking and conventional contingency theory. More specifically, relationships are postulated between scale and changes in macro-level institutional frameworks and components of a nationally dominant organizational form. By doing so, the study extends recent work critical of strong intra-national uniformity arguments, as these contributions have leaned towards adding a strategic choice perspective to macro-institutional research. In a different vein, the present investigation turns to the contingency approach to hypothesize and empirically examine the impact of organizational contingencies as a source of variation together with effects originating from changes at the macro-institutional level.

Turkish business groups or ‘family holdings’ (Amsden and Hikino, 1994; Granovetter, 1994; Guillén, 2000; Khanna and Palepu, 1999) provide the setting for an empirical examination of these theoretical ideas. The Turkish ‘business system’ bears close resemblance to that of South Korea, which Whitley (1994), for example, has treated as an archetypal case of what he calls the ‘state-dependent system’. Very much like South Korea, business groups, often in the form of family ‘holdings’, have been identified as the dominant form of large business organization in Turkey (e.g. Buğra, 1994; Buğra and Üsdiken, 1995; Oniş, 1995a). Again as in South Korea (Kim, 1996; Zeile, 1996), even the more prominent ones vary in scale (Buğra, 1994), some ranking amongst the largest firms in the world (Amsden and Hikino, 1994). Moreover, over the last two decades
Turkey has been going through a process of macro-level institutional transformation involving a shift from an import-substituting industrialization model towards greater liberalization and internationalization (Önis¸, 1996). These features, especially the post-1980 transformation experience, make the Turkish context an opportune setting to investigate the theoretical ideas developed in the study. The next section presents the conceptual framework and the hypotheses. The section that follows provides a historical overview of the Turkish industrialization process and the dominant form of large business organization it has created, as well as the nature of post-1980 changes in the politico-economic context. The fourth section describes the data and the methods employed in the study. The last two sections present the findings and a discussion of their implications.

**Conceptual framework and hypotheses**

Underlying much of macro-institutionalist thinking is a configurational approach (Meyer, Tsui and Hinings, 1993), whereby a multitude of elements are considered as clustering together in a distinct and limited number of ways. For Sorge (1991, p. 163), societies become ‘populated by specific institutionalized organizational and human resource forms and practices’. Hamilton and Biggart (1988, p. 86) refer to ‘principal corporate actors’ that reflect different combinations of state-business relations and managerial and market strategies. Attempting to be more comprehensive, Whitley (1994, p. 174) delineates five types of ‘business systems’ or ‘forms of economic organization’ that prevail in different market economies. For Whitley (1994, p. 157) these ‘economic actors’ or ‘forms’ vary in owner distance and diversity of activities, market relations, and internal coordination and control systems. These exemplary constructs and definitions display the shared emphasis in macro-institutional approaches on constellations or ‘forms’ although the nomenclature and specifications of components have varied.

Amongst the various archetypal ‘organizational forms’ that have been specifically identified in macro-institutional work, one has been the ‘business group’ primarily because of the interest in the international success of East Asian economies, and among them that of South Korean chaebols (Hamilton and Biggart, 1988; Whitley, 1990). As a form of economic organization, business groups have attracted attention that goes beyond macro-institutional perspectives, increasingly generating a literature of their own (Amsden and Hikino, 1994; Granovetter, 1994; Guillén, 2000; Khanna and Palepu, 1999; 2000; Leff, 1978;).

**The business group as an organizational form**

Despite, or perhaps because of, the increasing interest in business groups in separate lines of research (Guillén, 2000), a uniform conceptual specification has been lacking. Granovetter (1994, p. 454), for example, proposing a rather broad definition, has suggested that a business group is a ‘collection of firms bound together in some formal and/or informal ways’. He further argued that business groups would be differentiated from other collections of firms, and internationally amongst themselves on dimensions such as ownership, social ties, authority structures, and the role of trust relations, banks and the state in shaping them. Guillén (2000, pp. 362–363) in attempting to narrow down Granovetter’s (1994) definition and in so doing getting closer to treatments in macro-institutional work (e.g. Whitley, 1994) has emphasized diversity of activities, uniform entrepreneurial guidance and the lack of full integration as defining features of business groups. Case studies of business groups in different countries (e.g. Buğra, 1994; Kim, 1996) have also focused on diversity, nature of administrative control, ownership structures and the involvement of owners in management. Likewise, Whitley (1990), in his initial comparative description of enterprise forms in East Asia, has included enterprise specialization, authority relations and mechanisms of coordination as the key distinguishing characteristics.

What appears to be common to these conceptualizations of the business group, and perhaps organizational forms at large, is emphasis on three categories of defining features, namely, strategy, administrative structure and governance patterns. These three components provide a parsimonious and potentially useful conceptual scheme for assessing and comparing business groups. It is parsimonious yet comprehensive in that it captures the goals set for the group as a whole, the ways in which control and coordination of separate and legally independent parts is achieved and the extent to which property-rights’ owners
are involved in goal-setting and implementation. Moreover, the three components may differ in the extent to which they are tightly coupled with macro-institutional frameworks (Mayer and Whittington, 1999) and portray path-dependent properties.

Within the context of business groups in particular, diversification has been regarded as a key element of strategy. Indeed, the literature on late-industrializing countries has, by definition, treated business groups as diversified, often in unrelated fields (e.g. Amsden and Hikino, 1994; Guillén, 2000; Khanna and Palepu, 1999). Whitley (1994) has acknowledged, however, that the extent of diversification may vary across national contexts. Another key aspect of business group strategy that has received less attention is internationalization. The presence or lack of an international orientation would be independent of the degree of diversification and is likely to be shaped, at least in part, by the politico-economic context within respective countries (Guillén, 2000). Bugra and Üsdiken (1995), for example, in their comparison of South Korean chaebols and the Turkish holdings, have shown that although business groups in both countries were characterized by unrelated diversification their international orientation was markedly different. Likewise, Guillén (2000) has noted that associated with the national politico-economic context internationalization has outward and inward dimensions that need not co-vary. As a strategy element, internationalization becomes even more salient as late-industrializing countries and transition economies increasingly adopt macro-level policies geared towards greater liberalization and openness to foreign investments and markets (Hoskisson et al., 2000).

In characterizing dominant organizational forms emerging in different societal contexts, macro-institutionalist literature has almost invariably included internal structuring as a key aspect although the elements that have been considered have varied. In an early article Whitley (1990), for example, offered a category labelled ‘coordination and control systems’, suggesting however that this notion was broader than typical treatments of organizational structures and included the nature of employment relations and firm-employee ties. Hamilton and Biggart (1988) employed the notion of ‘intra-firm managerial strategies’, emphasizing the nature of control but also referring to ‘styles’ of management. Granovetter (1994) used the term ‘authority structures’ specifically referring to the power relationships between firms partaking in the group. Specifically with reference to business groups, then, there appears to be a broad consensus that the structural arrangements through which activities and resources of affiliated firms are controlled and coordinated constitute a set of eminent properties for examining distinct forms.

The nature and the relationship of property-rights’ owners to the firm or a group of firms have again often been treated as a characteristic along which such economic actors vary (e.g. Granovetter, 1994; Whitley, 1990), although the term governance structure as suggested here has not been employed. Two aspects of governance patterns have attracted most attention in extant literature. One of these concerns the way ownership is concentrated or dispersed among various categories of owners (Mayer and Whittington, 1999). For business groups and firms in late-industrializing countries, in particular, the emphasis has been on the extent of family domination and/or state involvement in ownership (Granovetter, 1994). The second aspect has had to do with the extent to which owners are involved in management (Amsden and Hikino, 1994; Hamilton and Biggart, 1988; Whitley, 1990). Although the degree to which owners of various kinds are distanced from management can be conceived more broadly (Whitley, 1990), distinction has often been made between personally or managerially controlled firms. This distinction has been based upon the extent to which top-level management is in the hands of founders and/or owners as opposed to professional managers (Mayer and Whittington, 1999).

Uniformity and diversity in dominant organizational configurations

The central macro-institutionalist argument has been that organizations are highly interdependent with the societal institutions that surround them (Whitley, 1994). This key premise does not reject, as noted above, the presence of variety across the whole range of business organizations in a particular national context. It does suggest however that dominant configurations emerge within that variety (Sorge, 1991), displaying highly uniform properties. Within the framework of theoretical positions that have been critical of this
tendency to ‘overgeneralize’ (Clark and Mueller, 1996; Wilkinson, 1996), some of the recent work has begun to suggest that the extent to which these generalizations hold may vary with different aspects of dominant organizational configurations. In the case of Taiwanese computer firms, Hung and Whittington (1997) have shown that the firms they studied conformed to macro-institutionalist typifications in terms of ownership and the nature of inter-firm linkages. They also found, however, that there was significant diversity in the strategies pursued by the firms in their sample. In a somewhat similar vein, Mayer and Whittington (1999), in their longitudinal investigation, found stability in forms of ownership, owner involvement in management and backgrounds of top managers of large industrial firms in France, Germany and Britain. Large businesses in different countries retained their distinctiveness with respect to these aspects. Strategic features, specifically diversification and structural forms (divisionalization in this instance), on the other hand, were found to be largely decoupled from governance patterns showing tendencies to converge over time. Mayer and Whittington (1999, p. 954) concluded that ‘ownership and management [were] substantially inert and cohesive, while corporate strategy and structure are dynamic and detached’.

The findings of these studies suggest in broader terms that uniformity and diversity coexist within dominant forms of business organization in specific national contexts. They also provide support to the argument that a considerable degree of decoupling is possible between different elements. Furthermore, they suggest that decoupling may be due to different bundles of properties constituting responses to and being sustained by disparate pressures or possibly to the exercise of managerial choice. Beyond these more general themes, the available, albeit scant, evidence indicates that compared to governance patterns, business strategy and corporate structure are more amenable to ‘technical’ (Scott, 1995) or ‘mimetic’ pressures (Mayer and Whittington, 1999) as well as managerial discretion (Hung and Whittington, 1997).

Clark and Mueller (1996) have suggested that factors like foreign or local ownership, organizational size and changes in industrial environments can serve as sources of intra-national variation in forms of organizing. There is evidence to support Clark and Mueller’s (1996) contention concerning ownership (Whitley and Czaban, 1998). Effects of scale and contextual change, on the other hand, have not been empirically examined as potential sources of variety within nationally dominant organizational configurations.

**Scale effects.** In the case of business groups, especially for those that have emerged within the context of late industrialization, unrelated diversification has been associated with the nature of state-business relations. Unrelated diversification, it has been argued (Buğra, 1994; Buğra and Üsdiken, 1995; Kim, 1996) emerged in countries like Turkey and South Korea as a defence mechanism to deal with uncertainties generated by the state as a result of frequent and unexpected changes in economic policies. State authorities have also contributed to unrelated diversification through their preference to deal with a small number of trusted and experienced enterprises (Öniş, 1992). These trusted entrepreneurs have been encouraged to enter into designated areas and have been supported through mechanisms like protection from foreign competition, undervalued foreign currency and government-subsidized bank credits (Buğra, 1994; Steers, Shin and Ungson, 1989; Zeile, 1996). Diversification of business groups has therefore not been based on any particular logic, but as a strategy for taking advantage of opportunities that have emerged (Buğra, 1994; Kim, 1996). To complement this political economy perspective, Amsden and Hikino (1994) have argued that within the context of late-development, unrelated diversification has been facilitated by technology acquisition and project-execution capability that business groups have developed over time. Building upon this argument, Guillén (2000, p. 369) has proposed that this ‘capability of combining the requisite foreign and domestic resources for repeated industry entry’ can, in particular national contexts, become an inimitable resource creating competitive advantage for business groups vis-à-vis other organizational forms.

Although these arguments have been offered as explanations for the preponderance of business groups within particular politico-economic spheres, they also imply that within economies conducive for business groups to emerge and flourish not all such groups are on equal footing. Those that have grown, in state-led industrialization, through unrelated diversifications, are more likely to have
been among the ‘trusted few’ acting in line with state direction. Economic strength, reputation and closer ties with state authorities accruing with larger size are likely to produce greater advantages in further unrelated diversification. Moreover, larger business groups are more likely to have broader and more developed capabilities to enter new industries. Studying the early stages of the growth of South Korean business groups, Kim (1996, p. 243) has found that ‘the largest chaebol have experienced the greatest increase in diversity’. Zeile (1996) has also shown that extensive levels of unrelated diversification characterized only the largest chaebols.

Scale should also be expected to provide advantages in internationalization, primarily though, through domestically oriented joint venture arrangements with foreign firms (Buğra, 1994). Larger business groups are likely to be more attractive partners for multi-national enterprises (MNEs) because of their reputation, closer ties with government authorities and unique capabilities like extensive distribution channels (Guillén, 2000).

Altogether, these considerations suggest the following hypotheses concerning relationships between scale and strategic characteristics:

\[ H1a: \] Size of business groups will be positively associated with the degree of unrelated diversification.

\[ H1b: \] Size of business groups will be positively associated with internationalization in the form of inward orientated joint ventures with foreign firms.

Very much like any other firm, business groups confront the problem of controlling and coordinating, in their specific case, the activities of affiliated businesses operating in unrelated fields and constituted as separate legal entities (Maman, 1999). In business groups with vertical authority structures (Granovetter, 1994) control and coordination is achieved by a central management unit at the top (Maman, 1999). In the Turkish case, for example, the ‘holding’ company, with the administrative structure that it develops serves as the top unit for the management of the group (Buğra, 1994). Conventional contingency theory, though largely based on studies at the organizational and the sub-unit level, would suggest that scale would be associated with greater structural complexity and decentralization (Child, 1984). Pressures generated and the resources afforded by greater size are likely to be similar in the overall management of business groups. The way group management at the pinnacle is structured is the primary mechanism in vertically-governed business groups to respond to these pressures. Larger size is likely to necessitate and enable the creation of specialized units and positions, and lead to an increase in the number of managerial levels for monitoring and directing affiliated firms. With larger size the sheer number of decision-making situations will also increase, as well as their scope and complexity, leading to overload at the top echelons (Child, 1984). This will, in turn, mean that there would be more pressure and need to delegate decisions pertaining to the strategies and operations of affiliated firms.

In the case of vertically-controlled business groups, however, the tendency to decentralize in response to these contingent pressures may be confined only to non-strategic decisions pertaining to firms affiliated with the group (Buğra, 1994). With concentration of ownership and extensive family presence in management, decisions concerning business strategies of group firms may still be retained at top levels irrespective of size. This is especially likely to be the case when state-induced uncertainty in business environments is high, and when ambiguity and particularism characterize state-business relations. Thus the following two predictions (H2a and H2b) are formulated together with a null hypothesis (H2c):

\[ H2a: \] Size of business groups will be positively associated with the structural complexity of the administrative formation at the group level.

\[ H2b: \] Size of business groups will be negatively associated with centralization at the group level of decisions pertaining to operations of affiliated firms.

\[ H2c: \] Size of business groups will not be associated with centralization at the group level of decisions pertaining to business strategies of affiliated firms.

Time of founding: From state-dependence to liberalization. In the macro-institutionalist literature vertically structured business groups have been considered as an outcome of state-led late-development (Hamilton and Biggart, 1988;
Whitley, 1990). Archetypal features of such business groups, like unrelated diversification, centralized management and family dominations, have been attributed to state-domination of business and a credit-based financial system predominantly under state control (Whitley, 1994). The broad picture then is one of a particular organizational form, characterized by the features enumerated above, emerging and thriving within an institutional context typified by extensive state involvement and intervention. Many of these countries have been attempting over the last couple of decades or so, joined more recently by formerly communist countries, to move from state-domination towards greater liberalization of markets, often coupled with the opening up of their economies (Hoskisson et al., 2000). Such transformations in politico-economic frameworks then raise questions that relate to the reproduction of dominant forms, their adaptive capacities and survival chances (Guillén, 2000; Khanna and Palepu, 1999), and indeed to diversity within the extant dominant form.

From the point of view of this study, the central question is whether foundings after the move towards liberalization lead to divergence among business groups, given that those that pre-date institutional transformation would also be under pressure to change because of shifts in the politico-economic environment. The extent to which changes of the latter kind can take place, however, may be limited as a result of inertia stemming from the imprinting effects of founding conditions (Stinchcombe, 1965). Change may also be constrained because of high levels of uncertainty characterizing periods of institutional transformation (Czaban and Whitley, 2000; Newman, 2000).

Business groups founded after the shift towards liberalization and internationalization, on the other hand, would not be encumbered by these constraints. Moreover, they are less likely to be led by and benefit from state-directed diversification as market forces increasingly replace state guidance and encouragement. More permissive and encouraging policies towards foreign direct investment may also serve to erode the competitive advantages associated with access to local opportunities and resources, thus inhibiting greater diversification (Guillén, 2000). Greater competitive pressures as a result of increasing marketization as well as entry of foreign firms may also serve to enforce the need to develop competencies in a narrower range of businesses. Furthermore, to the extent that liberalization is accompanied by outward oriented internationalization, state support and encouragement of businesses would be expected to shift towards promotion of international competitiveness and an export orientation. Given that older business groups dominating the economy have flourished by import-substitution and through dominating domestic markets, such new opportunities are more likely to be picked up by newcomers on the scene.

These considerations suggest that, compared to their predecessors, business groups emerging after liberalization are likely to be shaped by a different set of forces and would therefore portray different features. This reasoning needs to be tempered however by recognizing that institutional transformation embodies remnants of the past (Buğra, 1994; Önis, 1996), especially when the transition is not of a ‘shock therapy’ but of a more ‘gradualist’ nature (Nas, 1988; Önis, 1986). The coexistence of significant degrees of continuity with marked changes in the politico-economic environment would imply that the dominant organizational configuration originating from the preceding era is likely to be reproduced possibly with some, though limited, degree of intra-form variation. The latter, in turn, is likely to be found in components most susceptible to market changes and the nature of business opportunities, namely, in strategic characteristics. Tempered by these considerations, arguments related to the effects of founding conditions lead to the following predictions:

\textbf{H3a:} Business groups that have emerged after liberalization are likely to be less diversified than those that have been founded under state-domination.

\textbf{H3b:} Compared to those founded under state-domination, business groups that have emerged after liberalization are more likely to pursue an internationalization strategy in the form of a greater orientation towards exports and investments abroad.

\textit{Scale, time of founding, and governance structures.} Family domination in ownership and management has been identified as one of the defining features of business groups that have come to be
dominant in countries where industrial development has been led and guided by the state (Buğra, 1994; Kim, 1996; Whitley, 1994). Sponsorship by the state, a credit-based financial system, and protection from foreign competition have altogether served to encourage and buttress family ownership despite growth in size. Family-dominated ownership is also likely to be resilient to macro-level institutional change in the form of a move from state-regulation and interventionism towards liberalization of markets. First and perhaps foremost, maintenance of family control is likely to be valued, especially in societies where trust resides primarily in the family (Buğra, 1994; Kim, 1996). Second, within the context of late-development, firms at large and business groups in particular have relatively short histories, enabling family control to persist (Hattori, 1989; Lee, 1989). Third, even under contextual change towards a more market-oriented economy a considerable degree of continuity is likely in institutional features predating liberalization. Businesses are still likely to benefit from investment incentives (Buğra, 1994) and considerable degrees of protection from foreign competition (Önis, 1995a). Development of capital markets is also likely to be a slow process (Amsden and Hikino, 1994; Önis, 1996). Groups with longer histories would not necessarily be responding to changes in conditions for obtaining funds by actions that would lead to the dilution of family domination (Inselbağ and Gültekin, 1988). As Buğra (1994) has noted in the specific case of the Turkish liberalization experience, forming joint ventures with MNEs can also serve as an alternate mechanism to sustain control of the founding family.

Country specific investigations (e.g. Buğra, 1994; Kim, 1996; Steers et al., 1989) have shown that family presence in management is also likely to be insensitive to size and institutional conditions under which the business group emerges. Family domination in ownership is one reason why this may be so (Whitley, 1994). It also has to do, however, with the role of relationships with the state for business group performance and survival. The critical and often particularistic nature of this relationship constrains its routinization as a managerial function and thus the extent to which it can be delegated to salaried managers (Buğra, 1994; Moskowitz, 1989; Önis, 1992). Clearly, there is bound to be a size threshold and need for expertise which would necessitate salaried managers to be promoted to senior levels simply because the owning family would not have enough members to occupy all managerial positions (Buğra, 1994). Despite such inevitability, business groups have devised a variety of measures to retain a powerful family presence in management. Strategic positions, for example, are likely to be reserved for family members (Granovetter, 1994). Family members can also assume a multitude of managerial roles in the group. The ‘family’ has been extended through marriages, spouses of daughters and sons and their kin taking up senior positions (Buğra, 1994). Finally, as Kim (1996) and Buğra (1994) have observed, respectively for South Korea and Turkey, a more recent tendency has been the ‘professionalization of the family’ through formal education of younger generations in business studies, often in prestigious universities abroad.

Together, these arguments lead to the following null hypothesis:

\[ H4: \text{Extent of family domination in ownership and management of business groups will not be associated with size and time of founding.} \]

**Business groups in Turkey**

Turkey has been typified as yet another example of what Whitley (1994) has labelled the state-dependent business system (Buğra and Üsdiken, 1995). Typical descriptions of Turkish business groups have characterized them as multi-activity firms operating in a wide range of unrelated sectors, family-owned and managed, and with vertically centralized authority structures (Buğra, 1994; Buğra and Üsdiken, 1995). Turkish business groups are recognized by a common group name, usually epitomized by a parent company. The parent, often constituted legally as a ‘holding’ company, governs affiliated firms through ownership, a central management unit and joint directorships (Buğra, 1994). With a few exceptions, Turkish business groups are under the control of one or two families (Buğra, 1994). Family ownership and dependence historically on family funds have enhanced family presence in management. Typically, Turkish firms have originated from a single company and then have grown through unrelated diversification (Granovetter, 1994),
although the extent of expansion into unrelated sectors has been to some degree variable (Buğra, 1994). That the family-owned and diversified business group is the dominant actor in Turkey has been shown by the extent to which it controls the largest manufacturing firms as well as its strong presence in the finance sector (Buğra, 1994).

Very much in line with the national business system literature (Whitley, 1994), the emergence of Turkish business groups and their central features has been attributed to late-industrialization initiated and dominated by the state (Amsden and Hikino, 1994; Buğra, 1994; Gülfidan, 1993; Önüş, 1992, 1995a). Origins of the industrialization process in Turkey can be traced back to the 1930s, although its beginnings were evident in the immediate aftermath of the foundation of the Republic in 1923 (Önüş, 1996). Early initiatives came from the state within a context of scarce private capital, the relative insignificance of landed entrepreneurs and foreign direct investment (Buğra, 1994), coupled with a strong patrimonial state tradition inherited from the Ottoman Empire (Mardin, 1980; Önüş, 1992). The state took the lead through the establishment of manufacturing enterprises as well as active involvement in the development of a banking sector (Önüş, 1996). Industrialization efforts gained momentum in the 1950s in an environment characterized by a large public sector, state intervention, a credit-based financial system and with priority attached to import substitution (Önüş, 1992). In the two decades that followed, the state maintained a strong presence in the financial and manufacturing sectors but also served a key role in nurturing the development of business enterprises as a provider of market opportunities, investment incentives, subsidized credit, underpriced inputs and joint venture agreements (Önüş, 1995a). As Buğra (1994) has shown, although the time of initial entry into business dates back for some of the Turkish business groups to the 1920s and 1930s, the strongest wave of foundings came in the 1950s.

January 1980 marks a significant turning point for the Turkish economy, as a result of the introduction of a stabilization programme in the aftermath of severe economic problems in the late 1970s, signalling a marked shift in the macroeconomic policies of the state (Önüş, 1992). There were three main objectives of the ensuing liberalization and internationalization programme (Önüş, 1992). First, there was the explicit aim of reducing state intervention and involvement in productive activities and activating market forces. The second objective involved a shift from inward-looking, import-substituting industrialization towards export-led growth. The third aim was to encourage greater inflow of foreign direct investment. Thus, since 1980 Turkey has been going through an institutional transformation that, though not as radical as those experienced by Central and Eastern European countries, has still involved major changes in the politico-economic framework of business activity. Since then, Turkey has made substantial progress in liberalization, increased its exports, shifted the composition of its exports towards manufactured goods and enjoyed some increase in foreign direct investment. Despite such very significant changes, there have been continuities as well. Although the Turkish economy looked quite different in 1990s in comparison to the pre-1980 periods, there was, for example, still considerable state presence in the economy and the government still decided on which sectors to protect and which ones to liberalize (Önüş, 1995a). However, the net change can be characterized as an advance towards the objectives of the liberalization-cum-internationalization programme (Boratav, Türel and Yeldan, 1996; Önüş, 1995b; Sunar, 1996), culminating in joining the Customs Union in 1996.

Method

Sample and data collection

Data on business groups is not readily accessible in Turkey. Neither is a ‘population’ listing available in published documents, although the bigger groups are well known and receive publicity in the popular press. To develop a systematic basis for selecting the business groups to be included in the study and to ensure a better representation of the ‘business group’ phenomenon within the Turkish context the following rule was developed. The sample was to include those business groups that had at least three affiliated firms quoted on the Istanbul Stock Exchange. This rule was expected to ensure a better representation, in the sense that it would help to exclude what Buğra (1994) has called ‘slum holdings’, firms that are essentially single businesses but carry the label ‘holding’ because of the prestige that it is presumed to provide.
There were 22 business groups with at least three firms quoted on the Istanbul Stock Exchange. All of the 22 groups were contacted and only two of them declined participation in the study. Among the remaining 20 groups, 18 of them were family-controlled. The parent companies of the 18 groups were legally constructed as holding companies. Therefore, the sample does reflect the dominance of family-controlled, holding company-based groups in the Turkish context.

Data were obtained from published sources and through a largely fact-finding survey administered to institutional informants in each business group. The major archival source was the annual reports of the ‘holding’ companies, which were available in 15 of the 20 cases. Data on boards were obtained from the Yearbook of Companies published by the Istanbul Stock Exchange. The survey was used to collect data when annual reports were not available or did not provide information concerning the measures developed for this study. Except for two sets of questions regarding the locus of decision-making, the survey did not require personal assessments. Because of the nature of the data-collection instrument, interviewing only one institutional informant was deemed sufficient. In many cases, however, institutional informants enabled contacts with other corporate staff for specific questions they could not answer. A single visit to group headquarters was sufficient in only three cases. In others two or three visits were needed for the compilation of data that was required. Institutional informants were always senior managers at the group level as the objective was to collect information about the group as a whole. All the data collected pertain to the end of the year 1997.

**Variables and measures**

The study attempted to develop measures for elements of the three categories specified within the conceptual framework advanced above to define salient features of business groups. To reiterate, the components identified in the conceptual definition were strategy, administrative structure at the group level, and governance patterns.

As one element of strategy, diversification of the group was measured by Berry’s (1971) complement to the Herfindahl index, defined as

\[ H^* = \sum [1 - (P_i)^2] \]

where \( P_i \) stands for the proportion of sales in each sector. The sectoral classification of affiliated firms was based on annual reports and, when reports or sufficient data were not available, on the information provided by institutional informants. To capture the extent of unrelated diversification, category specifications corresponded for manufacturing activities to three-digit and for non-manufacturing to two-digit levels of the Standard Industrial Classification (SIC). The measure employed takes into account both the number of sectors a group operates in and the distribution of revenues obtained from each sector. It is thus an index of group diversification and does not consider diversity that may exist within affiliated firms (Zeile, 1996).

Internationalization strategy was assessed along both its inward and outward dimensions (Guillén, 2000). Inward-oriented internationalization was operationalized by dividing the number of joint ventures established in Turkey with foreign partners by the total number of companies in the group. Two separate indicators were employed to measure outward-oriented internationalization. One of these indicators was related to export orientation and was calculated by finding the share of export earnings in the total revenues of the group. The second indicator gauged direct investments abroad and was obtained by calculating the proportion of firms founded abroad (as subsidiaries or joint ventures) within the total number of affiliated companies. In this particular count, companies that were founded abroad merely as distributors for group firms were not taken into consideration. The count only included those firms that were engaged in manufacturing or functioned as separate service operations.

Of the two dimensions specified in this study for capturing group-level administrative structure, three indicators were employed to assess structural complexity, namely size of the administrative component, vertical differentiation and horizontal differentiation. The size of the administrative component was measured in terms of the total number of managerial positions within the central administrative unit of the group. Any position to which at least one other position reported was included in the count. Vertical differentiation referred to the number of hierarchical levels within the administrative structure of the parent company. In counting the number of levels, parent board was excluded and non-supervisory
positions were taken as the lowest level in the hierarchy. Horizontal differentiation was measured by counting the managerial positions, if any, created to supervise sectoral sub-groups and the heads of functional departments within the administrative structure of the parent company.

The assessment of the locus of decision-making concerning constituent firms distinguished between strategic and operational decisions. Institutional informants were provided with a list of six decision areas, three of which were specified by the researchers as pertaining to strategic issues and the other three to operational issues. They were asked to indicate the level in the hierarchy where executive action could be authorized for each of these decision areas, even if they remained subject to a routine confirmation later. The institutional informant had to choose between four different levels in the hierarchy, namely, the general manager of the constituent firm, the board of directors of the constituent firm, the sectoral division head, if any, to which the constituent firm reported and the board of directors of the parent company. They were asked to fill out this section twice, first by considering the largest and then the smallest firm within the group. The two sets of responses were combined and averaged to obtain separate overall scores for the extent of centralization of strategic and operational decisions.

As specified in the theoretical part of the study, assessment of the governance of the group involved measuring ownership structures and the extent of professionalization of top management. Ownership structure was measured at two levels, namely, the parent firm and the affiliated firms. In both cases the respective measures attempted to capture the extent of family control in ownership. Membership in the family was defined in operational terms as including the spouse(s), children, grandchildren and siblings of the founder(s), spouses of their children, grandchildren and siblings, nephews and nieces of the founder(s) and spouses of these nephews and nieces. Shares held by family members and family foundations as well as those held by group firms with family-dominated ownership were considered under family control. At the parent-company level the measure captured the proportion of the shares under family control defined in the above manner. In the case of affiliated firms, an average was calculated across all the firms in the group. This calculation could not, however, take into account the relative capitalization of affiliated firms, as informants were not in all cases willing to provide information on the total capital of each constituent firm.

Three indicators were developed to assess the professionalization of management in business groups. Two of these indicators were used to measure professionalization within the parent, while the third tried to capture the extent of professionalization at the affiliated-firm level. Within the parent, the two indicators measured the proportion of non-family members in the parent’s board of directors and among the managers within the administrative structure of the parent company respectively. The third indicator assessed the extent to which non-family members were present on the boards of affiliated firms. In all three cases, the definition of a family ‘member’ was the same as the one used in assessing family control in ownership. Calculations for professionalization in affiliated-firm boards had to rely on publicly available information on group firms quoted on the Istanbul Stock Exchange. The 20 business groups included in the study control a total of 656 firms, and 96 of these firms are quoted. The latter measure, therefore, is based on average on about 15% of the firms controlled by these groups.

Of the two variables that are expected to be associated, within the conceptual framework advanced in this study, with variation in some of the characteristics of business groups, size was operationalized as the total number of employees working in the firms affiliated to the group. The logarithm of this measure was used in the analyses. Time of founding was coded as a binary variable and distinguished between business groups established before and after the year 1980, representing different politico-economic conditions surrounding foundings. The year the founder of the group established the firm that has later formed the basis of the group was taken as the year of founding for the group.

Findings

Table 1 presents the descriptive statistics for and the simple correlations between the variables included in the study. Analyses, where business group characteristics were regressed on size and time of founding, to test the hypotheses formulated for this study are shown in Table 2.
Table 1. Descriptive statistics and bivariate correlations

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
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<th>6</th>
<th>7</th>
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<tr>
<td>2. Time of founding (Post-1980 = 1)</td>
<td>0.15</td>
<td>0.37</td>
<td>-0.44*</td>
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<tr>
<td>3. Diversification</td>
<td>0.52</td>
<td>0.22</td>
<td>0.64**</td>
<td>-0.40†</td>
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<tr>
<td>4. Joint ventures (%)</td>
<td>12.38</td>
<td>10.35</td>
<td>0.48*</td>
<td>-0.16</td>
<td>0.45†</td>
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<tr>
<td>5. Firms in foreign countries (%)</td>
<td>6.40</td>
<td>6.80</td>
<td>0.08</td>
<td>0.38</td>
<td>0.08</td>
<td>0.58**</td>
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<tr>
<td>6. Export orientation (%)</td>
<td>7.01</td>
<td>6.84</td>
<td>0.08</td>
<td>-0.46*</td>
<td>0.15</td>
<td>-0.22</td>
<td>-0.24</td>
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<tr>
<td>7. Administrative component</td>
<td>20.35</td>
<td>13.80</td>
<td>0.53*</td>
<td>-0.31</td>
<td>0.46*</td>
<td>0.35</td>
<td>0.05</td>
<td>0.24</td>
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<tr>
<td>8. Horizontal differentiation</td>
<td>11.20</td>
<td>8.67</td>
<td>0.65**</td>
<td>-0.26</td>
<td>0.33</td>
<td>0.38</td>
<td>-0.02</td>
<td>0.10</td>
<td>0.89**</td>
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<tr>
<td>9. Vertical differentiation</td>
<td>4.40</td>
<td>1.23</td>
<td>0.13</td>
<td>-0.14</td>
<td>0.16</td>
<td>0.19</td>
<td>0.20</td>
<td>0.21</td>
<td>0.64**</td>
<td>0.48*</td>
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<tr>
<td>10. Centralization of operational decisions</td>
<td>1.80</td>
<td>0.59</td>
<td>-0.51*</td>
<td>0.27</td>
<td>-0.24</td>
<td>-0.24</td>
<td>0.05</td>
<td>0.19</td>
<td>0.04</td>
<td>-0.25</td>
<td>0.14</td>
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<td></td>
</tr>
<tr>
<td>11. Centralization of strategic decisions</td>
<td>3.52</td>
<td>0.66</td>
<td>-0.08</td>
<td>0.21</td>
<td>-0.10</td>
<td>-0.02</td>
<td>0.08</td>
<td>-0.10</td>
<td>0.10</td>
<td>-0.01</td>
<td>0.39†</td>
<td>0.33</td>
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<tr>
<td>12. Family control in the parent (%)</td>
<td>72.63</td>
<td>34.81</td>
<td>-0.20</td>
<td>0.14</td>
<td>0.19</td>
<td>0.04</td>
<td>0.04</td>
<td>-0.16</td>
<td>-0.41†</td>
<td>-0.52*</td>
<td>-0.51*</td>
<td>0.03</td>
<td>-0.28</td>
<td></td>
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<td></td>
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<tr>
<td>13. Family control in affiliated firms (%)</td>
<td>63.66</td>
<td>29.88</td>
<td>-0.14</td>
<td>0.11</td>
<td>0.07</td>
<td>-0.11</td>
<td>-0.20</td>
<td>-0.13</td>
<td>-0.36</td>
<td>-0.40</td>
<td>-0.57*</td>
<td>0.17</td>
<td>-0.25</td>
<td>0.83**</td>
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<tr>
<td>14. Professionalization of parent company board (%)</td>
<td>59.56</td>
<td>26.04</td>
<td>0.04</td>
<td>0.16</td>
<td>-0.13</td>
<td>-0.06</td>
<td>-0.02</td>
<td>-0.04</td>
<td>0.27</td>
<td>0.31</td>
<td>0.57**</td>
<td>-0.06</td>
<td>0.66**</td>
<td>-0.67**</td>
<td>-0.75**</td>
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<tr>
<td>15. Professionalization of parent company management (%)</td>
<td>90.57</td>
<td>11.30</td>
<td>-0.05</td>
<td>0.16</td>
<td>-0.16</td>
<td>-0.16</td>
<td>-0.06</td>
<td>-0.06</td>
<td>-0.22</td>
<td>-0.30</td>
<td>-0.39†</td>
<td>-0.36</td>
<td>-0.27</td>
<td>-0.28</td>
<td>0.14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Professionalization of affiliated firm boards (%)</td>
<td>79.56</td>
<td>17.84</td>
<td>0.31</td>
<td>-0.16</td>
<td>-0.01</td>
<td>0.11</td>
<td>-0.18</td>
<td>-0.31</td>
<td>-0.15</td>
<td>0.04</td>
<td>-0.13</td>
<td>-0.39†</td>
<td>0.00</td>
<td>-0.35</td>
<td>-0.42</td>
<td>0.30</td>
<td>0.32</td>
</tr>
</tbody>
</table>

** p < 0.01, * p < 0.05, † p < 0.10
Hypothesis 1a received strong support. Greater unrelated diversification is positively associated with larger size. Results pertaining to the companion hypothesis (1b) concerning inward-oriented internationalization are also in the predicted direction and approach acceptable levels of statistical significance ($p < 0.12$).

Hypotheses related to the effects of size on the administrative structure at the group level received almost full support. Of the three indicators employed to measure the complexity of the central managerial structure, size of the administrative component and horizontal differentiation are positively related to size. Only vertical differentiation remained insensitive to the size of the group. The absence of a relationship between size, as well as time of founding, and vertical differentiation may suggest that a hierarchical structure emerges at the group level irrespective of size which, to cope with the problems of growth, expands horizontally by adding positions for sectoral and functional supervision.

Findings concerning the locus of decision-making are also very much as expected (Hypotheses 2b and 2c). Operational decisions relating to affiliated firms tend to be more decentralized in larger business groups. Strategic decisions, on the other hand, are resilient to size effects and remain within the purview of the higher echelons located in the parent company.

Overall, hypotheses on the effects of time of founding (3a and 3b) do not receive strong support. In particular, when size is controlled for, unrelated diversification is not associated with the time of founding in this sample of business groups. Those groups that have emerged in the post-1980 liberalized period appear, in terms of diversity of activities, to be isomorphic with their predecessors. What is notable, however, is that there is some indication, though not strong, that time of founding may have differential effects on outward-oriented internationalization strategies. Contrary to expectations, business groups established during the import-substitution era appear to have a stronger export orientation compared to those established in the post-1980 period. In line with our predictions, on the other hand, the latter seem to be relatively more engaged in direct investments abroad. These contradictory tendencies may have to do partly with the older business groups having developed productive capacity that may be shifted towards exports.

### Table 2. Results of regression analyses

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Internationalization</th>
<th>Administrative structure</th>
<th>Governance patterns</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Time of founding</td>
<td>Size</td>
<td>Administrative component</td>
</tr>
<tr>
<td>Diversification</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint ventures</td>
<td>-0.14</td>
<td>0.58**</td>
<td>-0.10</td>
</tr>
<tr>
<td>Firms in foreign countries</td>
<td>0.06</td>
<td>0.50</td>
<td>0.09</td>
</tr>
<tr>
<td>Exports</td>
<td>-0.52</td>
<td>-0.14</td>
<td>-0.49*</td>
</tr>
<tr>
<td></td>
<td>Adjusted $r^2$</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time of founding</td>
<td>-0.10</td>
<td>0.48*</td>
<td>-0.10</td>
</tr>
<tr>
<td>Size</td>
<td>0.06</td>
<td>0.66**</td>
<td>0.09</td>
</tr>
<tr>
<td>Adjusted $r^2$</td>
<td>0.36**</td>
<td>0.09</td>
<td>0.49*</td>
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<tr>
<td>F</td>
<td>6.42**</td>
<td>0.23</td>
<td>0.04</td>
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<tr>
<td>Time of founding</td>
<td>-0.17</td>
<td>0.04</td>
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<tr>
<td>Adjusted $r^2$</td>
<td>0.04</td>
<td>0.16</td>
<td>0.04</td>
</tr>
<tr>
<td>F</td>
<td>0.38</td>
<td>0.38</td>
<td>0.38</td>
</tr>
</tbody>
</table>

** $p < 0.01$, * $p < 0.05$, † $p < 0.10$
when encouragement in that direction is provided. It may also have to do with younger business groups flourishing in sectors that have benefited from domestic expansion opportunities provided by the post-1980 liberalization environment. Emphasizing again that these findings only approach acceptable levels of significance ($p < 0.14$ and $0.13$ respectively) and should therefore be interpreted with caution, they suggest that compared to size it is the time of founding that may be exercising a more powerful influence on the outward orientation of business groups.

Finally, the null hypothesis of the study, central to the theoretical argument that has been developed, also receives full support. There is not even a meagre relationship between size and time of founding and the five indicators employed to assess family domination in ownership and the extent of professionalization of top management. Descriptive findings in Table 1 show that at the time of data collection on average more than 70% of the parent company and over 60% in the case of affiliated firms were owned by family members and institutions under family control. The same set of results show that the degree of professionalization varies between board and managerial positions. On average, some 40% of the directors in the parent and 20% in the affiliated company boards are still family members. Only in the case of the central administrative structure of the parent company does the percentage of owner-managers drop to around 10%. Family presence is more pronounced in more powerful locations, confirming Buğra’s (1994) suggestion that salaried managers, although occupying ‘managerial’ positions, act more like advisors than strategic decision-makers. The latter seems to be the preserve of family members and perhaps a few entrusted individuals and, from the point of view of this study these dominant properties remain invariant to organizational and contextual conditions.

Discussion and conclusions

Put very broadly, the present study provides some further empirical support to macro-institutionalist perspectives arguing for strong and enduring effects of societal institutions on the homogeneity of dominant forms of business organization in different national contexts. It also serves, however, as an addition to, and an extension of, more recent directions proposing revisions in strong uniformity arguments characterizing much of the macro-institutional literature.

The present study problematized intra-societal homogeneity arguments by developing the central proposition that governance patterns of nationally dominant organizational forms were more likely to display uniform properties than business strategies and administrative structures. In advancing this theme, the paper argued for the potential usefulness of supplementing macro-institutionalist thinking by drawing in ideas from conventional contingency theory. Size and institutional conditions of founding were introduced as two variables that could serve as a source of variation in the strategies and administrative structures of nationally-dominant organizational forms.

Empirical examination on a sample of Turkish business groups, clearly the dominant form of big-business organization in that country, provided considerable support for these ideas. Findings of the study did show that of the three sets of dimensions stipulated as characterizing business groups in state-dependent contexts, governance structures remained invariant to scale and time-of-founding effects. Family control and domination endures in the same form irrespective of scale and time of founding. Considerable degree of managerial professionalization is observed, but more so in less strategic locations within the overall structure of business groups.

Results pertaining to strategic orientations are somewhat mixed and weak. Of the two elements of strategy, diversification varied with size but not with the institutional context in which the business groups were founded. As the study is not longitudinal it is not possible to say whether this may have to do with older business groups reducing their level of unrelated diversification in the post-1980 liberalization period. Yet, the study does show that more recent foundings did not lead to business groups that were more focused in their business strategies. With regard to internationalization, findings were mixed and none reached statistical significance at an acceptable level. There is some indication that larger size may bring advantages in and a tendency towards inward-oriented internationalization through joint ventures with foreign firms. Findings, though again weak, also suggest that groups established after liberalization are more outwardly
oriented in the form of direct investments abroad. Their export orientation, however, appears to be less compared to older business groups. The latter finding is perhaps indicative of some degree of change in the predominantly domestic orientation of established business groups in response to post-1980 institutional transformation (Öniş, 1995b). Although the lack of longitudinal data would necessitate caution in advancing such an interpretation, given extant literature (e.g. Buğra, 1994; Öniş, 1995b) emphasizing inward orientation as a feature historically characterizing Turkish business groups, the weak findings of this study may have indeed captured a slow and limited degree of strategic adaptation to a more open and liberalized economy.

Variety associated with size was most apparent in the case of structural features of the central units managing group activities. Findings do suggest that traditional structural-contingency theory may have a contribution to make in complementing macro-institutionalist thinking, especially in relation to the way coordination and control of affiliated firms takes place at the top. The umbrella form that the dominant economic actor in a particular national context may be shaped to a large degree by the institutional framework but organizational contingencies may still be relevant in accounting for variations in internal structural design. It is also notable however that two of the structural variables capturing the extent of vertical control on affiliated firms were invariant with size. The organizational contingency of size and dominant governance patterns apparently generate conflicting pressures on structural features and in the case of those that are more related to control, concentrated ownership prevails.

Three obvious caveats concerning this study are its empirical basis being limited to a single country, its cross-sectional nature and the size of its sample. The fact that Turkey has, over the last two decades, been going through a major transformation in its politico-economic institutions indeed makes the Turkish case interesting. The scale and pace of these changes, on the other hand, may have conditioned the findings of the study. The same is true for the scale range of the business groups that have been examined. Lack of publicly available historical data has precluded the investigation of change per se and constrained more robust analyses, limited also by the small size of prototypical examples of the organizational form that has been examined. Despite these caveats, however, the study has made an addition to recent re-directions in the theoretical analysis and empirical examination of macro-institutional effects on business organizations and the ways they may be tempered by contingencies and institutional change. The findings of the study should provide encouragement for further studies of uniformity and diversity within nationally dominant forms of business organization.

References


Uniformity and Diversity in Turkish Business Groups


