THE PROCEEDINGS OF
12th INTERNATIONAL
STRATEGIC MANAGEMENT
CONFERENCE

Strategic Performance Management and Sustainability

October 28-30, 2016, Antalya-Turkey
12th INTERNATIONAL STRATEGIC MANAGEMENT CONFERENCE

Strategic Performance Management and Sustainability

October 28-30, 2016
Antalya, Turkey

Honorary Presidents
Haluk GÖRGÜN (Ph.D.)
Mehmet KARACA (Ph.D.)
İsmail YÜKSEK (Ph.D.)

Chairman
Lütfiha Alpkan (Ph.D.)

Co-Chairs
Oya ERDİL (Ph.D.)
Mehtap ÖZŞAHİN (Ph.D.)
Cemal ZEHİR (Ph.D.)

Editor
Mehtap ÖZŞAHİN

ISBN
978-605-86554-5-4

Organizing Institutions
Gebze Technical University
İstanbul Technical University
Yıldız Technical University

Statements of facts or opinions appearing in Proceedings of the 12th International Strategic Management Conference are solely those of the authors and do not imply endorsement by the Organizing Committee or Publisher.
# TABLE OF CONTENTS

## STRATEGIC MANAGEMENT & STRATEGIC ORIENTATIONS

- A Strategic Approach For Learning Organizations: Mental Models (H. BAHAR AŞCI, FATMA ZEHRA TAN, FURKAN ALTINTAŞ) .......................................................... 3

- The Mediating Effect Of Entrepreneurial Orientation Between Risk Taking And Trust: Evidence From Turkey (KURTULUŞ YILMAZ GENÇ, BETÜL ÇAL) .... 13

- The Effect of Organizational Learning on Firm Performance through Product Innovation (AIHEMAITUOHETI WIJABUDULA, CEMAL ZEHIR) .................................................. 23

- The Relationship Among Strategic Orientations, Organizational Innovativeness, And Business Performance (A.ZAFER ACAR, MEHTAP ÖZŞAHİN) ........ 33

- Management Of A Complex Research Project In The Context Of Implementing The University’s Overall Strategy (YULIA STUKALINA) ........................................ 47

- Universities’ Public Relation Practices on Facebook (ORKUN YILDIZ, ADNAN KALKAN, CEMALETTIN AKTEPE, AHMET TAYFUN) ........................................ 57

- Analyses of Word-of-Mouth Communication and Its Effect on Students’ University Preferences (ALİ ÖZDEMİR, EMEL TOZLU, ERDAL ŞEN, HÜLYA ATEŞOĞLU) .... 65

- Strategy Development Process in Higher Education: The Case of Marmara University (REFIKA BAKOĞLU, AYLA ZEHRA ÖNCER, MüGE LEYLA YILDIZ, ARIF NIHAT GÜLLÜOĞLU) 77

- A Study Of The Effects Of Competitive Strategies On Stakeholders Relationship Management And Stakeholder Behavior (ZAFER ADIGUZEL, ADNAN CEYLAN) .... 87

- How the Process of the CSR Activities Works On Private Hospitals: Case Study from Strategic Perspective (MUSTAFA YILDIRIM, MUSTAFA ABDÜL METİN DINÇER) .... 99

- Factors Affecting Multinational Team Performance (SERHAT SAĞ, RAMAZAN KAYNAK, BÜLENT SEZEN) ................................................................. 113

- Evaluation of corporate social responsibility and social media as key source of strategic communication (BAHADİR BİRİM) ........................................ 123

## SUSTAINABILITY & REGIONAL DEVELOPMENT

- The Fifth Pillar of the Balanced Scorecard: Sustainability (ZEYNEP TUĞÇE KALENDER, ÖZALP VAYVAY) ................................................................. 131

- Corporate sustainability initiatives in disability: Analyzing annual reports of Turkey’s top industrial organizations (TANSES GÜLSOY) ....................................................... 139

- Pro-environmental Consumption: Is it really all about the environment? (İNCİ DURSUN, EBRU TÜMER KABADAYI, CANSU GÖKmen KOKSAL, AHMET TUĞRUL TUĞER) .... 147

- Sustainability Reports Disclosures: Who are the Most Salient Stakeholders? (İRGİ ŞENER, ABDÜLKADIR VAROĞLU, AHMET ANIL KARAPOLATGIL) .............. 165

- An Investigation Of The 2015 Financial Support Programme Areas Of The Development Agencies In Terms Of Regional Development (ŞABAN ESEN, METE KAAN NAMAL) .... 173

- Competition Analysis of Consumer Electronics Retailing Networks in Turkey (AYKAN CANDEMIR, ALİ ERHAN ZALLUHOĞLU, CIHAT KARSLI, ASLI DIYADIN) ........... 179

- Strategic Capabilities of Retail Market Managers: A Field Research in Karabük (ABDULLAH KARAKAYA, KASIM YILMAZ, GÜLTEN DEMİR) .... 189
ORGANIZING COMMITTEE

- EROL EREN (FOUNDER PRESIDENT, ISTANBUL-TURKEY)
- LUTFIHAK ALPKAN (CHAIRMAN, ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- OYA ERDIL (CO-CHAIR, GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- CEMAL ZEHIR (CO-CHAIR, YILDIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- MEHTAP OZSAHIN (CO-CHAIR, YALOVA UNIVERSITY, YALOVA-TURKEY)
- EBRAK TUMER KABADAYI (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- IREM ERDOĞAN (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
- MERAL ELCI (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- SELİM AREN (YILDIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- SERHAT ERAT (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- TANSER YASEMIN GÜLSOY (BEYKENT UNIVERSITY, ISTANBUL-TURKEY)
- UĞUR YOZOĞLU (MARMARA UNIVERSITY, ISTANBUL, TURKEY)
- ZAFER ACAR (PIRİ REİS UNIVERSITY, ISTANBUL-TURKEY)

SCIENTIFIC COMMITTEE

- ADEM ÖGUT (SELCUK UNIVERSITY, KONYA, TURKEY)
- ALİ AKDEMİR (AREL UNIVERSITY, ISTANBUL-TURKEY)
- ALİPTEKİN ERKOLLAR (SAKARYA UNIVERSITY, SAHARYA-TURKEY)
- AŞİMANK AKDOĞAN (ERCİYES UNIVERSITY, KAYSERI-TURKEY)
- BELLA BUTLER (CURTIN UNIVERSITY, PERTH, WESTERN AUSTRALIA)
- CEMAL ZEHIR (CO-CHAIR, YILDIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- DABAABRATA N. CHOWDHURY (UNIVERSITY CAMPUS SUFFOLK, IPSWICH UK)
- DŽINETA DIMANTE (UNIVERSITY OF LATVIA, LATVIA)
- EDWARD A. WARD (ST. CLOUD STATE UNIVERSITY, USA)
- FARZAD SATHTARI ARDABILI (ISLAMIC AZAD UNIVERSITY, ARDABIL, IRAN)
- FETHI ÇALIŞIR (ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- FRANCESCO SCARERA (UNIVERSITY OF BARI "ALDO MORO", BARI-ITALY)
- HASSAN MOHEBBI (ARDABIL INDUSTRIAL MANAGEMENT INSTITUTE, ARDABIL, IRAN)
- IRGE SENER (CANKAYA UNIVERSITY, ANKARA-TURKEY)
- JAMALUDDIN H. HUSAIN (PURDUE UNIVERSITY CALUMET, USA)
- JANIS PRIEDE (UNIVERSITY OF LATVIA, RIGA- LATVIA)
- LARS EHRENGREN (STOCKHOLM UNIVERSITY, SWEDEN)
- LONNIE STRICKLAND (THE UNIVERSITY OF ALABAMA, TUSCALOOSA, ALABAMA, USA)
- LUTFIHAK ALPKAN (CHAIRMAN, ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- MEHTAP OZSAHIN (CO-CHAIR, YALOVA UNIVERSITY, YALOVA-TURKEY)
- MERAL ELCI (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- OYA ERDIL (CO-CHAIR, GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
- RICHARD LYNCH (MIDDLESEX UNIVERSITY, LONDON, UK)
- SELİM AREN (YILDIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- SELİM ZAİM (ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
- TANSER YASEMIN GÜLSOY (BEYKENT UNIVERSITY, ISTANBUL-TURKEY)
- ZEYTİ HATİPOĞLU (DOGUS UNIVERSITY, ISTANBUL-TURKEY)
- ZOLTAN VERES (BUDAPEST BUSINESS SCHOOL, HUNGARY)
PEER-REVIEW COMMITTEE

- Asuman Akdogan (Erciyes University, Kayseri-Turkey)
- A. Zafir Acar (Piri Reis University, Istanbul-Turkey)
- A. A. Bulgak (Concordia University-Canada)
- A. Dem Ogut (Selcuk University, Konya-Turkey)
- Adnan Celik (Selcuk University, Konya-Turkey)
- Alba Robert Dumi (Ismail Qemali Vlora University, Albania)
- Albert Schram (Maastricht University-Netherlands)
- Alessandro Danovi (Università degli Studi di Bergamo Bergamo, Italy)
- Alper Akdemir (Arel University, Istanbul-Turkey)
- Ali Ekber Akgon (Gebze Technical University, Kocaeli-Turkey)
- Ali Halici (Baskent University, Ankara-Turkey)
- Alastair M. Brown (Curtin University of Technology, Western Australia)
- Alper Ertürk (Düzce University, Düzce, Turkey)
- AlpTekin Erkollar (Sakarya University, Sakarya, Turkey)
- Amarnjan Naya (Xavier Institute of Management, Orissa-India)
- Antonio Minguez Vera (Universidad de Murcia, Spain)
- Atik Kulakli (Beykent University, Turkey)
- Atilla Dicle (Yeditepe University, Istanbul-Turkey)
- Ayse Gunsel (Kocaeli University, Kocaeli-Turkey)
- Ayse Hic Cengiz (Beykent University, Turkey)
- Ayten Akatay (Canakkale Onsekiz Mart University, Turkey)
- Azize Muğ Selector (Marmara University, Istanbul-Turkey)
- Bahadir Uzun (Selcuk University, Konya-Turkey)
- Beyza Kocapinar Bayarcelik (Gelisim University, Turkey)
- Bhashkar Bhoomick (Indian Institute of Technology, Kharagpur, India)
- Biğe Askun (Marmara University-Turkey)
- Binali Dogan (Marmara University-Turkey)
- Bülent Sezen (Gebze Technical University, Kocaeli-Turkey)
- Cavit Cetin (Marmara University, Istanbul-Turkey)
- Căvăde Yargil (Istanbul University, Istanbul-Turkey)
- Cemal Zehir (Yildiz Technical University, Istanbul-Turkey)
- Cengiz Mangelci (Bursa Orhangazi University, Bursa-Turkey)
- Cengiz Yilmaz (Middle East Technical University, Ankara-Turkey)
- Cevdet Kizil (Istanbul Medeniyet University, Istanbul-Turkey)
- Darabar Gachhury (University Campus Suffolk, Ipswich UK)
- Denizhan Kalkan (Istanbul Medeniyet University, Istanbul-Turkey)
- Dursun Bingöl (Ataturk University, Erzurum-Turkey)
- Dzineta Dimante (University of Latvia, Latvia)
- Ebru Kabpay (Gebze Technical University, Kocaeli-Turkey)
- Edwin J. Portugal (State University of New York, USA)
- Ekrem Tatoglu (Bahcesehir University, Istanbul-Turkey)
- Emine Cobanoglu (Marmara University, Istanbul-Turkey)
- Erdal Aydin (Canakkale Onsekiz Mart University, Turkey)
- Eren Durnus Ozdemir (Akdeniz University, Antalya-Turkey)
- Erkan KABAK (Beykent University, Turkey)
- Ermanno Coskun (Sakarya University, Sakarya, Turkey)
- Erkut Altindag (Beykent University, Turkey)
- Esin Can (Yildiz Technical University, Istanbul-Turkey)
- Esin Sadikoglu (Gebze Technical University, Kocaeli-Turkey)
- Farzad Sattari Ardashir (Islamic Azad University, Arash, Iran)
- Fatih Semercioz (Istanbul University, Istanbul-Turkey)
- Federica Bressan (University of Verona, Italy)
- Fethi Calisir (Istanbul Technical University, Istanbul-Turkey)
- Feyzullah Erogul (Famukkale University, Denizli-Turkey)
- Fulla Taseil (Maltepe University, Istanbul-Turkey)
- Ghey Karacay Aydin (Istanbul Technical University, Istanbul-Turkey)
- Gokhan Ozger (Gebze Technical University, Kocaeli-Turkey)
- Gonen Budak (Dokuz Eylul University, Izmir-Turkey)
- Gulden Turhan (Marmara University, Turkey)
- Gunes Zeytinoglu (Anadolu University, Eskisehir-Turkey)
- Hakan Kitapci (Gebze Technical University, Kocaeli-Turkey)
- Halil Civi (Inonu University, Malatya-Turkey)
- Halil Zaim (Fatih University, Turkey)
• HALIM KAZAN (ISTANBUL UNIVERSITY, ISTANBUL-TURKEY)
• HALIT KESKIN (YILDIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
• HANDE SINEM ERGUN (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• HARUN DEMIRKAYA, (KOCAELI UNIVERSITY, KOCAELI, TURKEY)
• HASAN IBICIOGLU (SULEYMAN DEMIREL UNIVERSITY, ISPARTA-TURKEY)
• HASSAN MOHEBBI (ARDABIL INDUSTRIAL MANAGEMENT INSTITUTE, ARDABIL, IRAN)
• HISSAO FUJIMOTO (OSAKA UNIVERSITY OF ECONOMICS, JAPON)
• HUSEYIN INCE (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
• HUSEYIN KANIBIR (BURSA ORHAN GAZI UNIVERSITY, BURSA-TURKEY)
• IBRAHIM ANIL (MARMARA UNIVERSITY, TURKEY)
• IBRAHIM PINAR (ISTANBUL UNIVERSITY, ISTANBUL-TURKEY)
• INCI DURSU (YALOVA UNIVERSITY, TURKEY)
• IREM ERER ERDOGMUS (MARMARA UNIVERSITY, TURKEY)
• IRGE SENER (CANKAYA UNIVERSITY, TURKEY)
• IRINA KUZMINA-MERLINO (TRANSPORT AND TELECOMUNICATION INSTITUTE, LATVIA)
• ISIL PEKDEMIR (ISTANBUL UNIVERSITY, ISTANBUL-TURKEY)
• ISMAIL HAKKI BICER (ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
• JAMALUDDIN H. HUSAIN (Purdue University, USA)
• JANIS FRIEDE (UNIVERSITY OF LATVIA, LATVIA)
• JAROEN KRAAIJENBRINK (UNIVERSITY OF TWENTE, NETHERLANDS)
• KADIR VARGOLU (BASKENT UNIVERSITY-TURKEY)
• KAMIL KOZAN (ST. JOHN FISHER COLLEGE, USA)
• KENNETH HOLLAND (BALL STATE UNIVERSITY-USA)
• KRYSTyna KIETLINSKA (UNIVERSITY OF LODZ, POLAND)
• LARS EIRENGREN (STOCKHOLM UNIVERSITY, SWEDEN)
• LONNIE STRICKLAND (THE UNIVERSITY OF ALABAMA, TUSCALOOSA, ALABAMA - USA)
• LUBICA BAZZIKOFFA (COMENIUS UNIVERSITY, SLOVAK REPUBLIC)
• LUFIHAR ALPKAN (ISTANBUL TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
• M. SUKRU AKDOGAN (ERCIYES UNIVERSITY-TURKEY)
• MAHIR NAKIP (AHMET YASEVI UNIVERSITY-KAZAKHSTAN)
• MAHMUT OZDEVECIOGLU (MELISAH UNIVERSITY, KAYSERI-TURKEY)
• MARGARITA DUNSA (UNIVERSITY OF LATVIA OF RIGA - LATVIA)
• MARIANNDODRUOVO (UNIVERSITY OF HERTFORDSHIRE, UK)
• MARIS PURGAILIS (UNIVERSITY OF LATVIA OF RIGA - LATVIA)
• MARIUS UNGERER ( STELLENBOSCH UNIVERSITY, SOUTH AFRICA)
• MARVIN GONZALEZ (COLLEGE OF CHARLESTON, USA)
• MEHMET BARCA (ANKARA SOSYAL BILIMLER UNIVERSITY, SAKARYA-TURKEY)
• MEHTAP OZSAHIN (YALOVA UNIVERSITY, TURKEY)
• MELISA ERDILEK (MARMARA UNIVERSITY, TURKEY)
• MERAL ELÇI (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
• MICHAL PATAK (UNIVERSITY OF PARDUBICE, CZECH REPUBLIC)
• MILITA VIENAIŽINDENÉ (KAUNAS UNIVERSITY OF TECHNOLOGY, LITHUANIA)
• MINE AFACAN FINDIKLI (GELİŞİM UNIVERSITY, ISTANBUL-TURKEY)
• MINE AKSOY KAVALCI (YALOVA UNIVERSITY, TURKEY)
• MURAT KASIMOGLU (ISTANBUL COMMERCE UNIVERSITY, ISTANBUL-TURKEY)
• MURAT KAYALAR (SULEYMAN DEMIREL UNIVERSITY, ISPARTA-TURKEY)
• MUSA PINAR (VALPARAISO UNIVERSITY, INDIANA-USA)
• MUSTAFA AYKAC (KIRKLARELI UNIVERSITY, KIRKLARELI-TURKEY)
• MUSTAFA KURT (YALOVA UNIVERSITY, YALOVA-TURKEY)
• MUDELEN YENER (MARMARA UNIVERSITY, TURKEY)
• MUMIN ERTÜRK (ESENYURT UNIVERSITY, ISTANBUL-TURKEY)
• MUNEYVER CETIN (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• MUĞE ARSLAN (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• NAZAN YELIKKALAN (CANAKKALE ONSEKIZ MART UNIVERSITY, TURKEY)
• NECDET TIMUR (ANADOLU UNIVERSITY, ESKISEHIR-TURKEY)
• NEVIN DENIZ (MARMARA UNIVERSITY, TURKEY)
• NIGAR DEMIRCAN ÇAKAR (DUZCE UNIVERSITY, TURKEY)
• NİHAN YILDIRIM (ISTANBUL TECHNICAL UNIVERSITY, TURKEY)
• NIZAMETTIN BAYYURT (FATHI UNIVERSITY, TURKEY)
• NURHAN PAPATYA (SULEYMAN DEMIREL UNIVERSITY, ISPARTA-TURKEY)
• NURULLAH GENÇ (ISTANBUL COMMERCE UNIVERSITY, ISTANBUL-TURKEY)
• OYA ERDIL (GEBZE TECHNICAL UNIVERSITY, KOCAELI-TURKEY)
• OMER TÖRLAK (OSMAN GAZI UNIVERSITY, BOGAZICI-TURKEY)
• OMUR ÖZMEN (DOKUZ EYLUL UNIVERSITY, IZMIR-TURKEY)
• OZLEM OZKANLI (ANKARA UNIVERSITY, ANKARA-TURKEY)
• RAJEEV KUMAR PANDA (NATIONAL INSTITUTE OF TECHNOLOGY, ROURKELA, INDIA)
• RAMONA RUPEIKA-APOGA (UNIVERSITY OF LATVIA, LATVIA)
• RAMUNĖ ČIARNIENĖ (KAUNAS UNIVERSITY OF TECHNOLOGY, LITHUANIA)
• REFIK GULPAN (PENNSYLVANIA STATE UNIVERSITY, HARRISBURG-USA)
• REFIKA BAKOGLU (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• REZAN TATLIDIL (EGE UNIVERSITY, IZMIR-TURKEY)
• RICHARD LYNCH (MIDDLESEX UNIVERSITY, LONDON-UK)
• SABAHAT BAYRAK (PAMUKKALE UNIVERSITY, DENIZLI-TURKEY)
• SADI CAN SARCIHAN (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• SEFER SENER (ISTANBUL UNIVERSITY, ISTANBUL-TURKEY)
• SELAHATTIN SARI (BEYKENT UNIVERSITY, ISTANBUL-TURKEY)
• SELEN DOĞAN (NİDE UNIVERSITY, NİDE-TURKEY)
• SELIM AREN (YILDIRIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
• SELİM EREN (CANAKKALE ONSEKIZ MART UNIVERSITY, TURKEY)
• SELİM ZAIM (ISTANBUL TECHNICAL UNIVERSITY, TURKEY)
• SENEM BEŞLER (ANADOLU UNIVERSITY, TURKEY)
• SERKAN BAYRAKTAROĞLU (SAKARYA UNIVERSITY, SAKARYA, TURKEY)
• SEVINÇ KOŞE (CELAL BAYAR UNIVERSITY, MANİSA-TURKEY)
• SHAMSUL NAHAR ABDULLAH (NORTHERN UNIVERSITY OF MALAYSIA, AMANMALASIA)
• SHAUKAT ALI (UNIVERSITY OF WOLVERHAMPTON, SHROPSHIRE-GREAT BRITAIN)
• SIMA NARJ (SARAKYA UNIVERSITY, TURKEY)
• STASYS VAIKKEVICIUS (MYKOLAS ROMERIS UNIVERSITY-LITHUANIA)
• SUBODH BHAT (SAN FRANCISCO STATE UNIVERSITY, SAN FRANCISCO - USA)
• SUHAP APAK (ESENYURT UNIVERSITY, ISTANBUL-TURKEY)
• SUSMITA GHOSH (INDIAN INSTITUTE OF TECHNOLOGY, KHARAGPUR, INDIA)
• SVETLANA SAKSONOVA (UNIVERSITY OF LATVIA, LATVIA)
• SEVKİ OZGENER (NEVSEHIR UNIVERSITY, NEVSEHIR-TURKEY)
• SULE EREN (CANAKKALE ONSEKIZ MART UNIVERSITY, TURKEY)
• TANES GULSOY (BEYKENT UNIVERSITY, ISTANBUL-TURKEY)
• TIJEN HARCAR (IZMIR UNIVERSITY OF ECONOMICS, TURKEY)
• TUGBA KARABULUT (ISTANBUL COMMERCE UNIVERSITY, TURKEY)
• UGUR YOZGAT (MARMARA UNIVERSITY, ISTANBUL-TURKEY)
• UTE STOLTMENBERG (UNIVERSITY OF LÜNEBURG-GERMANY)
• ULKU DİCLE (YEDİTEPE UNIVERSITY, ISTANBUL-TURKEY)
• UMIT ALNACIK (KOCAELI UNIVERSITY, TURKEY)
• VIESTURS PAULS KARNUPS (UNIVERSITY OF LATVIA OF RIGA - LATVIA)
• WARREN J. KEEGEN (PACE UNIVERSITY, USA)
• XAVIER RICHET (UNIVERSITY OF SORBONNE NOUVELLE-PARIS 3, FRANCE)
• YASEMIN ARBAK (DOKUZ EYLUL UNIVERSITY, IZMIR-TURKEY)
• YENER PAZARCIK (CANAKKALE ONSEKIZ MART UNIVERSITY, CANAKKALE-TURKEY)
• YONCA GUROL (YILDIRIZ TECHNICAL UNIVERSITY, ISTANBUL-TURKEY)
• ZEYAT HATİPOĞLU (DOGUS UNIVERSITY, ISTANBUL-TURKEY)
• ZOLTÁN VERES (BUDAPEST BUSINESS SCHOOL, BUDAPEST, HUNGARY)
An Investigation of the 2015 Financial Support Programme Areas of the Development Agencies in terms of Regional Development

ŞabanEsen*, Mete Kaan Namalb

*† Bartın University, Bartın, 74100, Turkey

Abstract

Development agencies have been operating in 26 different regions in Turkey since they were founded in 2006. With the regional plans and the financial support programmes they implement to actualize the objectives of these plans, these agencies support particularly the projects of businesses as well as the projects of public institutions and NGOs. Recently, whether the development agencies, founded to reduce the developmental differences within and between regions, focus on unique areas that will reveal the potential of the regions or transformed into similar public institutions providing support for similar financial support programmes is a matter in question.

The aim of the study: This study will examine the 2015 financial support programmes of development agencies based on regions and areas and thus, will indicate whether there are regional and sectoral differences and in doing so, we aim to shed light on the fact that in the next period, the agencies should carry out their work considering regional and sectoral differences.

Method: The study was conducted utilizing secondary sources. 2015 financial support programs of development agencies, which sectors they support, how much money is spent for each province, the regional characteristics of the sector is supported or not. The obtained data were analyzed with SPSS.

Result: When the 2015 programmes of the agencies are analysed, it is seen that they focus on particularly tourism sector as well as supporting advanced production techniques, increasing the competitive power, energy efficiency, clean production but there was no focus on certain sectors in the regions. In a way, it was found that the financial support implemented in TR 42 Eastern Marmara Region, which ranked among the top in Socio-economic development index (SEGE) 2011, is similar with those in TRC3 Region, which ranked among the last in SEGE 2011. It is seen that whilst developments agencies are expected to bring regional dynamics to the forefront, they cannot meet this expectation.

Keywords: Leadership styles, Learning orientation, Firm performance, High performing organizations

1. Introduction

In recent years, one of the leading problems that people working on regional development face in terms of the policies and programmes that will implement and develop is the issue of how these policies and programmes will be financed (Taylor and Ersoy, 2011: 63).

Regional Development Agencies (RDAs) are established in very different ways in the European countries and their functioning differs. Some of these agencies are organized as a means for localization whilst others are used to effectively distribute national government policies (Harding, 2006: 137). This study examines the financial support programmes of the development agencies, which have been serving in Turkey since 2006, in sectoral and regional terms.

2. Historical development of the national agencies

The earliest examples of the regional development agencies in the EU started with the development agencies established in the years 1950s and 1960s and were completed with the eastern European countries in the 1990s within the scope of membership to the EU (Can, 2011: 35).

The outstanding objective of RDAs is to invigorate the economy in the region with the policies they develop considering the capacity of the regions and the problems in the region and to ensure that the local people participate in the development and benefit from it (EURADA, 1999: 26).

The need for regional development and organizations that will supply sources at regional level in Turkey was first set in the First Five-Year Development Plan prepared in 1963. However, only after 40 years later, the development agencies that will meet this necessity were established on 25/01/2006 with the law no 5449 on the Establishment, Coordination and Duties of the Development Agencies. With three different decrees of the council of ministers, first Izmir Development Agency (IZKA) and Çukurova Development Agency (CKA) were established as the pilot development agencies and later, 8 agencies were established in 2008 and 16 agencies were established in 2009 and thus, the organization of the agencies in Turkey was completed (Ministry of Development, 2014b: 124-125).
Particularly within the framework of the new regional development paradigms, development agencies could be evaluated as a means to ensure regional development. In this context, the agencies ensure that the development mission, which used to be shouldered by only the state, is shared by different sections of the society. Agencies are coordinator, catalyst structures which define sectoral or wider developmental problems, develop strategies for the solution of such problems and support plans and projects which could find solutions to get practical results (State Planning Organization, 2008: 18).

Development agencies in Turkey are established to ensure that the region they serve adapts to the globalization and increasing competitive environment and to solve the problems of the region by utilizing the dynamics in the region in the most efficient way (İzmir Development Agency, 2008: 485).

Creating regional policies and strategies, making regional planning that could serve as reference and determining priorities in a healthy way in financial support programmes are highly important for the success of the agencies. And in determining these aforementioned areas, it is necessary to have qualified data on the region (DDK, 2014: 778).

3. Financial Supports of the Development Agencies

The financial supports that the Development Agencies will provide are supports provided to the regional actors to speed up the development process in the region and to put activities that are of critical importance for the region into operation on condition that they are explicitly stated in the annual working schedule and application guide. Financial supports (see Figure 1) are divided into three: direct financial support (small scale infrastructure, SME and other projects), interest supports and interest free credit supports (SERKA, 2010: 146-147). The agencies have not actively put interest support and interest free credit support into practice yet.

**Figure 1. Development Agency Supports**

![Diagram of Development Agency Supports]

Agencies provide financial support to the SMEs and institutions and NGOs in the region through call for proposals method. Every year, agencies provide around 60% of their revenue as grants to support institutions to actualize the objectives set in regional plans for the development of the region. However, in recent years, instead of their original objectives, these agencies started to be known as institutions providing grants for projects.

In particular, financial support programmes for SMEs get different criticisms. The main reason is that these supports are provided as grant. Besides, in case of a competition between two companies, a disadvantage arises for the company which does not benefit from the project support. Support programmes which include topics that does not cover the characteristics of the region are among these disadvantages.


Within the scope of these criticisms, in this study, the Financial Support Programmes announced and put into practice in 2015 by the Development Agencies are examined. All the programmes of the agencies in 26 regions are examined, their budget numbers, programme topics and priorities are studied.

When Table 1 is analysed, it is seen that a total number of 68 Financial Support Programmes were implemented by 26 agencies in 2015. And the total grant amount announced by the agencies was 510.550.000 ₺.
The data on regions, programmes implemented and the budgets of these programmes in 2015 are given in Table 1 below.


When the Financial Support Programme topics for 2015 are examined, it is seen that supports for SMEs, Tourism support and supports for R&D, Innovation and renewable energy are announced with similar topics in many regions. It can be said that apart from regional priority topics that only a few agencies implement, the support topics of the agencies are similar.

When the “Socio-Economic Development Index (SEGE 2011)” announced by the Development Agencies for 2011 (The Ministry of Development, 2013: 74) are examined;

• In the index, top 13 agencies in 26 regions provided 279,500,000₺ grant support. This amount makes almost 55% of the 510,550,000₺ which was the total grant amount in 2015.

• According to the index, the remaining 13 agencies at the bottom of the list provided 231,050,000₺ support. And this amount makes almost 45% of the total grant amount in 2015.

It is obvious from the numbers given above that the purpose of reducing the development gaps between the regions, which is the philosophy behind the foundation of development agencies, contradicts with the grants allocated.

When the supports for 2015 are examined, a similar case is seen. In particular, it is seen that there are similarities in terms of calls for proposals announced for SMEs. Many agencies prefer to repeat programmes with similar priorities and objectives without considering the socio-economic, demographic, cultural etc. characteristics of the region.

In this respect, not only the uncovering of the potentials of each region is failed, but also the agencies fail to fulfill their responsibility to reduce the developmental differences among regions.

Another finding on this issue is that financial support programmes implemented by the Development Agencies are the same or similar to financial supports provided by other public institutions. By organizing financial support programmes on topics which are under the responsibility of other local and central institutions, as of the day Development Agencies are founded and actively started working, these agencies cause to both confusion for the beneficiary and to waste of time, of human resources and of public resources.

Agencies implement similar programmes particularly on Small and Medium Sized Industry Development Organization, TUBITAK (Scientific and Technological Research Council of Turkey), Ministry of Industry and Technology-SANTEZ (Industrial Theses Support Program), Ministry of Food, Agriculture and Husbandry- Rural Development Support topics.

Although the number of companies with the required R&D and innovation capacity is small and the support programmes of TUBITAK and Small and Medium Sized Industry Development Organization’s within the scope of R&D and innovation are open, development agencies organize similar financial support programmes under R&D and innovation topics.

In addition, when the priorities of the supports provided for SMEs within the scope of economic development financial support programmes, it is seen that the purpose of programmes towards increasing production capacity stand out rather than programmes that showcase the characteristics of the region.
### Table 1. Financial Support Programmes in 2015

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>FULL NAME</th>
<th>CITY</th>
<th>FSP BUDGET (€)</th>
<th>FINANCIAL SUPPORT PROGRAMME</th>
</tr>
</thead>
<tbody>
<tr>
<td>TR10</td>
<td>Istanbul Development Agency</td>
<td>Istanbul</td>
<td>65.000.000</td>
<td>Fight against addiction FSP, Enhancement of women’s employment, Innovative Istanbul FSP, Health Tourism Center: Istanbul, Development of creative industries</td>
</tr>
<tr>
<td>TR21</td>
<td>Thess Development Agency</td>
<td>Edirne, Kırklareli, Tokatlı</td>
<td>8.000.000</td>
<td>Thrace growing with production FSP, Thrace, the Living and Provider of Life Financial Support programme</td>
</tr>
<tr>
<td>TR22</td>
<td>South Marmara Development Agency</td>
<td>Balıkesir, Çınarcık</td>
<td>13.000.000</td>
<td>Nuclear Development FSP, Small Scale Infrastructure FSP, Social Development FSP</td>
</tr>
<tr>
<td>TR31</td>
<td>Lesia Development Agency</td>
<td>İzmir</td>
<td>35.000.000</td>
<td>Renewable Energy and Environmental Technologies FSP, Vocational Education FSP</td>
</tr>
<tr>
<td>TR32</td>
<td>South Aegean Development Agency</td>
<td>Aydın, Denizli, Muğla</td>
<td>25.000.000</td>
<td>Alternative Tourism FSP, Alternative Tourism Infrastructure, Renewable Energy FSP, Development of Production and Trade Infrastructure FSP</td>
</tr>
<tr>
<td>TR33</td>
<td>Zafar Development Agency</td>
<td>Antalya, Adana</td>
<td>20.000.000</td>
<td>Development of Competitiveness in Industry FSP</td>
</tr>
<tr>
<td>TR41</td>
<td>Bursa, Edirne, Bilicik Development Agency</td>
<td>Bilecik, Bursa, Edirne</td>
<td>15.000.000</td>
<td>Rural Economic Development FSP, Development of Health Tourism</td>
</tr>
<tr>
<td>TR42</td>
<td>East Marmara Development Agency</td>
<td>Bolu, Düzce, Kocaeli, Sakarya, Yalova</td>
<td>13.500.000</td>
<td>Machine Production, Culture and tourism, Tourism</td>
</tr>
<tr>
<td>TR51</td>
<td>Ankar Development Agency</td>
<td>Ankara</td>
<td>17.600.000</td>
<td>Supporting alternative tourism, Innovative technologies FSP, Renewable energy FSP</td>
</tr>
<tr>
<td>TR52</td>
<td>Mavina Development Agency</td>
<td>Karaman, Konya</td>
<td>13.000.000</td>
<td>Renewable energy FSP, Reducing developmental differences within region</td>
</tr>
<tr>
<td>TR53</td>
<td>Western Mediterranean Development Agency</td>
<td>Antalya, Burdur, Isparta</td>
<td>17.000.000</td>
<td>Supporting alternative tourism, Innovative technologies FSP, Renewable energy FSP</td>
</tr>
<tr>
<td>TR62</td>
<td>Çukurova Development Agency</td>
<td>Adana, Mersin</td>
<td>25.000.000</td>
<td>Increasing Competitiveness and Innovation Capacity FSP, Improving production and environment infrastructure FSP, Development of corporate structure and competitiveness in micro businesses</td>
</tr>
<tr>
<td>TR63</td>
<td>East Mediterranean Development Agency</td>
<td>Hatay, Kahramanmaraş, Osmaniye</td>
<td>15.000.000</td>
<td>Development of tourism</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CODE</th>
<th>FULL NAME</th>
<th>CITY</th>
<th>FSP BUDGET (€)</th>
<th>FINANCIAL SUPPORT PROGRAMME</th>
</tr>
</thead>
<tbody>
<tr>
<td>TR71</td>
<td>Adilce Development Agency</td>
<td>Akçaabat, Kırklareli, Niğde, Nevşehir, Ýzmit,</td>
<td>10.000.000</td>
<td>Energy infrastructure support programme</td>
</tr>
<tr>
<td>TR72</td>
<td>Central Anatolia Development Agency</td>
<td>Kayseri, Sivas, Yozgat,</td>
<td>17.000.000</td>
<td>Renewable Energy and Sustainable Competition FSP, Culture and Tourism FSP</td>
</tr>
<tr>
<td>TR81</td>
<td>West Black Sea Development Agency</td>
<td>Bartın, Karabük, Zonguldak</td>
<td>13.000.000</td>
<td>SME FSP, Local Values FSP</td>
</tr>
<tr>
<td>TR82</td>
<td>North Anatolia Development Agency</td>
<td>Çankırı, Karaman, Sivas</td>
<td>20.500.000</td>
<td>Economic Development FSP, Development of the Region’s Infrastructure FSP</td>
</tr>
<tr>
<td>TR83</td>
<td>Middle Black Sea Development Agency</td>
<td>Amasya, Çorum, Samsun, Tokat</td>
<td>19.000.000</td>
<td>SSS towards Developing Tourism FSP, Improvement of NGOs FSP</td>
</tr>
<tr>
<td>TR90</td>
<td>East Black Sea Development Agency</td>
<td>Artvin, Giresun, Gümüşhane, Ordu, Rize, Trabzon</td>
<td>33.000.000</td>
<td>Development of Tourism through innovative models FSP</td>
</tr>
<tr>
<td>TRA1</td>
<td>North East Anatolia Development Agency</td>
<td>Bayburt, Erzincan, Erzurum</td>
<td>12.000.000</td>
<td>Economic Development FSP, Increasing Local Capacity</td>
</tr>
<tr>
<td>TRA2</td>
<td>Erzurum Development Agency</td>
<td>Ağrı, Ardahan, Iğdır, Kars</td>
<td>13.800.000</td>
<td>Social Development FSP, Small Scale FSP towards social development</td>
</tr>
<tr>
<td>TRB1</td>
<td>East Anatolia Development Agency</td>
<td>Bingöl, Elazığ, Malatya, Tunceli</td>
<td>10.900.000</td>
<td>Malayıs-Elazığ Focus Areas FSP, Bingöl-Tunceli Focus Areas FSP</td>
</tr>
<tr>
<td>TRB2</td>
<td>East Mediterranean Development Agency</td>
<td>Bitlis, Hakkari, Muş, Van</td>
<td>50.000.000</td>
<td>Small Scale Infrastructure towards strengthening investment and tourism infrastructure, Development of Competitiveness</td>
</tr>
<tr>
<td>TRC1</td>
<td>Silk Road Development Agency</td>
<td>Adıyaman, Gaziantep, Kırı</td>
<td>10.250.000</td>
<td>Increasing Competitiveness and Innovation Capacity FSP, Southeastern Anatolia Project Organic Agriculture Value Chain Pilot Practices</td>
</tr>
<tr>
<td>TRC2</td>
<td>Karacadağ Development Agency</td>
<td>Diyarbakır, Şanlıurfa</td>
<td>50.500.000</td>
<td>SME FSP, Renewable Energy FSP, Tourism and Urban Infrastructure, Southeastern Anatolia Project Organic Agriculture Value Chain Pilot Practices</td>
</tr>
<tr>
<td>TRC3</td>
<td>Dicle Development Agency</td>
<td>Burdur, Mardin, Şanlıurfa, Siirt</td>
<td>10.000.000</td>
<td>Development of Fruit Growing Partner FSP</td>
</tr>
</tbody>
</table>


Such grant supports to be provided without determining the extent of the production in a specific area and without objectively examining the capacity use rate of the SME applying for the grant will cause to increase in import in CNC counters rather than increasing the production capacity and thus, in a way, to an increase in the production capacity of foreign countries.

7. Conclusion

In order to ensure regional development, the financial supports provided by the agencies should be reorganized with the participation of the regional actors. In particular, the outstanding advantages in the region, the potential and the areas with high competitive power in the region should be identified and financial support for these areas
should be provided. Financial supports should be sector-focused and should be designed in a way that will enable to shine out the specific features of a region.

Agencies should stop implementing financial support programmes in areas in which public institutions provide support. Cooperating with institutions providing similar supports, the agencies should find out areas lacking support mechanisms and develop programmes in these areas.

Central transfer allowances to be transferred to financial support programmes to be implemented in order to reduce the development gaps between the regions, which is among the aims the foundation of development agencies, should be reorganized considering the underdeveloped regions. In addition to that, grant support provided for the projects should be prevented from effecting companies active in similar areas in a negative way. The existing conditions of the companies should be determined via capacity reports and unnecessary capacity increase should be prevented. In addition, activities under the grants provided should be audited by the agencies in the long-term.

A similar summary of the aforementioned findings and suggestions are included in the 64th Government Programme in the following way: “We will ensure that Development Agencies will work more effectively. We will reduce the processes related to agency supports and diversify support mechanisms with new tools. We will support development agencies to focus on analyses and research studies, and to focus on the potentials of their regions and thus, ensure that they differ and develop strategies.”

References


EKRADA, (1999), Creation, Development and Management of RDA’s - Does it have to be so difficult?, 4. Baskı, Brüksel.


