

# Discourses on Institutions: Intentions of Umbrella Organizations for Internationalization

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## Abstract

The value that internationalization creates for both the firm and the country renders this process a significant subject for all parties. The aim of this study is to determine what kinds of effort are made for influencing the internationalization of firms, within the context of Turkey. Institutions have been considered as a means of these efforts. Accordingly, this study seeks an answer to the question of whether The Union of Chambers and Commodity Exchanges of Turkey (TOBB), which is the supreme professional organization and the legal representative of the private sector in Turkey, endeavors to influence the internationalization process of firms through institutions. This effort was traced through TOBB's official speeches. Within this context, 125 speeches of TOBB made between 2003 and 2015 were assessed with directed content analysis from the perspective of institutional theory and thematic analysis. Analysis results of the speeches indicate that an effort was made by TOBB for influencing internationalization through all of the regulative, cognitive, and normative institutions.

*Keywords: Internationalization, institutional theory, institutions, content analysis, thematic analysis*

*JEL Classification: M16, J51, M10*

## Kurumlar Üzerine Söylemler: Çatı Örgütlerin Uluslararasılaşmaya İlişkin İstemleri

### Özet

Uluslararasılaşmanın hem işletme hem de ülke açısından yarattığı değer, bu süreci tüm taraflar açısından önemli bir konu haline getirmektedir. Bu çalışmanın amacı Türkiye bağlamında işletmelerin uluslararasılaşmasını etkilemeye yönelik hangi çabaların gösterildiğini tespit etmektir. Bu çabaların bir aracı olarak kurumlar dikkate alınmıştır. Bu doğrultuda özel sektörün Türkiye'de mesleki üst kuruluşu ve yasal temsilcisi olan Türkiye Odalar ve Borsalar Birliği'nin (TOBB) kurumlar üzerinden işletmelerin uluslararasılaşma sürecini etkileme çabasının olup olmadığı sorusuna cevap aranmaktadır. Bu çaba TOBB'un resmi konuşmaları üzerinden takip edilmiştir. Bu bağlamda TOBB'a ait 2003-2015 tarihleri arasındaki 125 konuşma kurumsal kuram perspektifinden yönlendirilmiş içerik analizi ve tematik analiz ile değerlendirilmiştir. Konuşmaların analiz sonuçları, TOBB tarafından düzenleyici, bilişsel ve normatif kurumların tümü üzerinden uluslararasılaşmayı etkilemeye yönelik bir çabanın varlığını göstermektedir.

*Anahtar kelimeler: Uluslararasılaşma, kurumsal teori, kurumlar, içerik analizi, tematik analiz*

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## Introduction

Internationalization, either through export, agreement (e.g. licensing, franchising), or direct investment (Üner, 1994; Morschett et al., 2010), is an important process for both firms and states. That is because firms obtain various benefits during the internationalization process, and these eventually turn into national benefits. Through internationalization, firms usually become less dependent on the conditions in the home country and find the opportunity to grow thanks to increased revenue and profit (Barnes et al., 2006). In addition, firms can improve their managerial skills and abilities and gain further flexibility to undertake diversified business risks through internationalization (Pinho and Martins, 2010). Another impact of internationalization is that it enables firms to be stronger actors in the home country thanks to the experience they have gained from getting involved in international competition (Lages and Montgomery, 2004). Product quality and standards are expected to be higher in a local economy with plenty of strong actors. Considering the national benefits internationalization provides, the first thing that comes to mind is that it is an important driver of economic growth (Kahiya, 2013; Kahiya and Dean, 2016; Pinho and Martins, 2010). Besides, internationalization helps national industries in improving and increasing productivity, and creating new business opportunities, in addition to increasing social welfare as an outcome of economic growth (Lages and Montgomery, 2004).

When all the abovementioned benefits are taken into consideration, governments show great willingness regarding the involvement of firms in international activities. Therefore, efforts for steering internationalization occupies a place in the agenda of all governments. The aim of this study is to determine, within the context of Turkey, what kinds of effort are made for influencing the internationalization of firms. Institutions have been considered as a means of these efforts. Although there is a rich literature regarding how institutions influence internationalization, there is not a detailed discussion regarding how institutions are used as an instrument during the process of internationalization. With this study, we intend to contribute to the elimination of this gap. The main reason for analyzing the institutions in the study is that institutions regulate the behaviors of firms on the one hand and increase or decrease their motivation for the behavior on the other (Hitt et al., 2004: 173). Therefore, influences to be made on institutions will be reflected in firm behaviors. The study was carried out with the assumption that governments, policy-makers or supra-firm organizations can use institutions for influencing the internationalization process of firms. Accordingly, we chose The Union of Chambers and Commodity Exchanges of Turkey (TOBB), which is the supreme professional organization and the legal representative of the private sector in Turkey, as a case and seek an answer to the research question of whether TOBB endeavors to influence the internationalization process of firms through institutions. Our research question is divided into three sub-questions as follows:

1. Which institutions does TOBB try to influence for affecting the internationalization of firms, and to what extent?
2. Through which actors does TOBB try to influence institutions?
3. In which fields and to what extent does TOBB try to influence institutions in terms of internationalization?

The effort to answer these questions was traced through TOBB's official speeches. Within this context, 125 speeches of TOBB made between 2003 and 2015 were assessed with directed content analysis from the perspective of institutional theory and thematic analysis. An overall assessment of the analysis results of the speeches indicates that TOBB made an effort to influence internationalization through all of the regulative, cognitive, and normative institutions.

The study is structured as follows: In the second section, general information is given on the background of institutional theory. In addition, we discuss the meaning of institutional theory in terms of internationalization. The third section provides a detailed description of the method used and presents the results of the content analysis and thematic analysis. The final section provides several suggestions on the conclusions, the implications, and future studies.

## Literature Review

### Institutional Theory in Internationalization

What springs to mind when speaking of institutions? It seems, when we take a look at the literature, that the two main fields of research approach institutions with different perspectives. Economists refer to formal institutions such as laws, rules and regulations, while sociologists have paid more attention to cultures, norms, and values, which rather have informal characteristics (Peng et al., 2009). Sociologists focus on the legitimacy of informal institutions, while economists focus on the role of efficiency in formal institutions (Bruton and Ahlstrom, 2003; Garrido et al., 2014; Peng, 2002). Formal institutions refer to open rules and these rules must be clearly established by an authority (Garrido et al., 2014). However, the source of informal institutions is socio-cultural (Cardoza et al., 2012).

In institutional theory, two pioneering studies in their own fields (North, 1990; Scott, 1995) presented a holistic point of view by focusing on informal and formal institutions together (Peng et al., 2009). Institutional economist Douglass North describes institutions as informal and formal rules of a game, which are “humanly devised constraints that shape political, economic and social interaction” (North 1990; North, 1991: 97). Sociologist W. Richard Scott (1995: 33) describes institutions as “regulative, normative, and cognitive structures and activities that provide stability and meaning to social behavior.” Regulative institutions are laws and regulations that promote or prohibit certain behaviors, while cognitive institutions are the knowledge and abilities of individuals in a country, and normative institutions are social norms, values, beliefs and assumptions that affect the business development at the national level and are socially shared (Scott, 1995). Regulative institutions refer to formal institutions, while normative ones are less formal, and cognitive institutions are the most informal (Peng et al., 2008).

Institutional theory suggests that the institutional environment in which firms are embedded affects firm behaviors, choices, organizational practices, designs, and structures with its formal and informal institutions (Bruton and Ahlstrom, 2003; Munir, 2002; Ring et al., 2005; Shirokova and Tsukanova, 2013; Wan and Hoskisson, 2003). While institutions regulate the behavior of firms on the one hand, they increase or decrease motivation for the behavior on the other. In short, institutional theory regards firms’ strategic choices as an output of the interaction between institutions and organizations (Peng et al., 2009; Peng et al., 2008).

In the light of literature (Busenitz et al., 2000; Descotes et al., 2007; Kostova, 1997; Scott, 1995; Torkkeli and Fuerst, 2018), in our study the regulative institutions consist of laws, regulations, and policies that might influence internationalization in a country; the cognitive institutions consist of the knowledge and skills possessed by the people in a country pertaining to internationalization; and finally, the normative institutions refer to the evaluations of the people in a country regarding internationalization. In short, all of the institutions affect domestic internationalization activity.

The internationalization behavior of firms could be explained from the perspective of institutional theory as follows:

*Regulative institutions and internationalization.* Given the internationalization decisions of firms, regulative institutions that support production for the market in order to stimulate domestic consumption may reduce firms' motivation for outward foreign direct investment (outward FDI). Conversely, the government can support domestic firms that export or make outward FDI through regulations or laws and can facilitate their access to the resources required to sustain their internationalization. Similarly, the government can increase firms' capability of and willingness for internationalization by helping them in overcoming constraints of information, transaction costs, and resources (Wang et al., 2012). Besides, governments establish export promotion agencies to boost exports (Kang, 2011). The main motivation behind governments' policies on the internationalization of firms is the awareness that the local economy is linked to the outside world through such firms (Bazuchi et al., 2013). However, some government implementations can affect exports negatively. The government of Indonesia, for example, imposed an export tax policy to control the price of cooking oil at an affordable rate, but this caused a decrease in exports (Rifin, 2010).

In order to give a more concrete example of regulative institutions from the world, we can look at China. China has a comprehensive policy regime regarding outward FDI. Within this regime, there are various incentives and supports such as tax reduction and credit support for outward FDI of firms (Luo et al., 2010). Similar practices are also present in Turkey. Export subsidies are provided for firms by the Republic of Turkey Ministry of Trade (RTMT) (2019). In addition, the "Export-Oriented Manufacturing Strategy Evaluation Board" was established in order to increase the share of the global goods trade which is Turkey's strategic foreign trade goal (Official Gazette, 2010). So far, examples have been given on how the regulative institution motivates the internationalization of firms. However, due to the constraints created by the regulative institution, FDI may emerge as an escape for firms (Witt and Lewin, 2007). In other words, internationalization might be the result of an obligation.

*Cognitive institutions and internationalization.* Various examples can be given on the effects of cognitive institutions concerning firm behavior. For example, if information on how to export is developed and widely shared among firms, firms will not have to endure the costs of searching for information in this regard. Therefore, firms' motivation for internationalization will be expected to increase. On the other hand, firms may lack the knowledge critical for starting to export and understanding the most fundamental steps in managing this process. To solve such problems in Turkey, online information pages have been prepared by the RTMT. These pages feature information available for access by Turkish firms on how to become an exporter, export processes, documents that will be needed in these processes (RTMT, 2019). Similarly, information on the measures against various risks that may be encountered in the invested country, political risk insurances and the investment environment of the host countries are also available for Turkish firms in foreign investment pages (RTMT, 2019). Thus, it is possible to strengthen the cognitive institutions regarding internationalization. In China, in order to strengthen the cognitive institution a catalogue is used for guidance including the rules in the countries and industries to be invested (Luo et al., 2010). In many countries, export promotion programs provided by governments or trade associations are valuable resources for export-related information, especially for small and medium-sized firms (Francis and Collins-Dodd, 2004; Freixanet, 2012; Wang et al., 2017). Leonidou (2004) emphasizes that special programs should be prepared for small exporting firms. These programs feature the preparation of trainings, seminars and workshops on subjects such as export procedures and export market research for improving the exporting skills of firms. In addition, they provide information on technical standards, customer lists, and commercial legislation regarding foreign markets.

*Normative institutions and internationalization.* The concept of normative institutions, when considered in terms of internationalization, may include values, assumptions, and norms of

firms regarding internationalization. In the context of internationalization, this may also imply to which extent internationalization is encouraged or discouraged by society (Torkkeli and Fuerst, 2018). Accordingly, the more the firm attributes importance to international expansion and as a sign of success, the more increase will be expected in the firm's tendency and intensity of export or outward FDI. In the specific case of exporting small and medium-sized enterprises (SMEs), the normative institutions capture to which degree the residents of a country's value and admire exporting activities (Descotes et al., 2007).

The internationalization decisions of firms are not only determined by the home country's institutional environment, but also the institutional environment opportunities offered by the host country are effective in firm decisions (Ma et al., 2016). For instance, the objective of the Foreign Direct Investment Law no. 4875 (2003) in Turkey is defined as follows: "The objective of this Law is to regulate the principles to encourage FDI, to protect the rights of foreign investors, to define investment and investor in line with international standards, to establish a notification-based system for FDI rather than screening and approval, and to increase FDI through established policies." Similarly, firms' modes of entry into new markets are also affected by the institutional environment of the host country (Chen et al., 2009; Lindsay et al., 2017; Meyer et al., 2009; Schwens et al., 2011). Francis et al. (2009) argue that host country institutions are more critical for the entry mode of FDIs than other modes of market entry, such as exporting and licensing. Therefore, strategic choices of firms can be regarded as a reflection of institutions of both their home and host countries.

## Methodology

### Case Study Approach

This study is a single case study and the important point here is the selection of the case that will enlighten the research question (Yin, 2014). Beside the fact that the most visible entity definitely is the government that has direct impact on institutional context due to its authority in general, the Turkish business system, in specific, has been categorized as a state dependent one (Whitley, 1999). In addition to this, we argue that various organizations may desire to influence institutions in terms of firm internationalization. We focused on non-governmental organizations that have the potential of influencing institutions. Finally, we chose TOBB as a case for several reasons, including:

- TOBB is the supreme professional organization and the legal representative of the private sector in Turkey.
- TOBB is the supreme organization of 365 Chambers and Commodity Exchanges (Chambers of Commerce, Chambers of Industry, Chambers of Commerce and Industry, Chambers of Maritime Commerce, Commodity Exchanges).
- It serves 1.5 million members in 81 provinces and 160 counties with their Chambers, Commodity Exchanges, and Sectoral Assemblies.
- Their main mission is to enhance economic growth, increase the competitiveness of their members, and improve Turkey's business and investment environment.

### Data Collection and Analysis

Our analysis is based on discourses. Discourses "cover all forms of spoken interaction, formal and informal, and written texts of all kind" (Potter and Wetherell, 1987). In this study, speeches

of the President of TOBB were collected from the official website of TOBB (The Union of Chambers and Commodity Exchanges of Turkey, 2017). Within this scope, the corpus of the present study consists of 125 speeches delivered between 2003 and 2015 at the time of this research. For the sake of clarity and coherence of research data, all the speeches of the last president from the beginning of the election to the beginning of the research were considered. Among these speeches, the discourses on internationalization – which fall into the scope of the research question – were accepted as analysis data.

The question of whether TOBB makes an effort to influence the internationalization process of firms through institutions was answered by dividing it into three sub-questions. In line with the aim of the study, the speeches were analyzed with both directed content analysis and thematic analysis. In the directed approach, analysis starts with the selection of a theory or the results of associated studies as a guide for the codings to be carried out (Hsieh and Shannon, 2005), and codings are made accordingly. And in the thematic analysis, patterns – in other words, themes – within discourses are coded independently of any lists (Vaismoradi et al., 2013). In fact, thanks to coding, data become a shorter and more manageable list, similarities and differences between data are revealed, and consequently data sets that are suitable for analysis are created (Polit and Beck, 2010).

We used directed content analysis to answer the sub-question: “Which institutions does TOBB try to influence for affecting the internationalization of firms, and to what extent?” Accordingly, we carried out the codings per three headings, namely regulative, cognitive, and normative institutions from the perspective of institutional theory. In codings made per regulative institutions, we traced if there were expressions in discourses intended to influence rules, laws or policies that might influence internationalization. In codings made per cognitive institutions, we traced if there were expressions in discourses intended to influence the knowledge or skills of individuals regarding internationalization. And in codings made per normative institutions, we traced if there were expressions in discourses intended to influence the evaluations of individuals regarding internationalization.

We used thematic analysis to answer the sub-question: “Through which actors does TOBB try to influence institutions?” Accordingly, codings were carried out through the actors toward whom the discourses were targeted. Here, researchers did not use any lists while making the codings, and the actors, whom TOBB regards as stakeholders in discourses for influencing institutions, were traced.

We used thematic analysis to answer the sub-question: “In which fields and to what extent does TOBB try to influence institutions in terms of internationalization?” Accordingly, codings were carried out through fields which were the subjects of the discourses. Similar to the previous question, codings were carried out independently of any lists, and the fields where institutions are tried to be influenced within the scope of internationalization were traced.

Codings were carried out by two academicians who have experience in the fields of qualitative research and internationalization. Inter-rater reliability using Cohen’s Kappa is found as 0.81. Generally, a kappa >0.60 is considered satisfactory (Hayes and Hatch, 1999; Landis and Koch, 1977). Additionally, an independent scholar checked the codings of discourses for biases and accuracy. A software program called NVivo, which is designed to analyze qualitative data, was also used.

## **Results**

### ***TOBB’s effort to influence institutions***

A total of 247 codings were made regarding TOBB's efforts to influence institutions in terms of affecting the internationalization (Table 1). The institutions that were tried to be influenced the most in the discourses are normative (53.8%). This is followed by regulative institutions (24.7%) and cognitive institutions (21.5%), respectively.

Table 1  
Codings on Institutions

Cognitive Institutions (Frequencies)	(%)	Regulative Institutions (Frequencies)	(%)	Normative Institutions (Frequencies)	(%)	Total Codings
53	21.5	61	24.7	133	53.8	247

**Normative:** *All our entrepreneurs need to act with the following awareness now: First, the Turks abroad should not see each other as competitors. They should not lay their hands on each other's business. Our struggle is not to steal a slice of the cake but to enlarge the cake. The children of a country that aims to turn into a global power from regional leadership must now enlarge the cake all together.*

**Normative:** *We have to think big, think about new markets. There is no Germany, there is Europe. There is no Europe, there is the world.*

**Normative:** *We have to create brands that can compete globally in the sectors in which we are advantageous.*

**Regulative:** *Informality prevents access to financial resources. The inability to access financial resources means being confined to remaining small. And it is impossible for us to compete in the global arena if we remain small. Therefore, we expect the costs of getting registered to be decreased and the evil of informality to be stopped through a rule-governed tax system with lower rates.*

**Regulative:** *Freight and fuel support should be provided to our industrialists for their export transports.*

**Regulative:** *Therefore, in order to compete with the world, we have to develop a new industrial policy and strategy in our country. The purpose here should be creating market economy-oriented and private sector-based competitive industries and increasing export capacity.*

**Cognitive:** *New opportunities will emerge before Turkey and Turkish firms in these countries in the region, which have not yet been integrated into the world economy and have poor private sector and institutional structures.*

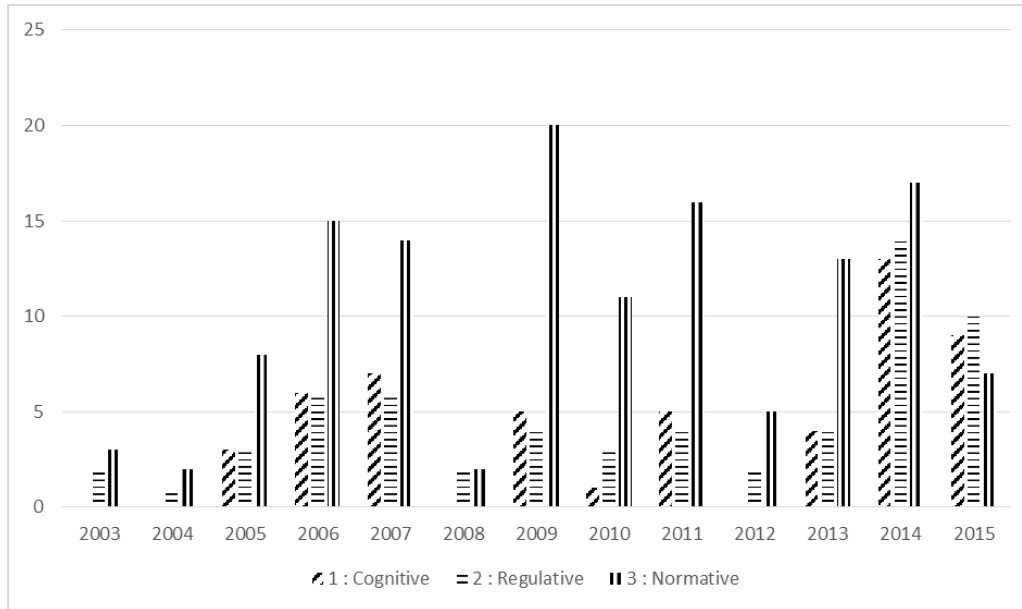
**Cognitive:** *When the crisis comes to an end, there is a continent about which there will be plenty of discussion: Africa. As commodity prices go up, opportunities in Africa will increase, as well.*

**Cognitive:** *Within this framework, the 22 Arab countries are valuable economic partners for us, with their population amounting to 300 million, economic size nearing 2 trillion dollars, current account surplus exceeding 1 trillion dollars in the last 10 years, and foreign trade exceeding 1 trillion dollars.*

How discourses on institutions changed over the years is shown in Figure 1. Accordingly, it is seen that for some years there was no effort to influence cognitive institutions. Normative institutions were at the forefront of discourses during 2003-2014. Especially in 2009, the emphasis on normative institutions was at the highest level.

Figure1

### Change in Discourses on Institutions



### Target actors in TOBB's effort to influence institutions

After the discourses were encoded according to the institutions, the actors in the discourses were identified. The actors were defined as the target group toward whom TOBB directed its discourses. In other words, they were defined as the main stakeholders that TOBB wanted to interact with while trying to influence institutions. One message could be intended for one or more actors. The actors in the discourses were grouped under four headings, including:

1. TOBB member firms and affiliates
2. Local government
3. Foreign government
4. Foreign non-governmental organizations

Table 2

### Codings on Actors



	Cognitive Institutions	(%)	Regulative Institutions	(%)	Normative Institutions	(%)	Total Number of Codings	(%)
Local government	11	28.9	40	66.7	24	18.9	75	33.3
TOBB member firms and affiliates	23	60.5	10	16.7	58	45.7	91	40.4
Foreign government	2	5.3	10	16.7	21	16.5	33	14.7
Foreign non-governmental organizations	2	5.3	0	0.0	24	18.9	26	11.6
Total	38		60		127		225	

According to Table 2, the main target group in the discourses on cognitive institutions related to internationalization is TOBB member firms and affiliates (60.5%). In regulative institutions, local government is the actor that TOBB interacted with the most (66.7%). TOBB's target group for normative institutions is TOBB member firms and affiliates (45.7%). Overall, the most important target group is TOBB member firms and affiliates (40.4%). Examples regarding the codings of the actors are presented as follows:

**TOBB member firms and affiliates-Cognitive:** *New opportunities will emerge for Turkish firms in these countries in the region, which have not yet been integrated into the world economy and have poor private sector and institutional structures.*

**TOBB member firms and affiliates-Normative:** *Now we must focus on how much added value we provide and how efficiently we work, rather than on sales volume, production capacity and firm size as before. We have to create brands that will compete globally in the sectors in which we are advantageous.*

**TOBB member firms and affiliates-Normative:** *We have to compete in the global arena with our innovative and high-quality activities.*

**Local government-Regulative:** *Hereby, we expect the Law on the Protection of Personal Data to be enacted as soon as possible in our country. If we have a law in conformity with the world standards, Turkish firms' costs of doing business abroad will reduce.*

**Local government-Regulative:** *Support programs of Eximbank, which should be the main supporter of our export, should be diversified and extended. Special programs and loan opportunities should be offered to SMEs, in particular.*

**Local government-Regulative:** *To this end, we have to synchronize the industrial policy and foreign trade and focus on second generation reforms that will enhance our competitive power.*

**Foreign government-Regulative:** *As the Turkish business world, our anticipation from the Esteemed President of Iran is to commence the necessary initiatives for the solution in this field, just as he solved the airway problems.*

**Foreign government-Regulative:** *Completion of the negotiations for the Turkey-Gulf Co-operation Council Free Trade Agreement is very important. Liberalization will help the trade volume to reach the desired levels between us and will improve our cooperation.*

**Foreign government-Normative:** *However, the fact that the banking sector is not mutually well-known is an obstacle to our trade. We must work harder to solve this issue.*

**Foreign non-governmental organizations-Normative:** *As the Turkish business world, we want to establish strong economic relations with our Arabian brothers based on the principle of maximum co-operation, in order for our geography to get richer and become a region of stability and prosperity again.*

**Foreign non-governmental organizations-Normative:** *Because the child of the Nile is our brother as well, the child of the Tigris is our brother as well, and the child of the Euphrates is our brother as well! And that's why the forthcoming period is quite valuable. We have to strengthen our co-operation. We have to produce more, do more mutual trade.*

**Foreign non-governmental organizations-Normative:** *In addition, as the Turkish private sector, we are closely interested in the countries in Africa. We want to carry out joint projects in this continent by joining our forces with our Arabian brothers.*

The internationalization decisions of firms are determined not only by the home country's institutional environment, but also by the host country's environment. If TOBB can influence foreign non-governmental organizations or foreign governments, it will also influence the institutional environment of the host country. Similarly, changing the home country's environment is closely related to the reactions of governments and TOBB member firms and affiliates to TOBB's discourses. Within this framework, Table 2 was rearranged and Table 3 was prepared.

Table 3

### Codings on Institution Environment

	Cognitive Institutions	(%)	Regulative Institutions	(%)	Normative Institutions	(%)	Total Number of Codings
Home Country's Institutional Environment	34	89.5	50	83.3	82	64.6	166
Host Country's Institutional Environment	4	10.5	10	16.7	45	35.4	59
Total Number of Codings	38		60		127		225

### *The fields in which TOBB try to influence institutions*

TOBB desires to influence the existing institutions or create new ones in various fields for affecting internationalization (Table 4).

Table 4  
Codings on Fields

	Foreign Trade		Entrepreneurship		Technology and Innovation		Regional Co-operations		Foreign Investment (Outward)		Banking and Insurance System		Co-investment		Total
	n	(%)	n	(%)	n	(%)	n	(%)	n	(%)	n	(%)	n	(%)	n
Cognitive	10	26.3	7	24.1	8	27.6	0	0	3	21.4	4	28.6	0	0.0	32
Regulative	4	10.5	4	13.8	6	20.7	3	11.5	2	14.3	5	35.7	1	8.3	25
Normative	24	63.2	18	62.1	15	51.7	23	88.5	9	64.3	5	35.7	11	91.7	105
Total	38	23.5	29	17.9	29	17.9	26	16.0	14	8.6	14	8.6	12	7.4	162

Accordingly, TOBB shows an effort to influence the institutions that would promote internationalization in the fields of foreign trade (23.5%), entrepreneurship (17.9%), and technology and innovation (17.9%). Among these institutions, normative institutions are emphasized the most in the areas of foreign trade (63.2%), entrepreneurship (62.1%), and technology and innovation (51.7%). Another field to which discourses for influencing institutions are related is regional co-operations (16%). Like in the previous ones, there is an emphasis for influencing normative institutions in the field of regional co-operations (88.5%). However, discourses on regulative and normative institutions are at the forefront in the field of banking and insurance system while normative institutions are at the forefront in the field of co-investment. Overall, the results show that the desire to influence normative institutions is dominant in the great majority of the fields. Examples regarding the codings of the fields are presented as follows:

**Cognitive-Foreign Trade:** *Within this framework, the 22 Arab countries are valuable economic partners for us, with their population amounting to 300 million, economic size nearing 2 trillion dollars, current account surplus exceeding 1 trillion dollars in the last 10 years, and foreign trade exceeding 1 trillion dollars.*

**Cognitive-Foreign Trade:** *Arab countries import near 600 billion dollars, but we can only sell them 23 billion dollars. We import 180 billion dollars, but the total amount of goods we buy from Arab countries is worth just about 10 billion dollars. And the majority of this is from energy import. In other words, we are just at the beginning.*

**Cognitive-Entrepreneurship:** *Because now we know that the only way for both countries and people to prosper is to produce, to buy and sell, that is, entrepreneurship.*

**Normative-Entrepreneurship:** *Turkish entrepreneurs have to stand out all across the world, create permanent markets for Turkish brands and Turkish products, render the services they provide irreplaceable, and show that they can survive even in the hardest competitive conditions.*

**Normative-Banking and Insurance System:** *Today we talk about African expansion; we want to export more, invest more to this continent. But since Turkish banks do not operate in Africa, we can carry out trade with Africa only as much as the loans provided by English and French banks, who dominate the continental market.*

**Normative-Regional Co-operations:** *The Eurasian region leads among the regions in which we are the most effective. We see Eurasia not as a field of competition, but as an area of global co-operation. Our slogan in Eurasia is “Maximum Integration from Logistics to Energy, Trade to Investments”.*

**Regulative-Local Investment:** *It is also considered beneficial to recommence the practice of investment allowance in investments for employment and export so as to help priority sectors improve.*

**Regulative-Industrial Policy:** *Therefore, in order to compete with the world, we have to develop a new industrial policy and strategy in our country. The purpose here should be creating market economy-oriented and private sector-based competitive industries and increasing export capacity.*

**Regulative-Technology and Innovation:** *Firstly, we expect that legislations on personal data in the countries be compatible with each other in order to facilitate doing business on the global scale, and restrictions upon the transfer of these data be avoided.*

## Conclusion and Discussion

In our study, we found that TOBB showed an effort to influence the internationalization process of firms through institutions. Although there is a rich literature regarding how institutions influence internationalization, there is not a detailed discussion on how institutions are used as an instrument in the process of internationalization. This study has contributed to the elimination of this gap.

According to the key result regarding the sub-question of “Which institutions does TOBB try to influence for affecting the internationalization of firms, and to what extent?” (Table 1), it is seen that TOBB endeavored to influence all of the cognitive, regulative, and normative institutions and hence internationalization. Discourse is a means of using force. The more influential you want to be in a subject, the more you have to direct your discourse toward that subject. In our study, the intensity of discourses toward institutions differs among the three institutions. These results support the current perspective on institutional theory in various ways. It is known that regulative and normative institutions are particularly weaker in emerging markets (Bruton et al., 2007) like Turkey. Additionally, according to the literature, regulative institutions are less effective and weaker than normative and cognitive institutions in emerging markets (Cuervo-Cazurra and Genc, 2008; Gao et al., 2010; LiPuma et al., 2011; Makhmadshoev et al., 2015; Peng, 2002). Directing discourses to regulative and normative institutions can be considered as an implication of overcoming these weaknesses. However, there may be other reasons for the differences among discourse intensities. When compared to cognitive and regulative institutions, more influence is intended to be created on normative institutions through discourses. To put it another way, TOBB tries to influence the norms, values and beliefs shared by firms regarding internationalization more than the knowledge and abilities of firms, laws and regulations. What underlies such a preference might be the power and speed of the influence. Improvement of firms’ abilities requires various practices. In other

words, it requires taking action. However, a change in the laws and regulations requires interacting with the government. Therefore, such a change is closely associated with the authority or limits of authority of the organization that seeks to create an influence. It can be argued that the changes are made more directly in the shared norms, values and beliefs than in the other two institutions (cognitive and regulative). For example, descriptive norms, which are defined as beliefs about what others actually do, can be changed through these beliefs (Kinzig et al., 2013). It is also possible to change the norms with rational arguments (Klintman, 2012). It can be considered also in our study that what underlies the reason for particularly emphasizing normative institutions is the desire to influence firms with respect to internationalization more rapidly. Or it can be argued that firms are more susceptible to normative institutions.

One result of our study (Figure 1) is that the emphases on institutions vary by years. Although emphases were made on normative institutions during 2003-2014, it is seen that there were considerable efforts to influence normative institutions in 2009. The distinction of 2009's might be the fact that it was a year when the impacts of the 2008 global financial crisis could be evaluated better from the Turkey. The critical point here is that TOBB's discourses are not independent of the world conjuncture.

Another result of our study is related to the sub-question: "Through which actors does TOBB try to influence institutions?" Accordingly, TOBB tries to influence primarily the structures and activities of TOBB member firms and affiliates related to internationalization (40.4%) through its discourses (Table 2). In particular, it tries to develop an internationalization policy by influencing the norms, values and beliefs, which we define as normative institutions. The main reason for this might be that TOBB – as a supreme organization – sees its member firms and affiliates as the target group on which it can have the biggest impact in terms of the establishment of normative institutions. This indicates that there is a conscious preference about which stakeholders play a role in influencing internationalization as a partner of TOBB. The discourses about regulative institutions are directed to the local government (66.7%). Such a result is not surprising because the local government is the main source of laws, regulations, and policies. Finally, the target group with which TOBB desires to interact regarding cognitive institutions is TOBB member firms and affiliates.

The last but not least result is related to the sub-question: "In which fields and to what extent does TOBB try to influence institutions in terms of internationalization?" Accordingly, TOBB tries to affect internationalization by influencing different institutions in different fields (Table 3). For example, there is an effort to influence the institutions involved in foreign trade, and especially the normative ones among these institutions. There may be several reasons for focusing on specific fields. Foreign trade (export) is the first and easiest stage of internationalization. Therefore, such an emphasis on export is an expected situation. TOBB's effort to influence institutions in the field of entrepreneurship might stem from the fact that it regards entrepreneurship as the driver of internationalization (Sachse, 2012). The quality of products that can compete in international markets depends on technology and innovation; this might be deemed the reason why TOBB focuses on the institutions in this field. After the 2008 global financial crisis, actions towards regional co-operations between countries may have drawn the attention of TOBB to this point. As previously mentioned, these are discourses that are not independent of the world conjuncture. It is notable that the emphases on the field of banking and insurance may be interpreted as an indication of financial obstacles to internationalization. It does not seem likely that firms that cannot find financing can scale up and compete in the international arena.

In the light of all these results, the answer to the question of “Whether TOBB tries to influence the internationalization process of firms through institutions or not”, which forms the basis of this study, is found to be positive. This analysis process may produce certain outcomes with respect to different actors, given as follows:

In terms of governments, this analysis provides a better understanding of the efforts of umbrella organizations on their members that are open to indirect influence. Thus, it might be possible to help create a negotiation environment in which the government can develop more creative, symbiotic and detailed policies with umbrella organizations.

In terms of firms, the information obtained from the analysis of this influence shall be important in determining the general framework of the structure of internationalization. Firms may have the chance to build their own internationalization strategies more effectively with the awareness of this influence.

In terms of international firms, the analysis of the discourses across the country will provide basic information on the structure and development of the market. Thus, it will be possible to make international investments and co-operations not only within the framework of legal institutions but also by seeing the indirect and informal sides of institutions. And it will be possible to establish a more effective strategy.

In terms of umbrella organizations such as TOBB, which have an intermediary role between the government and the real sector, this analysis will support the more conscious and goal-oriented implementation of internationalization through institutions. Thus, organizations that have undertaken this role will be able to produce more conscious policies for determining and defending their members’ interests as well as influencing the environment, and to carry out these policies more effectively.

It is also worth mentioning that there are some limitations in this study. All the speeches analyzed in the study belong to only one TOBB President. Therefore, it is not clear to what degree the discourses used are related to the umbrella organization. Although there is a special team of advisors and a set of organizational procedures for writing speeches, some discourses may be the president's personal opinion. If different presidents took office during this period, this uncertainty could have been removed.

In the study, we investigated whether or not there is an effort only for an indirect influence. The outcomes of these efforts may be measured in future studies. Thus, it may be possible to obtain important information on not only the existence of the effect but also its power.

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