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How to measure export performance? Scholars' vs. practitioners' answers[☆]Jorge Carneiro^{*}, Isabel Farias¹, Angela da Rocha², Jorge Ferreira da Silva³

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ABSTRACT

This paper investigates the conceptual domain of the export performance construct in a quest for higher content validity, taking into account the judgments of Brazilian managers. In-depth interviews helped elicit the domain of the construct from the meanings and routines of those actually involved with the concept in practice. Our findings suggest that Brazilian managers seem to take a shorter-term, narrower view in terms of the frame of reference and temporal orientation than do academicians. While the economic and market metrics seem to be important both for academicians and managers, the latter seem to assign much more importance to business process metrics than do the former.

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1. Introduction

Export performance is a complex, multifaceted construct that demands special care as to its definition and measurement to properly advance and test theory and improve managerial practice. Establishment of construct validity depends on, among other conditions, verifying content validity—which consists of uncovering the main aspects and frontiers of the construct to specify its conceptual domain (Hinkin, 1998)—and ensuring that operational indicators properly reflect a particular theoretical domain (Kerlinger, 1986). Furthermore, the conceptual definite of the construct must make sense to, and reflect the meaning attached to it by, those who use the construct in practice. In fact, most models of export performance have been developed from the (informed) minds of academicians, and although the majority of them

have also been subject to the scrutiny of managers by means of pretests and pilot studies, they have not, for the most part, been developed with the contributions of the practitioners in the beginning stages.

Export performance is “the most researched topic” in exporting (Leonidou & Katsikeas, 2010). However, the multiplicity of measures used (Leonidou & Katsikeas, 2010) and the fragmented and often contradictory nature of the findings—“limiting theory development and management practice in the field” (Leonidou, Katsikeas, & Samiee, 2002, p.493)—suggest the need for a fresh look into the conceptual domain of the construct. Our understanding of the phenomenon can therefore benefit from the additional qualitative exploration of managers' views of export performance (e.g., Diamantopoulos & Kakkos, 2007; Madsen, 1998). In an often quoted article, Axinn (1988, p. 63) calls attention to the importance of “understanding managers' perceptions” because these perceptions “indicate the degree to which a firm is likely to be involved in exporting.” Accordingly, the way that managers conceptualize (and therefore measure) export performance affects their evaluation of exporting as a business activity and also their commitment to exporting. Managers' measures of export performance may have an impact on export performance.

To uncover the aspects that are characteristic of this type of phenomenon, Dabholkar, Thorpe, and Rentz (1996) suggest the use of interpretive interviews—to assign meaning to the phenomenon as the executives see it, not as the researchers perceive it. A qualitative research design has the advantage of allowing the researcher to explore issues that cannot be uncovered by structured questionnaires. The present study intends therefore to fill a gap in the literature by offering relevant insights from in-depth interviews with managers on how they perceive and measure export performance. The following research question guided the study: Do managers conceptualize and measure export performance in ways similar to academicians?

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This paper is organized as follows. After this introduction, Section 2 examines the export performance literature from the perspective of several literature reviews developed during the past decades, as well as empirical qualitative studies on the topic. We then present and discuss the methodology adopted in the study. Presentation and discussion of the findings follow. We then elaborate on the implications of our findings for academicians and managers. The final section presents our conclusions.

2. The export performance construct in the export management literature: Dimensions and indicators

To summarize academicians' views of the export performance construct and its facets, this study departed from several of the literature reviews of previous studies, which provide a fairly comprehensive conceptual coverage of the definitional domain of export performance. The dimensions of export performance presented in each of these works were derived from conceptual reflection, empirical analysis and review of previous studies. Table 1 summarizes the dimensions and indicators of export performance uncovered by previous reviews.

These works provide several export performance perspectives suggested by academicians and used in empirical works. They appear in Table 2.

We searched for empirical qualitative studies that explicitly attempted to uncover export managers' assessments of export performance. We identified only two studies: Madsen (1998) and Diamantopoulos and Kakkos (2007). Madsen (1998) investigates what he calls "managerial maps of export performance" in an exploratory study with seven managers and a subsequent survey of 134 Danish exporters. He identifies four dimensions of export performance: objective vs. subjective; absolute vs. relative; time orientation; and market-related vs. purely economic. Managers seemed comfortable with using subjective measures and also with providing general overall assessments of performance based on their own perceptions. They would compare the results of a given export venture with those of other export ventures or with the firm's sales in the domestic market; some would even compare them with competitors' ventures initiated at approximately the same time. They typically employed a short-term view, which was skewed to an emphasis on economic results, although some managers also used market-related measures, thus indicating a longer-term view. Diamantopoulos and Kakkos (2007) offer the managers who were interviewed a framework that was pre-selected from the literature. Their findings indicate that firms vary considerably

in terms of the export objectives pursued and also use different frames of reference and time horizons to assess export performance.

3. Research design

This study employed in-depth interviews (all recorded and transcribed afterward) with managers of Brazilian exporters of manufactured goods to gather detailed information about the practices, opinions, understanding, and interpretations of those involved with the phenomenon. In-depth interviews allowed for a more detailed understanding of managers' performance evaluation structures, openness to the suggestion of additional performance perspectives and metrics that had not been anticipated by the researchers, and verification of whether managers actually possessed or could easily access the information they purportedly used.

Firms were selected based on previous contacts established by the research team. Participant firms had been regularly involved with exporting for at least the past three years. The majority of the firms were family controlled, not publicly listed, and relatively large. Selected firms comprise a diversified set in terms of industry and type of client (consumer vs. organizational), international experience, scope of internationalization, export intensity, size, number of employees, and location in Brazil. All 15 firms employed some type of direct export format. Managers interviewed had five or more years of experience with exports and held a functional position with responsibilities over exports or higher.

Managers were left free to talk about which aspects they took into consideration to judge a given export venture as successful (or not). No pre-established framework was used in this spontaneity-driven part of the interview. This freedom of expression was necessary to allow dimensions and measures of export performance emerge in the language and mental frame of the practitioners, instead of being confined by the conceptual and operational structures previously developed by scholars. However, the selection of the export venture as a starting point for the interview, although normally considered the most appropriate unit of analysis in the literature, might have induced managers to think about exporting from a specific perspective, i.e., in terms of the organizational delimitation of the firm (the set of products or product lines) and the scope of target markets under consideration. In the data analysis phase, the original analytical framework extracted from the literature served as a (flexible) coding framework with which to compare scholars' vs. practitioners' views and the working models of export performance.

Table 1
Dimensions and indicators of export performance uncovered by previous reviews.

Authors	Period	Dimensions and Indicators of the Export Performance Construct
Madsen (1987)	1967–1987	Sales, profits, and change in sales and profits
Aaby and Slater (1989)	1978–1988	(i) Behavioral/situational (propensity to export, export problems, exporters vs. nonexporters, and barriers to export); (ii) export sales performance (export sales, level of export, and export growth intensity); and (iii) overall (perceptions toward export)
Cavusgil and Zou (1994)	1979–1989	Unified scale of export (marketing) performance, composed of the sum of the values of four indicators: strategic goals achievement, perceived success, sales growth, and profitability
Al-Khalifa and Morgan (1995)	1964–1994	(i) Export effectiveness (attainment of export goals); (ii) export efficiency (the relationship between export performance outputs and the inputs required to achieve them); and (iii) export adaptiveness (the ability of the organization to adapt to changes in its export environment)
Matthyssens and Pauwels (1996)	1989–1994	(i) Level of analysis (strategic level or scope at which export performance is measured, e.g., corporate, SBU, product-market venture); (ii) frame of reference: norm against which success is judged, whether objective, subjective, goal-, domestic-, or industry-related; (iii) time frame: static or dynamic; (iv) data collection method: sources of data (primary vs. secondary) and the collection method itself; and (v) measures: criteria along which performance is judged, financial or non-financial
Zou and Stan (1998)	1987–1997	(i) Financial measures (sales, profit, growth); (ii) non-financial measures (perceived success, satisfaction, and goal achievement); and (iii) composite scales
Katsikeas et al. (2000)	1964–1998	(i) Viewpoints of performance (effectiveness, efficiency, adaptiveness); (ii) frames of reference (domestic market, temporal, industry, firm's own goals); (iii) stakeholder perspectives (internally oriented, competitor-centered, customer-focused); (iv) time horizon perspectives (historical, current, anticipated future); (v) unit of analysis (corporate, export venture, product/product line); and (vi) scope of analysis (all firm's export markets, geographic region, single country)
Leonidou et al. (2002)	1964–1998	(i) Six dimensions of export performance (export sales volume, export sales growth, export sales intensity, export profit level, export profit contribution, and export market share); (ii) an overall dimension; (iii) a composite measures dimension; and (iv) an "other" dimension; a distinction between subjective and objective measures

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