

# ***THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT***

## **Is Entrepreneurial Orientation Always Beneficial For Internationalization of Korean Ventures?**

**Younghee Kim**

Master Student, Department of Management, Kyungpook National University, South Korea

**Jaeyoung Cho**

Ph.D. Candidate, Department of Management, Kyungpook National University, South Korea

**Jangwoo Lee**

Professor, Department of Management, Kyungpook National University, South Korea

### ***Abstract:***

*This study examines the impact of entrepreneurial orientation on the small and medium enterprises (SME) degree of internationalization (DOI), and the direct and moderating effects of strategic alliance. Our survey examination of 112 Korean SMEs reveals that entrepreneurial orientation is positively associated with the DOI. In addition, though both marketing and R&D alliance provide no direct impact, R&D alliance acts as a moderator in the relationship between entrepreneurial orientation and the DOI. The findings' implications for research and managerial practice are discussed.*

**Keywords:** *Entrepreneurial orientation, strategic alliance, internationalization, Korean ventures*

### **1. Introduction**

The issue about internationalization of enterprise which is limited to existing large companies or multinational companies has become an important issue for small medium-size venture companies because the competition between transnational companies by opening the business environment due to the intensive localization and globalization trend (Lu and Beamish, 2001). In case of Korea, specially, the internationalization of venture companies is recognized as one of the essential strategies under the circumstance of domestic market that the internal market is small but overproduction is existed as well as a few large companies are deciding the market share of major industry (Lee and Choi, 2002). Reflecting this trend, Center for Large and Small Business Cooperation (2012) said that the result of recent management situation investigation showed that 49% of response companies have been proceeding to extend its business abroad, and the total amount of export was 5.9 billion won in 2002 and 17.7 billion won in 2012, it has risen threefold in 10 years.

The successful internationalization activity could extend the market for the companies to sell their products and services and offer the chances to reinforce domestic competitive position and preempt scarce resources (Autio, George, and Alexy, 2011; Lee et al., 2012; Sapienza, Autio, George, and Zahra, 2006). This internationalization activity could arouse a company's performance improvement (Lu and Beamish, 2001), but it occurs various challenges to venture companies. For example, the venture companies have trouble to fulfill their specific resource gap due to the small size of company. In addition, the internationalization activity of venture companies is too much trouble due to their limitations of financial, technical, and managerial resources (Lu and Beamish, 2001). Therefore, studies about how venture companies could achieve the high level of internationalization have been conducting briskly. The related initial studies have analyzed that how the managerial and firm characteristics (Nakos, Brouthers, and Brouthers, 1998) and the external environment (Dimitratos et al., 2004) influence the internationalization of venture companies. Recently, various studies have claimed that the relationship between the entrepreneurial orientation of venture company and external support is an important factor to achieve the high level of internationalization (Jantunen, Puumalainen, Saarenketo, & Kylaheiko, 2005).

According to the resource-based view (RBV), the bundles of resources and capabilities obtained by company are the resources to achieve the high result (Barney, 1991). The entrepreneurial orientation is one of the important capabilities (Lumpkin & Dess, 1996), and it is a key capability to establish a competitive advantage (Lee, Lee, & Pennings, 2001; Wiklund & Shepherd, 2003). The entrepreneurial orientation is a company's strategic orientation to capitalize entrepreneurial aspect of decision-making style, method, and practice (Wiklund & Shepherd, 2005), and a strategic posture to achieve new chance for company growth (Miller, 1983, 2011). EO capability helps to use company's internal resources efficiently and preempt the resources from outside and utilize them efficiently (Wiklund & Shepherd). According to the existing studies, the company with high entrepreneurial orientation tends to launch more new products, diversify company activities, and learn rapidly about how the company could accomplish high result in uncertain international environment (Dimitratos et al., 2004; Knight, 2000). It could help the company to be more competitive in overseas market and bring much higher level of internationalization

eventually (Jantunen et al., 2005).

Even though EO capability helps venture companies to be more competitive in overseas market, the internationalization needs many financial, technical, and managerial resources and venture companies are still poor in these resources (Lu & Beamish, 2001; Lee et al., 2012). According to the resource dependency theory, these resources could be earned through external supports such as strategic alliance (Hillman, Withers, & Collins, 2009). The strategic alliance is an agreement which could share knowledge and resources between companies or among various companies (Lu & Beamish, 2001) and alliance companies could achieve high level of internationalization because the alliance between companies play a role as a source of new knowledge and resources among companies, and venture companies could develop their international organizational capabilities based on the alliance. It could help to overcome the disadvantages of smallness and foreignness in overseas market (Street & Cameron, 2007).

Various existing studies had been suggested that the entrepreneurial orientation has a positive effect on the internationalization directly, but mixed results had been showed because some studies did not support a direct connection between the entrepreneurial orientation and the internationalization (Moon, 2013). In addition, even though existing studies showed that the entrepreneurial orientation have a positive effect on participation of alliance (Marino, Strandholm, Steensma, & Weaver, 2002), studies about what the effect of this interaction on the level of internationalization is are insufficient. Moreover, by dividing strategic alliance in detail, the study about which company between research alliance company, marketing alliance company could achieve high level of internationalization is insufficient specially.

To compensate for limitation of suggested advanced studies and achieve high level of internationalization, the research questions to improve the importance of entrepreneurial orientation and strategic alliance are as follows.

- Research Question 1. What is the effect of the entrepreneurial orientation on the level of internationalization?
- Research Question 2. What is the effect of strategic alliance on the relationship between the entrepreneurial orientation and the level of internationalization?

## 2. Theoretical Background

### 2.1. Internationalization Of Venture Companies

The internationalization generally refers to the degree of participation in company's international management. There are various definitions of internationalization but the internationalization generally refers to conducting management by extending geographical range toward various nations and regions beyond the its own nation's border (Lee et al., 2012; Lu & Beamish, 2001).

Advanced studies explained the reasons of venture company's internationalization. The motives of venture company's overseas expansion had been divided into new motive and existing traditional motive (Autio, George, and Alexy, 2011; Lee et al., 2012; Sapienza, Autio, George, and Zahra, 2006). The traditional motive of overseas expansion was that when venture company has stronger internal resources such as technology or brand than other companies, it tried to become an internationalization due to a necessary of preoccupation for resources such as energy, mineral, or scarce raw materials (Moon, 2013). The necessary technology for survival of venture companies and economic and social development were chosen as the new motives of overseas expansion (Lee et al., 2012). Whereas, the motive of overseas expansion has divided into reactive action which is based on the external environment and proactive action which is based on the company's behavior. The motive of venture company's overseas expansion was divided into an internal factor that when company is interested in its own capability and using a chance toward international market and an external factor that the market is integrated regardless of the company's activities and the internationalization strategy is needed (Sapienza, Autio, George, and Zahra, 2006). In case of domestic companies, many venture companies had launched to Southeast Asian nations when the internationalization had regularized since the mid-90's, and it was assumed that the reasons of domestic venture companies's internationalization were a rapid growth of overseas market, a sudden rising wage, or stronger won. Starting with large companies, Korea specially has been proceeding the internationalization strategy and the internationalization is now becoming an important task for large companies as well as venture companies (Lee et al., 2012). The internationalization helps venture companies to achieve economic efficiency through economy of scale or economy of scope, or increase productivity and reduce costs by launching to various markets (Lu & Beamish, 2001). Venture companies could earn more profits by using formless and specialized assets such as technical know-how and brand in imperfect market. In other word, launching overseas market provides a chance to develop the growth of venture company by pioneering new customers, new technology, and new market for venture companies.

Even though the advanced studies that the internationalization brings various benefits such as economic efficiency by costs reduction, knowledge, experiences, and new chance, the study to reveal precedence factor of internationalization is unusual. The study actually to measure the relationship between the entrepreneurial orientation and the internationalization has mixed results against expectations. Therefore, this study is aiming to study a plan which has been discussed traditionally to increase the level of internationalization to compare with existing studies.

### 2.2. The Entrepreneurial Orientation

The entrepreneurial orientation is that Schumpeter (1934) said an entrepreneur is a main agent of innovation and

claimed that “economic development could be achieved by entrepreneurship which is promoting new combination and innovation of production method.” and the concept of entrepreneurial orientation had been originated by Miller (1983)’s study (Wales, 2016).

Miller (1983) has defined that the entrepreneurial company “which pursuits the innovation of products and markets, takes certain risks, and get the start on competitors by responding pushfully,” has high level of entrepreneurial orientation. Based on this, most researchers agreed with Miller (1983)’s suggestion that the entrepreneurial orientation consists of three concepts as innovativeness, proactiveness, and risk taking (Miller, 1983; Covin & Slevin, 1989). The entrepreneurial orientation suggested by Miller (1983) and developed by Covin & Slevin (1989) has been recognized an important strategic collection procedure and decision method for entrepreneurial decision making and implementation in company growth. In other word, the entrepreneurial orientation is company’s strategic orientation to seize entrepreneurial aspect of decision making style, method, and procedure (Wiklund & Shepherd, 2005). In the aspect of company management, the orientation is a concept to understand surrounding environment correctly and recognize the direction to proceed. Companies decide their direction depending on the orientation and the strategic orientation is performing role of guidelines. This entrepreneurial orientation means company’s strategic orientation in the entrepreneurial aspects such as decision-making style, method, and procedure.

Whereas, when a company lacks the entrepreneurial orientation, the management style of its CEO level shows the propensity to risk aversion decisively and is non-innovative, passive, and reactive as well (Covin & Slevin, 1989).

In addition, Lumpkin & Dess (1996) have emphasized that it was discussable to explain the entrepreneurial orientation by using existing three components only, and claimed that the competitive aggressiveness to get the start on competitors and autonomy to mean independent tendency and autonomous action are other components of entrepreneurial orientation. Moreover, when strategic collection is aimed pushfully, the results of company in early stage have been showed higher. In contrast, competitive aggressiveness is helpful to companies at maturational stage. In the dynamic environment with rapid change and uncertain characteristic, a company with proactiveness makes higher results than a company with competitive aggressiveness, and in the hostile environment with resource constraints and fierce competition, a company with competitive aggressiveness makes higher results than a company with proactiveness. This result had been recognized that the components of entrepreneurial orientation have a positive effect on management results under every condition, but it also showed that the result is not always positive.

In Korea, Yoon (2014)’s recent study has organized a theoretical trend of entrepreneurial orientation and understood that the entrepreneurial orientation is a tendency that a company facing market opportunities is trying to be innovative, take risks, and act positively. The entrepreneurial orientation has been recognized very important measure to improve the company’s competitiveness in the field of venture company for the last 30 years (Yoon, 2014).

Generally, the major components of entrepreneurial orientation are as follows. First, innovativeness means a company’s creative tendency to deduct new service, product, technical process, or idea. The tendency to emphasize innovative technology and take process innovation as new management method positively in the conversion process of idea into business chance is included (Lumpkin & Dess, 1996). Second, proactiveness means a company capability to expect chances and demands of future market in advance and act positively. In other word, management activity at the firm level to fulfill demands of new market actively is included and the tendency as strategic intent to catch market chances before competitors and capture markets is also included as well (Lumpkin & Dess, 1996). Third, risk taking means that even though the company contains many risks, it injects its resources to catch business chances. The management activities at the firm level such as challenging to uncertain business or launching to new business with high uncertainty are included (Wales, 2016).

Besides above compositions of entrepreneurial orientation, there is an opinion that other dimensions should be included (Lumpkin & Dess, 1996). For example, a dimension of competitive aggressiveness should be included to understand competitions between companies deeply, and a dimension of autonomy should be added to compare with general conservative companies (Lumpkin & Dess, 1996). However, most advanced studies to understand the relationship between the entrepreneurial orientation and the level of internationalization consider the entrepreneurial orientation of single dimension generally (Yoon, 2014). In other word, most studies analyzing the entrepreneurial orientation claimed that a concept of single dimensional entrepreneurial orientation which consists of innovativeness, proactiveness, and risk taking has an effect on the internationalization by interacting each other. This study is aiming to study the entrepreneurial orientation’s three dimensions which are innovativeness, proactiveness, and risk taking to compare with existing studies.

### *2.3. Strategic alliance*

As changing technology environment rapidly and increasing uncertainty, company’s adaptation to technology environment, securing new competitive advantage, and the survival of company has been threatening (Teece, 1997). Therefore, companies are conducting various activities to minimize uncertainty and adopt to rapid change under the dynamic and uncertain environment. However, most companies do not have enough time and resources to adjust change, and they choose the strategic alliance as a method to overcome its shortage (Chesbrough, 2003; Lauesen & Salter, 2006).

Companies’s performance of strategic alliance has various purposes such as improvement and development of holding capability, learning new knowledge, creating competitive advantage, and searching new market, and means to cooperative with external partners to achieve the purposes (Mowery, 1996). This strategic alliance obtains the competitive

advantage (Murry & Kotabe, 2005; Koljatic & Silva, 2008) by sharing various resources such as technology and knowledge with alliance partners and serve as a key element for company survive ultimately. Venture companies specially have limitations to adjust changes such as independent technology and market searching due to shortage of resources and technology comparing with large companies, and strategic alliance means a lot to venture companies because of this characteristic (Moon, 2013).

The strategic alliance related existing literature has contained study results such as bargaining power between partners and alliance orientation in strategic alliance, information adjustment, usage, and learning, and relationship quality in alliance relationship (Murry & Kotabe, 2005). However, it is unusual that study is conducted separated by alliance type based on alliance purpose. The strategic alliance should be considered enough because it shows differences in decision making, partners, and products depending on its purpose. The internationalization of venture company specially provides a chance to secure new market and approach new technology (Lee et al., 2012).

Therefore, this study is aiming to research the strategic alliance of venture company by dividing into R&D alliance containing the technical orientation in accordance with its purpose and marketing alliance with purposes such as searching market and customer information and launching new market.

### 2.3.1. R&D Alliance

R&D alliance means that more than two companies have contractual relationships for the purpose of sharing new knowledge, technology, and scientific know-how, new product development, and strengthening of technical capability (Lee et al., 2012). R&D alliance plays a role of essential factor to absorb and create new knowledge, adjust well to widespread overseas market, and provide products in accordance with demands of complex overseas technical environment for venture company as pursuing the internationalization. Therefore, R&D alliance of venture company helps to overcome technical uncertainty and have technical factors during the process of venture company's internationalization. Moreover, it plays a positive role of competitive advantage establishment (Lee et al., 2012).

e study capability of venture company tends to have shortage of new product development and new technology application because venture company does not have enough capability and financial resource relatively. Therefore, R&D alliance is a method for venture company to secure essential technical resources through the exchange with partners who obtain excellent technology and complementary technology (Mowery, Oxley, & Silverman, 1996).

### 2.3.2. Marketing Alliance

As the internationalization of venture company, the marketing alliance is defined a contract to create a better marketing result than a dogmatic marketing activity by sharing marketing resources and activities with overseas alliance partners (Chen & Huang, 2004). Marketing alliance, in common with R&D alliance, plays a role of factor to overcome the shortage of necessary resources which need for venture company's overseas market expansion (Chen & Huang, 2004).

Chen & Huang (2004) has suggested benefits that venture company could obtain through the marketing alliance in two aspects. First, it works as a factor to compensate limited marketing capability of venture company (Hitt et al., 2004). The marketing alliance is a factor for venture company to achieve establishment of effective marketing network and securing financial stability under current competitive environment. Second, in the viewpoint of resource dependence, the marketing alliance might have a positive role to enhance company's marketing capability (Hillman et al., 2009). It means that, by exchanging uncertain information about company's external environments such as political, social and cultural, and economical environment with marketing alliance partners, the company could have advanced type through acceptance them to adjust to overseas market (Chen & Huang, 2004).

## **3. Study Model and Hypothesis Establishment**

### *3.1. The Entrepreneurial Orientation and the Level of Internationalization*

The entrepreneurial orientation used to explain the entrepreneurial activity under domestic environment at the beginning (Covin & Slevin, 1991; Miller, 1983). According to the existing studies's opinions, the entrepreneurial capability is needed to launch new product or enter new market. For decades, many researchers had revealed a positive relationship between EO capability and company's result (Rauch, Wiklund, Lumpkin, & Frese, 2009). Recently, various studies had investigated the relationship by applying EO capability to the internationalization related subjects (Jantunen et al., 2005; Zahra & Garvis, 2000). Moon (2013) claimed that EO capability is important specially to take competitive advantage by finding new opportunity and using it in overseas market.

The existing studies have suggested that the entrepreneurial orientation is important to venture companies specially. First, venture companies usually have limited financial, technical, and managerial resources due to their small size (Lu & Beamish, 2001). The internationalization provides an opportunity to improve the result of venture companies but the internationalization needs many resources. However, venture companies lack these resources mostly (Lu & Beamish, 2001). Venture companies lack necessary resources to be the internationalization but EO capability helps venture companies to use these limited resources efficiently and facilitate access to receive additional resources from outside (Wiklund & Shepherd, 2003). Second, even though venture companies have many patents and outstanding technologies, they lack necessary

knowledge for the internationalization, marketing experiences, and product supply, and have low level of brand awareness internationally (Lu & Beamish, 2001). The existing studies based on resource-based view (RBV) had suggested that the entrepreneurial orientation is a core capability for venture companies to develop continuous competitive advantage (Lee et al., 2001; Wiklund & Shepherd, 2005).

This study claims that a venture company with high level of entrepreneurial orientation will achieve higher result than a venture company with low level of entrepreneurial orientation in overseas market because a venture company with high level of entrepreneurial orientation tends to apply new strategy and technology positively and receives more benefits than other competitors in overseas market by using company owned technology to meet market needs. In addition, a venture company with high level of EO capability could help internationalization activity successfully and overcome foreign costs by finding and utilizing new opportunity. Therefore, they could reach to higher level of internationalization than a venture company with low level of entrepreneurial capability through the entrepreneurial activities.

Venture companies with high level of innovativeness concretely are adventurous and tend to analyze new ideas and find solutions of faced problems actively (Lumpkin & Dess, 1996). Companies with high level of entrepreneurial orientation tend to be highly probable to become the internationalization (Knight, 2000). However, launching to overseas markets do not guarantee success and these companies lack legitimacy in overseas market because overseas market has different institutional environment, government, and customers comparing with home country (Zaheer & Mosakowski, 1997). The innovative venture companies have a bigger chance to create success in overseas market finally because they create new strategy and company structure to secure legitimacy in overseas market and are highly probable to overcome obstructions such as scarce overseas distribution network (Knight, 2000). In addition, these innovative venture companies develop new capability and try to meet customers' needs in overseas market so they bring a better result from overseas market finally (Zahra & Garvis, 2000). Based on these innovative actions, entrepreneurial companies will have higher level of internationalization by overcoming obstructions created from foreign costs.

In addition, entrepreneurial companies have high level of proactiveness. They have strong tendency to predict customers' needs and trends (Rauch et al., 2009). Companies with high level of proactiveness are finding new technology actively and this action helps them to be more competitive in the market (Lumpkin & Dess, 1996). In overseas market, specially, venture companies with high level of proactiveness are pursuing new technology and tend to use that, and create legitimacy and results by aligning a company product to customer needs and demands and creating better fit for market demands (Jantunen et al., 2005). Moreover, companies with high level of proactiveness have strong tendency to find niche markets actively to sell their products and services. Company's distinct assets would be developed by using niche markets and continuous competitive advantage would be created based on the assets and reduce foreign costs related legitimacy. Therefore, improved result would be created finally.

Lastly, entrepreneurial companies have high level of risk-taking. Companies to take risks strongly tend to invest many resources to activities which bring uncertain results (Zahra & Garvis, 2000). Risk-taking orientation is linked closely with innovativeness and proactiveness in internationalization related context.

To overcome foreign costs and succeed in overseas market, companies should develop innovative strategy, structure, and new capability and these are essential elements to succeed in overseas market specially (Zahra & Garvis, 2000). In addition, the meaning to identify and discover new markets internationally is that many resources and times are invested. This aggressive action is necessity action to secure the legitimacy, reduce foreign costs, create competitive advantage in overseas market. Therefore, venture companies to be internationalization need risk-taking orientation to use innovative and enterprising capability efficiently. It will bring a better level of internationalization by reducing foreign costs related legitimacy. Based on this discussion, this study is suggesting a hypothesis as follows.

- Hypothesis 1. The entrepreneurial orientation has positive relation with the level of internationalization.

### *3.2. Strategic Alliance and the Level of Internationalization*

This study is aiming to investigate the effect of international alliance on the internationalization additionally. The alliance in this study is classified into R&D alliance and marketing alliance. The relationship between the internationalization and alliance is concretely as follows.

R&D alliance means that more than two companies make reciprocal arrangement as a purpose to create new knowledge, share technical and scientific know-how, and develop new product and technical capability (Soh, 2003). In the viewpoint of venture company which launched to overseas market, specially, R&D alliance is used not only creating new knowledge but also strengthening adaptability to market, absorbing new technology, and dealing with growth in complexity which is possible to create in product supply. R&D alliance works a major element to create knowledge and secure a competitive advantage in overseas market for venture companies (Chen & Huang, 2004).

R&D alliance has different meaning to venture companies comparing with large companies because they lack company owned financial and human study resources relatively to develop new product and technology requested by overseas market autonomously. Therefore, they implement R&D alliance to overcome these limitations and attempt to obtain technical resources of alliance partners (Lee, Heo, & Gang Giu, 2014). According to the advanced studies containing venture company's R&D alliance, the benefits that a venture company could receive from overseas market through R&D alliance could meet overseas' demands by remedying its lack of study capability and it has something in common with the advantage of R&D

alliance which is claimed in the aspect of resource dependency theory (Hitt, Ahlstrom, Dacin, Levitas, & Svobodina, 2004). Therefore, R&D alliance plays a complementary role of gap between technology and study capability demanded by overseas market and company owned capability for launching of venture company to overseas, and it could be a necessary element to secure competitive advantage in overseas market (Lee et al., 2012).

International marketing alliance means a mutual contract that more than two companies from different nation respectively conduct activities and use marketing resources together to create higher result comparing with the result created by individual activities (Chen & Huang, 2004). This international marketing alliance plays a role to alleviate a resource gap owned by venture companies through the alliance with foreign partners. The benefits that venture company could earn through international marketing alliance have been divided into two types by Chenr and Huang (2004). First, as resource dependency theory claimed, the marketing alliance could alleviate venture company's absence of marketing capability (Hillman et al., 2009; Hitt et al., 2004). Venture companies tend to have shortage of resources for efficient marketing activity in overseas market so this resources shortage problem should be alleviated through marketing alliance. The marketing alliance with a company in target overseas market could bring venture company's market network expansion (Knight, 2000), and it could cover shortage of marketing capability for venture company and reduce uncertainty which occurs while launching to overseas (Chen & Huang, 2004).

Second, according to the resource dependency theory, marketing alliance could be used not only the complement for shortage of marketing ability but also reinforcement of existing marketing capability (Hillman et al., 2009). Venture companies do not have enough information about political, sociocultural, financial environment of target nations when launching to overseas markets, and it is difficult to establish suitable adaptation strategy (Chen & Huang, 2004). The marketing alliance contains marketing resources including technical knowledge of marketing technique such as advertisement and promotion in target nations, and insight (Yu et al., 2011), and venture companies could obtain information about target nation's customers and markets by using the marketing alliance. Therefore, international marketing alliance helps venture companies to establish more suitable positioning for their product in the market and have capability of competitive advantage creation by reducing uncertainty.

However, benefits gained from R&D alliance and marketing alliance do not deliver to every company equally. The resource dependency theory has claimed that uncertainty and dependence could be reduced by the alliance (Hillman et al., 2009). However, resource-based view (RBV) has claimed that it is necessary to consider the gap among companies' unique capability. According to this viewpoint, each company might have a capability difference to flow or apply new study knowledge and marketing resources (Martin & Salomon, 2003). In other word, the alliance provides new technology, product related knowledge, and marketing resources to companies but the size of alliance benefit could be changed depending on the capability of company. To sum it all up, a company which secures high level of R&D capability or marketing capability could enjoy more benefits earned from alliance (Lee et al., 2001; Mowery et al., 1996). Whereas, in case of a company which does not have enough R&D capability or marketing capability and shortage of know-how about knowledge transfer relatively, new knowledge and resources could not be easy to flow into the company relatively and it is hard to expect to earn high level of benefit as well (Martin & Salomon, 2003; Mowery et al., 1996). Moreover, it is possible that these companies tend to be dependent on the company in alliance network which has excellent technical skills or marketing resources, and it could amplify the possibility to hinder the result of venture companies in overseas market potentially (Hillman et al., 2009; Miles, Preece, & Baetz, 1999). Collectively, this study showed that the alliance of venture company for launching to overseas improves the overseas market result of venture companies by reducing possible uncertainty under the internationalization through enhancing its technology and capability of product development and using marketing resources. However, the company with shortage of R&D capability or marketing capability has a relative lower position to flow and use new knowledge and resources. Therefore, it claimed that it would have lower results from overseas market than a company which has higher capability and resources relatively (Martin & Salomon, 2003).

As a result, a venture company with enough R&D capability could achieve higher level of internationalization through the R&D alliance and a venture company with enough marketing capability could achieve higher level of internationalization through the marketing alliance. Based on the discussion, hypotheses are suggested as follows.

- Hypothesis 2-1. The R&D alliance has positive relation with the level of internationalization.
- Hypothesis 2-2. The marketing alliance has positive relation with the level of internationalization.

### *3.3. The Entrepreneurial Orientation, Strategic Alliance, and Internationalization Level*

As mentioned before, this study has suggested that venture companies could increase the level of entrepreneurial orientation to overcome uncertainty occurring in overseas market or improve the level of internationalization through alliance with company based on target country. Based on the prior discussions of hypotheses, this study is aiming to claim that if a company with higher entrepreneurial orientation is participating in the alliance, it could use the dominant position for internationalization earned from alliance. Therefore, this study is considering that the participation of international alliance plays a role of moderating variable which amplifies the relationship between the entrepreneurial orientation and the internationalization.

The company with high level of entrepreneurial orientation tends to be more active to search for opportunity occurring from external environment (Jantunen et al., 2005). However, most venture companies are hard pressed to

distinguish clearly or use this opportunity without external support due to lack of owned resources. According to the viewpoint of resource dependence, the alliance plays a role to provide necessary resources and knowledge to companies to grasp market chance and understand target market (Hillman et al., 2009; Inkpen & Beamish, 1997). In addition, entrepreneurial oriented company could understand overseas markets independently and develop necessary capability for target market but it could be a factor to being left behind in the timing competition under the competitive environment. Cooperating with target nation's companies could recognize the opportunity in right time and secure competitive advantage for entrepreneurial oriented venture company.

In spite of the advantages, the alliance has possibility of danger to hinder the level of internationalization by increasing level of dependence on alliance partners (Hillman et al., 2009). Therefore, when venture company participates in the international alliance, pay attention to prevent not to be controlled strategic resources by partners. If fail, the alliance relationship would not be stable toward favorable direction for a company and the benefits from alliance would be hindered (Inkpen & Beamish, 1997). As the capability to manage alliance dependence, this study is suggesting the entrepreneurial orientation.

The company with high entrepreneurial orientation in the participation of international alliance uses its own proactive capability, prevents losing balance in the partnership by seizing opportunities from alliance partner, and obtains new technology (Wiklund & Shepherd, 2003). Whereas, the company with low level of entrepreneurial orientation could access opportunities and new technology through the alliance but it is possible that the company could not find a preparatory measure and its concentration toward pursuing opportunities is relatively low. In addition, it could lose the control over strategic resources in the partnership and the subordinative relationship with the alliance partner is created. Therefore, the possibility of failure in overseas market is increased.

Furthermore, the company with high level of entrepreneurial orientation obtains the innovation capability and it has better effectiveness in the innovation activity by securing additional resources and capability. R&D alliance helps venture companies to be supplied necessary resources easier when conducting new product development activities, and marketing alliance provides necessary knowledge for companies to offer products and services toward target countries. These activities help to reduce the company's dependency toward partners. In other word, the company with high entrepreneurial orientation could have higher chance to use the alliance to obtain R&D and marketing resources (Marino et al., 2002). Participating in the alliance improves the result of venture company, and this result tends to increase as the number of partner and the diversity is increasing (Street & Cameron, 2007). The company with low level of entrepreneurial orientation also has the same opportunity to hold a dominant position, but it has a difficult condition to use the dominant position provided by the alliance because it tends to be passive to change its existing technology and marketing process (Lumpkin & Dess, 1996; Rauch et al., 2009). Therefore, even though they have same alliance, the benefits they could earn shows the difference depending on the level of entrepreneurial orientation.

Lastly, the company with high level of entrepreneurial orientation does not mind to take a risk and could have an advantage from the alliance due to reasons as follows. First, it could reduce uncertainty of overseas market through the alliance. It could create higher result potentially because the alliance partner from target country has marketing experiences of local market and a technical factor which foreign customers need. Still, applying new technology or marketing method could be a danger factor, but entrepreneurial oriented companies are willing to accept the risk (Lumpkin & Dess, 1996). Second, an entrepreneurial oriented company is more active to adopt or modify new technology (Covin & Slevin, 1991; Miller, 1983). In case of this, the company applies the technology actively that customers in overseas market request. To sum up, accepting the risk for new technology and marketing innovation could lead to costly, but it could be a condition to be a successful internationalization (Arenius and De Clercq, 2005). Therefore, an entrepreneurial oriented company is searching innovative opportunity by applying new technology and marketing method, and could achieve excellent level of internationalization in R&D and marketing alliance. Based on the discussion, hypotheses are suggested as follows.

- Hypothesis 3-1. R&D alliance would have a positive moderating effect on the relationship between the entrepreneurial orientation and the level of internationalization.
- Hypothesis 3-2. Marketing alliance would have a positive moderating effect on the relationship between the entrepreneurial orientation and the level of internationalization.

## 4. Study Method

### 4.1 Sample and Data Collection

High-tech venture companies that the strategic alliance and the internationalization activity considers an important part had been a study target. The sample had been deducted from 339 venture companies based on the high-tech venture guide list in 2016 provided by Daegu-si.

To increase reliability and validity of response, the researcher and research assistant as master doctorate student trained by the researcher had collected the data through the visiting research directly. In addition, Harman's single factor test had been conducted to check for common method bias issues which could occur in a survey targeting same respondents.

Some samples such as responses from companies without internationalization, lack of reliability, and sample with many missing responses had been excluded and 112 responses had been analyzed for the sample. The industrial distribution

map of sample is as follows: energy/medical/fine industry (8%), computer/semiconductor/electronic component (11%), communication equipment/broadcasting equipment (4%), food and beverage/textile/(non)metal (7%), machine/manufacturing/auto (33%), software development (23%), information and communication/broadcast service (14%).

#### *4.2. Operationalization of Variable*

##### 4.2.1. Dependent Variable: The Internationalization Level

The consensus measured value had not been found in the advanced studies about the measurement of internationalization level because the internationalization level had been suggested variously depending on the purpose of researchers (Sullivan, 1994). In addition, the proportion of overseas sales using as the measured value of internationalization level commonly is a unitary simple concept and it has taken criticism by international management scholars because it does not measure the concept of internationalization level properly (Hitt et al., 2006).

The researchers who have pointed out the limitation of internationalization level measured value are suggesting a multi-dimensional measurement including a proportion of overseas sales, a proportion of overseas assets, and the number of trading countries (Sanders & Carpenter, 1998). However, in case of small and medium-sized and venture companies which are smaller, younger, and have less resources relatively, the measurement of internationalization level focusing on the production might not be suitable. To solve the mentioned problem before, this study had understood the concept of internationalization level suggested by Sullivan (1994) in the three multidimensional aspects including the result, the structure, and the attitude, and had measured the internationalization level of venture companies by using the measurement tool of survey used by Jeong Jaeyeong et al., (2006).

According to the measured value of internationalization by Sullivan (1994), the aspect of result shows the degree of result created by overseas launching such as overseas sales, the aspect of structure shows the degree of resource or assets distribution in overseas and the aspect of attitude shows the degree of CEO's orientation toward the internationalization.

Therefore, the internationalization level of targeted venture companies had been measured with 5 points scale for total 5 items: two measurement items for the aspect of attitude to ask company's internationalization tendency are internationalization strategy and vision, and overseas market developing mind, the aspect of result is the degree of exports proportion to sales, and two measurement items for the aspect of structure are having overseas branches or affiliated company, and exchange of overseas technology manpower and conducting joint project.

##### 4.2.2. Independent Variable: The Entrepreneurial Orientation

To measure the entrepreneurial orientation, three items related with innovativeness, three items related with risk taking), and three items related with pro-activeness had been measured with Likert 5-point scale. This measured value is used commonly to manipulate the concept of entrepreneurial orientation into variable (Richard et al., 2009). Total 9 survey questions are included such as "It emphasizes research development, leading technology, and innovation.", "It usually acts initiatively and the competitors responds its result.", and "It prefers the low risk project with normal and certain profitability."

##### 4.2.3. Moderating Variable: Strategic Alliance

To measure strategic alliance, content analysis had been conducted based on the business report data that venture companies are reporting to Daegu-si, and the alliance contents had been reconfirmed through each company's homepage. The business report had been analyzed strictly and when a terminology such as joint sales, joint product, new market development, brand arrangement, and joint marketing is mentioned, it is classified as the marketing alliance (if the company is conducting the marketing alliance, it is classified as '1' and if not, it is classified as '0'). When a terminology such as joint R&D, exchange of research human resources, and new technology development is mentioned, it is classified as the R&D alliance (if the company is conducting the R&D alliance, it is classified as '1' and if not, it is classified as '0') (Park & Yoon, 2003). In this study, these strategic alliances are used measured by dummy variable.

##### 4.2.4. Control Variable

Based on the existing studies, the company size, listing status, company age, environmental dynamism, and industry had been used as control variables. First, the company size could have an effect on the internationalization because it could show the difference of resources owned level. Therefore, the number of employees had been converted to the natural logarithm and controlled. Second, the dummy variable as '1' for listed company and '0' for not listed company had been used as control variables because the listing status has an important effect on the internationalization. Third, the company age could have an effect on the internationalization reflecting company's viability and know-how, and deduct the establishment of year from current year (2017) to calculate the company age and applied the natural logarithm to use. Fourth, the internationalization level of company could be changed depending on the environmental dynamism, and four items, which are growth chance under suggested environment, degree of product and service technique change, ratio of new product or new service and operating process innovation, R&D activity level suggested by Miller (1987) had been measured by Likert 5-point scale. Lastly, the learning of external knowledge could show a difference by industrial characteristics, and they had been



controlled separating as dummy.

#### 4.3. Analysis Method

The data of this study had been analyzed by SPSS 23 and Amos 18.0.

To test validity of questions, frequency analysis had been conducted, and to test reliability of collected data, reliability analysis had been conducted by Cronbach's alpha efficient. To investigate the relation between variables, Pearson correlation analysis had been conducted. To verify the hypothesis about the entrepreneurial orientation, the strategic alliance, and the internationalization level, hierarchical analysis had been conducted.

#### 4.4. Evaluation of Variable's Reliability and Validity

To test the validity to show that how the variable is correctly measured by measurement tool, this study had conducted Confirmatory Factor Analysis by using AMOS 18.0, and it had presented in <Table 1>. Less than .05 or .08 for RMSEA as the most widely used, more than .90 or .95 for CFI and TLI, and more than .90 for GFI is suggested as general standard. Depending on the development of other goodness of fit index, the study showed that GFI (.94) (Hair et al., 2010) had reached to .90 as a recommended level and RMSEA .60, CFI .94, and TLI .96 had also showed. Therefore, it had confirmed that the goodness of fit for study measurement model is satisfactory.

In addition, this study made measuring variables by constructing Item Parceling by latent variables and had conducted a verification of measurement model to verify whether measuring variables are measuring latent variables. At Kishston & Widaman (1994)'s suggestion, Item Parceling had been made by calculating average of each index, and the progress of exploratory factor analysis in advanced studies had been used to construct each Item Parceling. The result of confirmatory factor analysis for measurement tool used in this study was <Table 3>. In addition, the model goodness of fit index was =32.694,  $df=13$ ,  $/df=2.515$ ,  $GFI=0.981$ ,  $CFI=0.991$ ,  $NFI=0.985$ ,  $TLI=0.981$ ,  $RMR=0.008$ ,  $RMSEA=0.060$ , that means the measurement model of confirmatory factor analysis is suitable and standardized factor loadings Standardized Regression Weights value was more than 0.5, that means every measuring variable meets the standard value of convergent validity.

The discriminant validity is estimated by Average Variance Extracted (AVE) and the method to evaluate discriminant validity by verifying AVE value is when square value of correlation coefficient is lower than AVE value, it assumes that the discriminant validity is secured. According to the analysis of measurement model value, <Table 2> showed that the discriminant validity of every variable has been secured. To verify the discriminant validity, the square of correlation coefficient( $r$ ) had been used and it showed that the correlation between latent variables had significantly related.

It has showed that the convergent validity and the discriminant validity of variable used in this study was satisfactory, and Cronbach's alpha was 0.841~0.856, that was confirmed as credible.

## 5. Study Result

### 5.1. Correlation Analysis and Hypothesis Testing

In the <Table 5>, the average of every variable, standard deviation, and the correlation coefficient between variables used in the study had been suggested. To test hypotheses, the hierarchical regression analysis had been conducted by using SPSS 22.0. In this study, the relationship between the entrepreneurial orientation and the internationalization level in the hypothesis 1, the relationship between the strategic alliance and the internationalization level in the hypothesis 2, and the regulation effect of strategic alliance in the relationship between the entrepreneurial orientation and the internationalization level in the hypothesis 3 had been tested. To control the multicollinearity which occurs depending on the inclusion of squared term and interactive term into the model, the independent variable value and the moderating variable value had been adjusted by difference in each average, and the adjusted variable value had been applied to the interactive term.

The model 1 in <Table 6> showed the effect of control variable on the internationalization level. It has confirmed that the company size among the control variables had a positive effect on the internationalization level. As model 2 showed, the entrepreneurial orientation had a significantly ( $=0.001$ ) positive effect on the internationalization level. In other word, the company with high level of entrepreneurial orientation could achieve the high level of internationalization. Therefore, the hypothesis had been supported. As model 3 and 4 showed, the strategic alliance type marketing alliance and R&D alliance did not have a significantly effect on the internationalization level. Therefore, the hypothesis 2 had been rejected. The sample of this study was deducted by targeted smaller venture companies and the study result might be created because it could not exclude the possibility of the alliance targeting domestic market.

The model 4 showed that R&D alliance had significantly ( $=0.05$ ) positive moderating effect on the relationship between the entrepreneurial orientation and the level of internationalization. It means that when a venture company embeds high entrepreneurial orientation and has the R&D alliance from the outside, its internationalization level is high. Therefore, the hypothesis 3-1 had been supported. The model 6 showed that the marketing alliance did not have a moderating effect on the entrepreneurial orientation and the internationalization level. The venture companies, as a sample of this study, are playing a role of vendor for companies to produce the final product instead of facing final customers directly in the supply chain, and it is expected that the importance of marketing activity is decline. Therefore, the hypothesis 3-2 that the marketing alliance is modulating the relationship between the entrepreneurial orientation and the internationalization level positively had been rejected. The result summary is as follows. The hypothesis 1 had been supported, the hypothesis 2 had been rejected, and the

hypothesis 3 had been partially supported in three hypotheses of this study. Based on the result, it is suggested the implication, limitation, and future study direction of study result.

## 6. Conclusion and Discussion

This study had conducted a study of 112 domestic venture companies to the effect of entrepreneurial orientation on the internationalization level and the consideration whether company's alliance is promoting them to the better direction. The existing literatures about the entrepreneurial orientation and company's alliance activity had been considered various results such as innovativeness and financial result but studies with the internationalization level in accordance with international issue are insufficient. Under this circumstance, this study had contributed to the aspect that the study had been conducted considering company's external environment and the aspect that the study range of existing strategy area had been extended. In addition, the internationalization could be an essential factor to guarantee the survival of venture companies due to the development of domestic market focusing on large companies. Moreover, venture companies try to achieve innovative results which are hard to find in the existing technical environment and play an important role to improve general innovativeness of technical environment. Therefore, many studies to suggest accelerable methods should be conducted. Nevertheless, studies targeting venture companies are still insufficient relatively. Therefore, this study is aiming to broaden the understanding of the phenomenon by studying venture companies.

E study result is as follows. First, the entrepreneurial orientation has a positive effect on the internationalization level. It is a characteristic of innovativeness, proactiveness, and risk taking from the entrepreneurial orientation and could be an effect of entrepreneurial characteristic which has sense of challenge toward new markets and tries to achieve differentiated results comparing with its competitors. Second, the direct effect of R&D alliance and marketing alliance on the internationalization level could not be verified statistically. As discussed in the theory and hypotheses before, it had expected that R&D alliance and marketing alliance could help companies to adapt local market and complement technical disadvantage, but it was not statistically significant. The sample of this study was deducted by targeted smaller venture companies and the study result might be created because it could not exclude the possibility of the alliance targeting domestic market. Third, R&D alliance had moderated the relationship between the entrepreneurial orientation and the level of internationalization positively. The characteristics of entrepreneurial orientation's innovativeness and risk taking had achieved higher internationalization level by improving the possibility of technical innovation and sharing the possibility of innovation failure with partners through alliances. Whereas, the marketing alliance did not have a moderating effect on the entrepreneurial orientation and the internationalization level. The venture companies, as a sample of this study, are playing a role of vendor for companies to produce the final product instead of facing final customers directly in the supply chain, and it is expected that the importance of marketing activity is decline.

Based on the study result, the contribution of this study is as follows. This study has understood the relationship between the internationalization as existing alliance and the entrepreneurial orientation related literatures did not consider. It is important that the study reflects reality that the importance of internationalization is increasing for venture companies and it has theoretical implication that it extends the range of existing studies as well. In addition, considering the method to improve the internationalization level of venture company, the study also has practical implication to suggest methods that venture companies with lack of resources comparing with large companies could increase its internationalization level efficiently. The venture company with resource shortage needs to reduce various costs such as alliance management costs when selecting alliance partner. In addition, the alliance portfolio management should be implemented to conduct more efficient international activities, and the method is suggested. To sum up, the theoretical contribution of this study is as follows. First, many studies about the entrepreneurial orientation targeting venture company are conducted but the innovativeness and the financial result had been used as result variables. However, this study had extended the study range using the internationalization as the result variable. Second, the alliance had been considered as the method to amplify the internationalization level of venture company. The study has specially contributed to classify the alliance type into R&D and marketing and understand the respective influence.

The summary of practical implication is as follows. First, this study had been processed by reflecting reality that the importance of internationalization is increasing, and suggested a guideline for CEO to improve the internationalization level. It could be a guideline to conduct resource distribution efficiently in the aspect of to suggest considerations such as various technical, market environments occurring when venture company is attempting the internationalization. This study suggested that venture company should attempt the internationalization to overcome the limitation of domestic market which has developed focusing on large companies. However, it does not have enough available resources and available information is also extremely insufficient. Therefore, the venture company needs a cooperation with external partner to achieve the internationalization and conducting technical alliance might have a positive effect on the venture company's internationalization. In other word, this study suggested that the venture company should grow the entrepreneurial orientation to achieve high internationalization level with limited resources, reduce the risks through the management of efficient alliance portfolio, and improve the success possibility.

Even though these implications, the limitation of this study is as follows. First, the study sample has been limited as venture companies. It has the generalization limitation that the importance of internationalization is important regardless of company size. Second, the study did not have large number of sample relatively. Third, the study could not exclude the

possibility of common method bias by conducting a study through the survey. Fourth, the study had been proceeded through hierarchical analysis. To understand clear structural relation between variables, however, the analysis with using other statistical analysis method might be more suitable for a better result.

Based on the discussion, the suggestion for future study is as follows. First, the generalization possibility could be increased by expanding the study target. Second, it could be understood that which alliance type is suitable for the company characteristic through the comparative study between large companies and venture companies. Third, the effect on the internationalization could be understood thoroughly by using various index. Lastly, excellent study would be delivered when understanding general structural characteristic of model by using structural equation.

## 7. References

- i. Autoio, E., George, G., & Alexy, O. (2011). International entrepreneurship and capability development? qualitative evidence and future research directions. *Entrepreneurship Theory and Practice*, 35(1), 11-37.
- ii. Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- iii. Chen, H. L., & Huang, Y. (2004). The establishment of global marketing strategic alliances by small and medium enterprises. *Small Business Economics*, 22(5), 365-377.
- iv. Chesbrough, H. (2003). The logic of open innovation: managing intellectual property. *California Management Review*, 45(3), 33-58.
- v. Chung, J-Y. Kim, H-J. & Shin, J-K. (2006). A Study on the Relationship between Internationalization Levels and R&D Performance of Korean Industries. *Journal of Korea Trade*, 31(5), 173-196.
- vi. Covin, J. G., & Slevin, D. P. (1989). Strategic management of small firms in hostile and benign environments. *Strategic Management Journal*, 10(1), 75-87.
- vii. Dimitratos, P., Lioukas, S., & Carter, S. (2004). The relationship between entrepreneurship and international performance: the importance of domestic environment. *International Business Review*, 13(1), 19-41.
- viii. Hair Jr, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis: A global perspective* (7th ed.), Upper Saddle River, NJ: Pearson.
- ix. Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource dependence theory: A review. *Journal of Management*.
- x. Hitt, M. A., Ahlstrom, D., Dacin, M. T., Levitas, E., & Svobodina, L. (2004). The institutional effects on strategic alliance partner selection in transition economies: China vs. Russia. *Organization Science*, 15(2), 173-185.
- xi. Hitt, M. A., Bierman, L., Uhlenbruck, K., & Shimizu, K. (2006). The importance of resources in the internationalization of professional service firms: The good, the bad, and the ugly. *Academy of Management Journal*, 49(6), 1137-1157.
- xii. Inkpen, A. C., & Beamish, P. W. (1997). Knowledge, bargaining power, and the instability of international joint ventures. *Academy of Management Review*, 22(1), 177-202.
- xiii. Jantunen, A., Puumalainen, K., Saarenketo, S., & Kylaheiko, K. (2005). Entrepreneurial orientation, dynamic capabilities and international performance. *Journal of International Entrepreneurship*, 3(3), 223-243.
- xiv. Kishton, J. M., & Widaman, K. F. (1994). Unidimensional versus domain representative parceling of questionnaire items: An empirical example. *Educational and Psychological Measurement*, 54(3), 757-765.
- xv. Knight, G. (2000). Entrepreneurship and marketing strategy: The SME under globalization. *Journal of International Marketing*, 8(2), 12-32.
- xvi. Koljatic, M., & Silva, M. (2008). Uncertainty reduction mechanisms in cross-sector alliances in Latin America. *Journal of Business Research*, 61(6), 648-650.
- xvii. Laursen, K., & Salter, A. (2006). Open for innovation: the role of openness in explaining innovation performance among UK manufacturing firms. *Strategic Management Journal*, 27(2), 131-150.
- xviii. Lee, B-H. Huh, M-G. & Kang, K-W. (2014). Organizational Ambidexterity and Performance in Korean Hidden Champions. *Korean Journal of Business Administration*, 27, 1585-1602.
- xix. Lee, C., Lee, K., & Pennings, J. M. (2001). Internal capabilities, external networks, and performance: a study on technology? based ventures. *Strategic Management Journal*, 22(6?7), 615-640.
- xx. Lee, H., Kelley, D., Lee, J., & Lee, S. (2012). SME survival: the impact of internationalization, technology resources, and alliances. *Journal of Small Business Management*, 50(1), 1-19.
- xxi. Lee, J-W, & Choi M-S. (2002). Globalization of Korean High-tech Ventures: International Market Entry Strategies. *Korean Management Review*, 31(4), 1135-1162.
- xxii. Lee, J-W. & Jang, S-D. (2010). Environmental Uncertainty, Decision-Making Process, and Firm Performance: The Moderating Effects of Information systems. *Korean Management Review*, 39(5), 1363-1387.
- xxiii. Lu, J. W., & Beamish, P. W. (2001). The internationalization and performance of SMEs. *Strategic Management Journal*, 22(6?7), 565-586.
- xxiv. Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, 21(1), 135-172.
- xxv. Marino, L., Strandholm, K., Steensma, H. K., & Weaver, K. M. (2002). The moderating effect of national culture on the relationship between entrepreneurial orientation and strategic alliance portfolio extensiveness. *Entrepreneurship: Theory and Practice*, 26(4), 145-161.

- xxvi. Martin, X., & Salomon, R. (2003). Knowledge transfer capacity and its implications for the theory of the multinational corporation. *Journal of International Business Studies*, 34(4), 356-373.
- xxvii. Miles, G., Preece, S. B., & Baetz, M. C. (1999). Dangers of dependence: the impact of strategic alliance use by small technology-based firms. *Journal of Small Business Management*, 37(2), 20.
- xxviii. Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*, 29(7), 770-791.
- xxix. Miller, D. (2011). Miller (1983) revisited: A reflection on EO research and some suggestions for the future. *Entrepreneurship Theory and Practice*, 35(5), 873-894.
- xxx. Moon, H-S. (2013). The Relationship between the Type of R&D Alliance and Technology Capability of Firms. *Korean Journal of Business Administration*, 26(11), 3029-3049.
- xxxi. Mowery, D. C., Oxley, J. E., & Silverman, B. S. (1996). Strategic alliances and interfirm knowledge transfer. *Strategic Management Journal*, 17(S2), 77-91.
- xxxii. Murray, J. Y., & Kotabe, M. (2005). Performance implications of strategic fit between alliance attributes and alliance forms. *Journal of Business Research*, 58(11), 1525-1533.
- xxxiii. Nakos, G., Brouthers, K. D., & Brouthers, L. E. (1998). The impact of firm and managerial characteristics on small and medium-sized Greek firms' export performance. *Journal of Global Marketing*, 11(4), 23-47.
- xxxiv. Park, J-H. & Yun, C-R. (2003). The effects of partner characteristics, alliance type, and governance structure on the performance of venture firms entering strategic alliances. *Asia Pacific Journal of Small Business*, 25(2), 279-304.
- xxxv. Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*, 33(3), 761-787.
- xxxvi. Richard, O. C., Wu, P., & Chadwick, K. (2009). The impact of entrepreneurial orientation on firm performance: the role of CEO position tenure and industry tenure. *The International Journal of Human Resource Management*, 20(5), 1078-1095.
- xxxvii. Sanders, W. G., & Carpenter, M. A. (1998). Internationalization and firm governance: The roles of CEO compensation, top team composition, and board structure. *Academy of Management journal*, 41(2), 158-178.
- xxxviii. Sapienza, H. J., Autio, E., George, G., & Zahra, S. A. (2006). A capabilities perspective on the effects of early internationalization on firm survival and growth. *Academy of Management Review*, 31(4), 914-933.
- xxxix. Schumpeter, J. A. (1934). *The theory of economic development: An inquiry into profits, capital, credit, interest, and the business cycle* (Vol. 55). Transaction publishers.
- xl. Soh, P. H. (2003). The role of networking alliances in information acquisition and its implications for new product performance. *Journal of Business Venturing*, 18(6), 727-744.
- xli. Sullivan, D. (1994). Measuring the degree of internationalization of a firm. *Journal of international business studies*, 25(2), 325-342.
- xlii. Street, C. T., & Cameron, A. F. (2007). External relationships and the small business: A review of small business alliance and network research. *Journal of Small Business Management*, 45(2), 239-266.
- xliii. Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 509-533.
- xliv. Wales, W. J. (2016). Entrepreneurial orientation: A review and synthesis of promising research directions. *International Small Business Journal*, 34(1), 3-15.
- xlv. Wiklund, J., & Shepherd, D. (2003). Knowledge? Based resources, entrepreneurial orientation, and the performance of small and medium? Sized businesses. *Strategic Management Journal*, 24(13), 1307-1314.
- xlvi. Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: a configurational approach. *Journal of Business Venturing*, 20(1), 71-91.
- xlvii. Yu, J., Gilbert, B. A., & Oviatt, B. M. (2011). Effects of alliances, time, and network cohesion on the initiation of foreign sales by new ventures. *Strategic Management Journal*, 32(4), 424-446.
- xlviii. Yun, H-J. (2014). A Meta Analysis of Entrepreneurial Orientation. *Korean Society of Strategic Management*, 17(3), 19-40.
- xlix. Zaheer, S. (1995). Overcoming the liability of foreignness. *Academy of Management Journal*, 38(2), 341-363.
- l. Zaheer, S., & Mosakowski, E. (1997). The dynamics of the liability of foreignness: A global study of survival in financial services. *Strategic Management Journal*, 18(6), 439-463.
- li. Zahra, S. A., & Garvis, D. M. (2000). International corporate entrepreneurship and firm performance: The moderating effect of international environmental hostility. *Journal of Business Venturing*, 15(5), 469-492.