Are you Culturally Intelligent? Export Performance and Alliance Portfolio Performance of SMEs: A Managerial Perspective

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Academic year 2016/2017

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General Introduction

What leads local firms to be successful abroad? Prior research in international business has primarily focused on macro-level factors, such as the "cultural distance" between home and host country (Berry, Guillén & Zhou, 2010; Luo & Peng, 1999; Morosini, Shane & Singh, 1998). However, factors at the level of the firm and the individual manager have to be explored in order to understand differences in internationalization success. This is particularly true in Small and Medium Enterprises (SMEs), where decisions are mainly drawn by a few key individuals.

This dissertation is composed of three papers, which examine the role of the individual manager in the process of internationalization of SMEs. As the main mode for SMEs to go international is through exports, I consider export performance, as a measure of the firm's international success, along with the factors that contribute to its improvement.

The dissertation begins with a theoretical framework, whose aim is to bring the reader into the topic. Therefore, the first paper provides a recent theoretical review of the determinants of export performance, by examining the papers published between 2008 and 2016. Despite the wide interest in exports (Aaby & Slater, 1989; Bilkey, 1978; Chetty & Hamilton, 1993; Leonidou et al., 2010; Madsen, 1987; Sousa et al., 2008; Sousa, Martínez-López & Coelho, 2008; Zou & Stan, 1998), there is a need for a more updated review on the topic. The latest review on the export activity analysed, in fact, papers published until 2007 (Leonidou et al., 2010), leaving a big gap from that time on. The first paper aims to close this gap as well as to overcome potential weaknesses in the last reviews on the topic (Leonidou et al., 2010; Sousa et al., 2008). In reviewing past and recent determinants of export performance, the first paper brings to light "relational and inter-cultural capabilities" as an important, yet under-estimated, category, influencing the export performance of the firm. In particular, I focus on one of such capabilities: the "cultural intelligence" of the export manager.

The second paper seeks to empirically investigate how the cultural intelligence of the export managers, which has been introduced and framed in the first paper, affects the export performance of SMEs. The main purpose of this paper is to find an answer to the so-far ambivalent findings about the effect of cultural distance on export performance. Some researchers have found a negative relationship between cultural distance and performance (Luo & Peng, 1999), whereas others have found evidence for a positive relationship between cultural distance and performance in international activities (Gomez-Mejia & Palich, 1997;

Morosini et al., 1998). These paradoxical findings suggest that the relationship between cultural distance and firm performance is more complicated than often assumed. In particular, as suggested by Stahl and Tung (2014: 20), it is likely that there are "management-related factors (e.g. abilities and interventions to manage cultural diversity) that determine whether cultural differences can have a positive or negative effect in international business". Hence, I focus on the role of managers in trying to better understand the relationship between cultural distance and firm performance. I argue that "cultural intelligence" is a crucial ability for managing cross-cultural situations, and, consequently, could be a determinant of export performance by itself. However, I also theorize that the extent to which cultural intelligence positively influences export performance depends on the extent to which intensive interaction with host-country actors is necessary. The latest issue is likely to be strongly related with the export channel used by the firm to go international (i.e. direct, through the company personnel, wholly owned subsidiaries, sales joint ventures, or commission agents; indirect, through foreign intermediaries). Thus, the paper addresses the following questions: how does cultural intelligence affect export performance; how this effect is moderated by cultural distance and the export channel chosen.

The third paper focuses on one of such export channels aimed at exporting: the "collaborative export channel". Collaborative export channels include all the collaborations, aimed at exporting, established between the exporting firm and all the export partners of the firm in export countries (i.e. foreign distributors, intermediaries and joint venture partners). Specifically, the last paper focuses on the firm's ability to manage portfolios of export alliances with culturally different partners (i.e. alliance portfolio diversity). In light of the contrasting findings in the alliance portfolio diversity and alliance portfolio performance relationship (Duysters, Heimeriks, Lokshin, Meijer & Sabidussi, 2012; Goerzen & Beamish, 2005; Jiang et al., 2010; Jiang, Tao & Santoro, 2010; Lavie & Miller, 2008), I further investigate this issue by examining the role of export managers and their cultural intelligence. In particular, I hypothesize that managers with cultural intelligence are better able to take advantage of the partners' cultural diversity and turn this diversity into superior performance. Thus, I pose a moderation effect of the cultural intelligence of the export managers in the relationship between alliance portfolio diversity and alliance portfolio performance. By bridging the previously separated literature on portfolio diversity and cultural intelligence, the third paper addresses the following question: how is the relationship between the alliance portfolio diversity and alliance portfolio performance moderated by cultural intelligence.

This dissertation makes use of unique data on Italian SMEs, which were collected through a large-scale online survey between November 2015 and January 2016. The survey involved 77.012 leaders of Italian SMEs and provided a response rate of 8%. The collected data allowed conducting quantitative data analysis, which provided new and interesting answers to my research questions. All in all, this dissertation contributes to make remarkable progresses into a widely debated and important topic, such as the export activity of the firm, through the different lenses of the export manager.

Table 1 - Overview of the papers

Paper	Author	Title	Research Questions	Type of study	Level of analysis	Firm size	Data Collection	Response rate	Conferences
1	Giovannini V., Noorderhaven N.G.	The Determinants of Export Performance: A Review of the Research between 2008 and 2016	Which factors lead local firms to be successful abroad?	Theoretical	Industry Firm Individual	Predominantly SMEs	Bibliographic analysis		
2	Giovannini V., Noorderhaven N.G., Prencipe A.	Export Performance of SMEs: Cultural Intelligence as a Condition for a Successful Internationalization Strategy	(1) How does CQ affect export performance? How is this effect moderated by (2) cultural distance and (3) the export channel chosen?	Empirical	Individual	SMEs	Large-scale survey involving 77.012 leaders of Italian SMEs (Nov 2015-Jan 2016)	8%	
3	Giovannini V., Prencipe A., Noorderhaven N.G.	The Alliance Portfolio Diversity and Alliance Portfolio Performance: The Moderating Role of Cultural Intelligence	How is the relationship between the alliance portfolio diversity and alliance portfolio performance of the firm moderated by cultural intelligence?	Empirical	Individual	SMEs	Large-scale survey involving 77.012 leaders of Italian SMEs (Nov 2015-Jan 2016)	8%	Presented at the SEI Doctoral Consortium 2016 (Zurich) Accepted at the AIB-UKI Conference 2017

Paper 1

The Determinants of Export Performance: A Review of the Research between 2008 and 2016

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The Determinants of Export Performance: A Review of the Research between 2008 and 2016

Abstract

Which factors lead local firms to be successful abroad? Despite the considerable attention of researchers towards the determinants of export performance, the last review on the topic analysed the content of papers published up to 2007, leaving a big gap from that time on. This study attempts to offer a more updated review, by looking into the empirical literature between 2008 and 2016 on the determinants of export performance. It also aims to overcome potential weaknesses of previous reviews on exporting, by synthesizing the different measures of export performance and its determinants along with moderating and mediating variables.

The paper shows that: (1) an increasing number of studies has been conducted outside the USA in favor of Asian countries, as the home country of the exporters; (2) the majority of the studies focused their analysis on multiple industrial sectors with an emphasis on manufacturing firms; (3) the vast majority of the studies continued to focus on SMEs; (4) many of these studies used mail surveys for data collection; (5) the primary key informant was the individual responsible for the export activities; (6) although slightly more than a half of the studies reviewed considered the firm as unit of analysis, there is a consistent number of papers focusing on a single export venture; (7) more sophisticated statistical techniques were adopted; (8) increased complexity in the relationships between the variables is explored; (9) a mix of subjective and objective financial measures of export performance is increasingly employed; (10) a consistent set of studies suggested the importance of relational and inter-cultural capabilities in determining the export performance of the firm. Finally, conclusions and directions for future analyses are discussed.

Keywords: export performance, determinants, relational and inter-cultural capabilities

Introduction

Exporting is the most frequently used option of going international, especially by small and medium-sized enterprises (SMEs). It requires, in fact, lower investments and involves reduced risks and costs compared to any other entry modes (Leonidou, Katsikeas & Coudounaris, 2010). For this reason, since the early 1960s, research has paid considerable

attention to exporting, which has been established as a legitimate discipline of inquiry within the international business field (Leonidou et al., 2010).

In particular, research into the determinants of export performance has gained momentum since the late 1970s (Aaby & Slater, 1989; Bilkey, 1978; Chetty & Hamilton, 1993; Madsen, 1987; Sousa, Martínez-López & Coelho, 2008; Zou & Stan, 1998). This is mainly due to "the rise in global business and the emergence of global competition" (Sousa et al., 2008: 344). However, research on the determinants of export performance has been characterized by diversity, fragmentation and inconsistencies between studies, which limited theory advancement in the field (Aaby & Slater, 1989; Cavusgil & Zou, 1994; Madsen, 1987; Sousa et al., 2008). As a result, "the literature on export performance is probably one of the most widely researched and least understood areas of international marketing" (Sousa et al., 2008: 344).

Although the increasing attention of researchers towards export performance brought to light new and interesting determinants of exporting as well as different research analysis and measures of exports, there is a need to give a more updated overview of the determinants of export performance and provide suggestions for future studies. This need is further amplified by the fact that, despite the growing amount of research on exports, the last review on the topic analysed the content of papers published up to 2007 (Leonidou et al., 2010).

Therefore, the purpose of this research is to offer an updated review of the empirical literature between 2008 and 2016 on the determinants of export performance as well as discuss directions for future analyses on the topic.

This paper is organized into six sections:

(1) The scope and analytical approach of the review;

(2) Characteristics of the studies reviewed;

(3) Sampling and data collection;

(4) Statistical Analysis;

(5) Measures and determinants of export performance;

(6) Discussion;

(7) Limitations and conclusions.

This review aims also to overcome potential weaknesses in the latest papers on the topic (Leonidou et al., 2010; Sousa et al., 2008), by synthesizing the different measures of export performance and providing additional information on the main moderating and mediating factors.

The Scope and Analytical Approach of the Review

This study aims to extend the existent review of the literature on the determinants of export performance. The current review is focused on the empirical literature, which considers export performance as a dependent variable and published between 2008 and 2016. Studies published before 2008 have not been included, as Leonidou et al. (2010) and Sousa et al. (2008) have already provided extensive reviews for those works.

Three major criteria had to be satisfied for the paper to be included: 1) that it examines firms engaged in exporting, rather than employing other foreign market entry modes (e.g. joint ventures, or foreign direct investment); 2) that it studies export performance as a primary objective, or as part of a wider research problem; 3) that it has an empirical nature, either quantitative, or qualitative. As in other reviews, studies published in non-English journals, are not included. In contrast with prior reviews, we took into account also papers using mixed method designs with case studies, if published in top journals (Jraisat, Gotsi & Bourlakis, 2013). The studies included in this review were selected using research platforms (e.g. Web of Science), and other bibliographic research methods (e.g. references from top journals, references from selected articles on the topic). This led to the identification of 40 studies, which represents a relatively large sample for review purposes.

These studies were published in some of the most renowned journals, such as *International Journal of Business Studies, Journal of International Marketing, International Business Review, Journal of the Academy of Marketing Science, International Marketing Review, Journal of Management.*

As regards the analytical method and in line with previous studies (Sousa et al., 2008; Zou & Stan, 1998), we used a vote-counting technique. Given the diversity of measurement and type of analysis of export performance studies, this method is considered the most appropriate (Hedges & Olkin, 1980). Therefore, we summarized the effect of the independent variables on export performance (Table 6). However, our review seeks to go beyond the paper by Sousa et al. (2008), by including both direct and indirect significant effects of independent variables. The purpose is to give a clearer and more comprehensive picture to the reader.

Table 2 provides a list of the selected papers ranked by their impact, using the *Social Science Citation Index*.

Table 2 about here

Characteristics of the Studies Reviewed

As suggested by Leonidou, Katsikeas & Samiee (2002) and in line with previous works (Sousa et al., 2008), the properties of these studies were evaluated along three dimensions: 1) fieldwork characteristics (i.e. country of study, sector and firm size); 2) sampling and data collection (i.e. sample size, data collection method, key informant, response rate and unit of analysis); 3) statistical analysis. There is a wide diversity in terms of country of origin. Of the 40 studies, five were conducted in Spain, four in the UK, Portugal, and China, two in Sweden, and one each in Australia, Australia and South-East Asia, Austria, Brazil, Finland, France, Germany, Ghana and Bosnia Herzegovina, Greece and the Caribbean Region, India, Jordan, Korea, the Netherlands, New Zealand, Norway, Poland, Thailand, the US and Zimbabwe. Only three studies collected data from more than one country.

The majority of the studies reviewed focused their analysis on multiple industrial sectors with an emphasis on manufacturing firms, and only seven studies involved samples drawn from a single industrial sector (Alteren & Tudoran, 2016; Filatotchev, Liu, Buck & Wright, 2009; Hortinha, Lages C. & Lages L.F., 2011; Jraisat et al., 2013; Kim & Hemmert, 2016; Matanda & Freeman, 2009; Schneider, Schulze-Bentrop & Paunescu, 2010).

As regards the size of the firms, the main criteria used were the number of employees, with the vast majority of the studies focusing on SMEs. However, due to the differences in the geographical focus of the analysis, the meaning of the term SME may vary. The focus on SMEs might be attributed to the fact that, because of the liabilities faced by these firms during the internationalization process, exporting represents the easiest way for them to go international.

Table 3 about here

Sampling and Data Collection

The vast majority of the studies used mail surveys for data collection, with a few exceptions using secondary databases, interviews and case studies. As regards the key informants, only nine studies did not identify them clearly. In many studies the primary key informant was the individual responsible for the export activities, namely the export manager.

However, also CEOs, owners, general managers and senior managers were included to participate.

The studies reported a response rate ranging from as low as 3,5% to a maximum of 81%. This should be seen against the average management response rates between 15% and 20% (Menon, Bharadwaj, Adidam & Edison, 1999).

Slightly more than a half of the studies reviewed (22) considered the firm as the unit of analysis, while eleven of these studies focused on a single export venture (i.e. a single product or product line exported to a single country). This is in line with Hult et al. (2008), who report that a large proportion of international business studies (44,8% or 43/96) focused on the firm level of analysis. However, as suggested by Styles (1998), it is not easy for a small firm to isolate the performance of a single export venture from total export performance, or, from overall firm performance.

No consensus has been reached regarding the most appropriate level of analysis to use. The studies reviewed here suggest a preference in the literature for firm-level studies.

Statistical Analysis

A variety of data analysis techniques have been used in the studies reviewed, such as regressions, partial least squares, structural equation modeling, although the majority of the studies reviewed used structural equation modeling. The increasing use of structural equation modeling "could be explained by the growing complexity of the models used to assess export performance" (Sousa et al., 2008: 351).

Measures and Determinants of Export Performance

Measures of export performance

As previously noticed by Zou & Stan (1998), researchers continue to label export performance measures with unique names, thus leading to a general confusion and difficulty in comparing different studies.

In this review, we grouped the measures of export performance in three broad categories: studies using financial and non-financial measures and those using both measures simultaneously. In contrast with prior studies, (Hult at al., 2008) many studies reviewed (50%) combined subjective and objective measures of export performance. The use of more subjective measures of export performance has been largely advocated by previous research (Brouthers & Xu, 2002; Luo, Shenkar & Nyaw, 2001). Perceptual measures of export performance are more suitable in such cases in which the firms are unwilling or unable to disclose financial information (Brouthers & Xu, 2002). This is mostly the case with small-

medium enterprises, which do not have to disclose financial information to the public. In particular, our review sheds lights on the increasing use of subjective measures of export performance along with more objective financial measures.

The main measures included in the financial category are: export sales, export growth and export profit. Conversely, in the non-financial category, we most frequently found measures such as the satisfaction of the managers with the export performance and strategic performance of the firm.

Table 4 about here

Determinants of export performance

In line with Sousa et al. (2008), the determinants of export performance are classified in internal and external. Focus on internal determinants is justified by the resource-based view, that on external determinants by contingency theory. The resource-based view argues that the competitive advantage of the firm depends on the firm's specific combination of resources (Conner & Prahalad, 1996). Therefore, variations in performance outcomes can be explained by the heterogeneity of the resources and capabilities of the firm (Makadok, 2001). Conversely, the contingency theory focuses on environmental factors. Specifically, the influence of the firm characteristics on export performance is seen to be contingent on the specific context of the firm (Sousa et al., 2008). This means that export performance is given by the interplay of variables internal and external to the firm.

The resource-based view (RBV) focuses on how the firm can generate a sustained competitive advantage through its unique bundle of resources (Conner & Prahalad, 1996). The definition of firm by Penrose (1959) stresses the heterogeneity of physical and human resources. In order to lead to sustained competitive advantage, resources should be (Barney, 1991): (1) valuable; (2) rare; (3) imperfectly mobile, or sticky, and (4) nonsubstitutable. The stickiness of the resources is due to their history dependence, causal ambiguity and social complexity (Eisenhardt & Martin, 2000; King & Zeithaml, 2001). "RBV addresses the central issue of how superior performance can be attained relative to other firms in the same market and posits that superior performance results from acquiring and exploiting unique resources of the firm" (Dhanaraj & Beamish, 2003: 245). All in all, the variation in firm performance is explained by the heterogeneity in the resources and capabilities of the firm (Makadok, 2001).

Conversely, the contingency paradigm posits that export performance is influenced by environmental factors. According to Cavusgil & Zou (1994), this theory, which has its roots in the structure-conduct-performance paradigm, rests on two conditions: 1) organizations depend on their environments for resources (Pfeffer & Salancik, 1978); and 2) organizations can manage this dependence with appropriate strategies (Hofer & Schendel, 1978).

Our literature review discovered a predominance of focus on internal determinants of export performance (34) and only a few external determinants (7). In particular, internal determinants were cited the most (85%), with firm characteristics being the most frequently cited (41%), followed by management characteristics (23%) and export strategy (21%).

Table 5 about here

Internal Factors

Variables related to the firm's export strategy have been frequently used (21%) as determinants of export performance. The most commonly cited (63%) were the export marketing strategies (e.g. marketing mix, product differentiation, promotion strategy), followed by the generic export strategies (38%) (e.g. dimensions of internationalization and offshore outsourcing).

Firm characteristics were also extensively used as determinants of export performance (41%). Among the most widely used are firm capabilities and competencies (52%) (e.g. export commitment, marketing capabilities, market orientation) and firm resources (35%) (e.g. R&D). In contrast with previous reviews on exports (Aaby & Slater, 1989; Zou & Stan, 1998), the effect of size on export performance has not been a major interest in the export literature between 2008 and 2016. Size has been cited, in fact, only twice.

Among the internal factors, managerial characteristics played an important role (23%). In line with previous reviews, our study reports that the international outlook of the firm (i.e. international experience, foreign language skills and international business knowledge) is a key determinant of export performance (29% of studies in the "management characteristics" category). In line with Leonidou, Katsikeas & Piercy (1998), we put forward a distinction between managerial variables influencing export performance with either an objective, or subjective nature. Therefore, we classify the management characteristics in two categories: objective and subjective managerial characteristics.

Objective managerial characteristics include those characteristics "that relate specifically to an international dimension" (Leonidou et al., 1998: 86). In our study, objective managerial characteristics are: manager's international experience, foreign language skills and international business knowledge. Subjective managerial characteristics include those characteristics "referring to the attitude and behavior of the decision-maker that are not necessarily related to export activity" (Leonidou et al., 1998: 90). In our review, subjective managerial characteristics include: drivers of information sharing, managerial capabilities, managers' values, cultural intelligence (from now on CQ), affective and calculative commitment, relationship capabilities, commitment to future exchanges and inter-organizational relationships.

In contrast with previous studies (Leonidou et al., 1998), which have primarily stressed the importance of objective managerial variables in export studies, our review suggests an increasing interest in subjective managerial variables as determinants of export performance. More specifically, by comparing our review with previous studies, we notice the emergence of a new category within the subjective managerial characteristics, which we name "relational and inter-cultural capabilities" (53% of studies in the "management characteristics" category). By "relational and inter-cultural capabilities" we refer to the capabilities of the management to build formal and informal relationships with foreign partners. In the current review, we identified nine relational and inter-cultural capabilities as determinants of export performance: distributor support, commitment and power, commitment to future exchanges, relationship capabilities, affective and calculative commitment, CQ and social capital.

External Factors

Despite the importance of foreign market characteristics as determinants of export performance, they were rarely included (15% of the studies). In particular, institutional environment (e.g. extensive university training, large stock market and institutional environment) was the most frequently cited category, followed by export market characteristics and export-assistant programs in the "other" category.

Discussion

In contrast with prior studies on export performance (Sousa et al., 2008), the current review reveals that empirical research on the determinants of export performance between 2008 and 2016 is characterized by enhanced convergence and uniformity (see Table 6). This suggests that research progresses towards a more integrated body of knowledge. The result is

that the implications of the papers can be more easily generalized across countries and industries.

Table 6 about here

Finally, in Table 7, we provide a summary of the determinants of export performance by article, including the direction of the relationship between the variables. We further provide information on the moderating and mediating variables and the direction of their influence.

Table 7 about here

Internal Characteristics - Export Strategy

Variables related to the export strategy have been frequently used as determinants of export performance. Several studies have considered the dimensions of internationalization as antecedents of export performance. Brouthers, L.E., Nakos, G., Hadjimarcou, J. & Brouthers K.D. (2009) and Papadopoulos & Martín (2010) found a positive influence of export intensity (ratio of export to total sales) on export performance. Brouthers et al., (2009) found a negative association between international scope (i.e. the number of export markets) and export performance. More specifically, the authors discovered that, simultaneously concentrating on foreign sales in a few selected markets pays off. Cieslik, Kaciak & Thongpapanl (2015) identified an inverted u-shaped effect: performance increases at low levels of market spreading and decreases at high levels of market spreading. In addition, these authors detected an inverted s-shaped relationship between export experience (measured by the time after internationalization) and export performance, suggesting that performance is increasing at low and high levels of experience in international markets and decreases at moderate levels of experience in international markets. In details, internationalization is conceived as a process encompassing three phases. The first phase is characterized by high levels of export performance because of a rapid increase in export sales in multiple countries. As this growth is not likely to be sustainable in the long period, the second phase may show a decline in the export performance. Finally, in the third phase, firms will benefit from accumulating business experience in the expanded foreign markets and will again experience high levels of performance.

In addition, Bertrand (2011) demonstrated that offshore outsourcing is an efficient export strategy with positive influence on export performance.

Internal Characteristics - Export Marketing Strategy

In the export strategy category, we included also the export marketing strategy, which has been one of the most frequently cited determinants of export performance. In particular, previous research has explored "the extent to which the elements of the marketing program are standardized or adapted across markets" (Sousa et al., 2008: 356). Some authors found that adapting elements of marketing mix strategy improves export performance. In this respect, Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic (2013) stressed the fact that marketing-mix adaptations do not necessarily lead to improved performance. Thus, evidence from their study suggests that only when managers with metacognitive cultural intelligence (CQ) make marketing-mix adaptations, export performance increases. Another group of researchers has investigated how specific export marketing strategies lead to performance gains. Navarro, Losada, Ruzo & Díez (2010) provided evidence to the notion that the adaptation of marketing-mix strategies has an indirect influence on export performance through the achievement of perceived competitive advantages. Navarro-García, Arenas-Gaitán, Rondán-Cataluña & Rey-Moreno (2016) demonstrated a positive effect between marketing mix strategic decisions and export performance, moderated by information sharing. Hultman, Katsikeas & Robson (2011) found a positively moderated influence of promotion strategy adaptation of the firm on export performance. In particular, the lower the experience of the firm in terms of duration and intensity the more the firm benefits from adapting its promotional strategy to the main standards in the export markets. Boehe & Cruz (2010) stressed the importance of CSR product differentiation for export performance. Product differentiation by CSR is found to be as important as product innovation differentiation for achieving superior performance in exporting. He et al. (2013) argued that it is important for the firm to align the export channels with its level of market orientation (MO) capabilities in order to gain export performance improvements with institutional distance moderating this relationship. Hortinha et al. (2011) found an indirect effect of strategic orientation (i.e. customer and technology orientation) on export performance, the effect being mediated by innovation. In addition, Diamantopoulos, Ring, Schlegelmilch & Doberer (2014) found a positive association between segmentation effectiveness dimensions (i.e. positioning performance and adaptability to change) and export performance. However, Zeriti, Robson, Spyropoulou & Leonidou (2014) demonstrated that

what leads to superior performance is not the export strategy *per se*, but, rather, the strategic fit between export marketing strategy adaptation and environmental factors, which include macro-environmental forces (economic and technological conditions) and micro-environmental forces (competitive intensity, customer characteristics and stakeholder pressures).

Internal Characteristics - Firm Characteristics

Firm capabilities and competencies

Firm characteristics have been recognized as a relevant determinant of export behaviors and performance (Beamish, Karavis, Goerzen & Lane 1999; Cavusgil, 1984; Leonidou, 1998; Sousa et al., 2008; Zou & Stan, 1998). Moreover, firm capabilities and competencies represents the most significant category in the current review.

The literature suggests that a firm's export commitment is an important determinant of export performance (e.g., Cavusgil & Naor, 1987; Katsikeas, Piercy & Ioannidis,1996; Lado, Martínez-Ros, & Valenzuela, 2004). If a firm is highly committed to exporting, it will invest more resources to the export activities, which, in turn, contribute to higher levels of export performance. The positive influence of export commitment on export performance has been largely confirmed (Aaby & Slater, 1989; Cavusgil & Zou, 1994; Donthu & Kim, 1993; Evangelista, 1994; Louter, Ouwerkerk & Bakker, 1991; Navarro, 2000; O'Cass & Julian, 2003) with one notable exception (Katsikeas et al., 1996). Consistent with the majority of previous studies, in our review, Lages, Jap & Griffith (2008), Navarro et al. (2010) and Stoian, Rialp M.C & Rialp J. (2011) found a positive association between the firm's export commitment and export performance.

Firm innovativeness has also been extensively studied (Azar & Drogendijk, 2016; Boso, Story, Cadogan, Micevski & Kadic-Maglajlic, 2013). Boso et al. (2013) provided support for the influence of firm innovativeness on export performance, which is stronger the more there is competition between export market rivals and the more the firm has an organic structure. In line with previous findings (Damanpour & Aravind, 2012; Damanpour, Walker & Avellaneda, 2009; Damanpour, Szabat & Evan, 1989), Azar et al. (2016) showed that the combined adoption of technological and organizational innovations enhance firm's export performance. Hortinha et al., (2011) found that innovation mediates the relationship between strategic orientation (i.e. customer orientation and technology orientation) and export performance. However, when past performance is low, customer orientation plays a major role. Exporters with poor past performance may achieve higher export performance by

focusing more on the customer. Conversely, exporters performing well should maintain a focus on both the customer and technology.

Marketing capabilities represent important skills for achieving better export outcomes. Murray et al. (2011) found that marketing capabilities, specifically pricing and new product development, have a significant positive effect on performance. The results by Morgan, Katsikeas & Vorhies (2012) further support this positive effect of marketing capabilities on export performance, though mostly indirectly through the implementation of an effective marketing strategy.

Past literature has provided empirical evidence for the influence of market orientation (MO) on export performance (e.g., Akyol & Akehurst, 2003; Diamantopoulos, Siguaw & Cadogan, 2000). Market orientation consists in developing and nurturing export market intelligence, "which is focused on export customers, competitors or environmental changes" (Murray, Gao & Kotabe, 2011: 254). In our review, MO is found to enhance export performance (Murray et al., 2011). These authors provided evidence for a mediating role of marketing capabilities (i.e. pricing capability, new product development capability and marketing communication capability) in the relationship between MO and export performance. Conversely, Chung (2012) focused on one particular aspect of MO, namely the firm's export operations (EMO). He found that the responsiveness dimension of EMO has a positive influence on export performance. Moreover, customer orientation and customer responsiveness showed a positive influence on export performance (Sousa, Ruzo & Losada, 2010; Alteren & Tudoran, 2016). These studies confirmed that firms achieve better results in exports when they pay attention to the customers and are responsive to their needs.

Consistent with previous studies (Porter, 1980, 1985), Gao, Murray, Kotabe & Lu (2010) found that firms with cost leadership competencies achieve gains in terms of export performance. Cost leadership competencies stem from the cost leadership strategy pursued by the firm, which consists in a low cost-position of the firm compared to its competitors. The firm has to outperform its rivals by producing and selling goods and services, cheaper than those offered by the competitors, but at the same value.

According to Kaleka (2012), informational capabilities are extremely important for export performance. In particular, a u-shaped relationship is revealed between these capabilities and export performance, such that the greater the investment in acquiring information regarding export markets the higher the reward in export performance. Informational capabilities are part of the exploratory capability of the firm and have been

found to have a positive linear relationship with market performance (Yalcinkaya, Calantone & Griffith, 2007) and a curvilinear relationship with new product performance (Atuahene-Gima & Murray, 2007).

Finally, service quality and external marketing implementation effectiveness showed a positive influence on export performance (Sichtmann, von Selasinsky & Diamantopoulos, 2011; Morgan et al., 2012).

Firm resources

In order to successfully internationalize, it is vital to develop dense contact networks (Filatotchev et al., 2009; Singh, 2009). The resource and institutional-based views suggest that global networks, by providing access to resources and competencies not available internally, are particularly important to small firms (Davidsson & Honig, 2003). Filatotchev et al. (2009) further supported this view, by showing that global networks have a positive influence on export performance of the SME. Similarly, Singh (2009) found support for the positive influence of group affiliation (i.e. network resources) on export performance. Subcontracting ties, involving business networks of large and small firms, form an interesting type of inter-firm business network (Kotturu & Mahanty, 2015). In subcontracting ties SMEs "carry out the processing of a material, component, part, or subassembly for it, according to specifications provided by customer firms" (Kim & Hemmert, 2016: 511), while "large firms mostly procure manufactured parts, sub-assemblies, and products from SMEs" (Kim & Hemmert, 2016: 514). However, the characteristics of customer networks play a crucial role in determining the effectiveness of these networks in enhancing the export performance of subcontracting SMEs (Kim & Hemmert, 2016). In particular, the number of subcontracting ties is found to have an inverted u-shaped effect with export performance (Kim & Hemmert, 2016). Despite subcontracting ties providing the SMEs with competitive advantage, when their number becomes very large the marginal benefit from each additional tie declines. Conversely, the strength of subcontracting ties has a u-shaped effect on the export performance of subcontracting ties (Kim & Hemmert, 2016). Therefore, according to Kim & Hemmert (2016), in order to strengthen their export outcomes, subcontracting SMEs may either focus on specific customers and diversify their business, or, rely on strong subcontracting ties with key customers.

Among firm resources, also innovation plays an important role in determining export performance. Research has provided extensive support for a positive relationship between innovation and export performance (Lee, Beamish, Lee & Park, 2009; Zhang, Di Benedetto

& Hoenig, 2009). Filatotchev et al. (2009) found a strong positive association between R&D intensity and export performance. Similarly, Singh (2009) found a positive association between R&D expenditures and export performance. Lages, Silva & Styles (2009) focused, specifically, on product innovation and empirically supported the notion that innovative products generate positional advantages, which, in turn, improve export performance. Kim & Hemmert (2016) showed a positive influence of firm's technological resources on its export performance.

Experience or experiential knowledge has been conceived by the literature as a double-edged sword, which may positively influence export effectiveness and efficiency as well as negatively impact export adaptability, by rendering the firm inflexible (Moorman & Miner, 1997). Despite this, Kaleka (2012) provided evidence for the superiority of highly experienced exporting firms in terms of export performance.

In a similar vein, the impact of financial resources on export performance has so far been ambivalent. Some authors have stressed the positive impact of financial slack on export competitive advantage and, in turn, on export performance (Ling-yee & Ogunmokun, 2001a). Others have highlighted how abundance of slack can lead to the firm's resistance to experiment and introduce new products to the market (George, 2005; Kaleka, 2012; Latham & Braun, 2009). In particular, in our review, a negative relationship is detected between financial resources and export performance adaptability (i.e. revenue from new products) (Kaleka, 2012).

Past export performance is another interesting determinant of current export performance, which we classified as a resource for the firm. As suggested by the organizational learning literature, "past actions have a cumulative effect on current actions outcomes". Therefore, Lages et al. (2008) hypothesized and tested the notion that past export performance, by setting the stage for current export marketing decisions, positively influences current export performance. However, they only found partial support for the hypothesis. Prior-period performance has a positive effect on current performance only if the satisfaction measure of export performance is considered as the prior-period performance measure.

A large body of literature has documented a positive relationship between the size of the firm its export performance (Bonaccorsi, 1992; Dhanraj & Beamish, 2003; Majocchi, Bacchiocchi & Mayrhofer, 2005; Wagner, 1995). However, in other cases a negative relationship (Pla-Barber and Alegre, 2007), or no relationship has been found (Contractor,

Hsu & Kundu, 2005; Moen, 1999; Wolff & Pett, 2000). In line with the mainstream, Singh (2009) predicted and supported the idea of a positive influence of firm size on export performance. Conversely, the paper by Kaleka (2012) suggested the limited role of firm size, which directly affects only the adaptability dimension of performance, according to a u-shaped effect: only very small and very large exporters are likely to achieve higher gains from new products.

Other firm characteristics in the present review study are: firm competitive advantage (Navarro et al., 2010) and advertising expenditures (Singh, 2009). A firm has a competitive advantage when it has unique resources and capabilities and thus, can present an offer to the market, which is perceived more valuable by the customers than that of the competitors (Barney, 1991). Competitive advantage has been recognized as a determinant of export performance (Morgan, Kaleka & Katsikeas, 2004; Zou, Fang & Zhao, 2003) in that the superior value offered by the firm influences the customer's buying behavior and, in turn, the firm's export performance. Navarro et al. (2010) demonstrated the positive influence of the competitive advantage on the firm's export performance. In contrast to existing theoretical argument, advertising expenditures have been found to negatively affect export sales (Singh, 2009). This counterintuitive finding suggests that further exploration is needed in other emerging economic contexts.

Internal Characteristics - Managerial Characteristics

International outlook

Despite the lack of agreement on which managerial factors determine export performance (Leonidou et al., 1998), there is a general consensus on those related to the international outlook of the management (Stoian et al., 2011). The managers' international experience has been acknowledged as having a positive effect on export performance (Axinn, 1988; Leonidou et al., 1998; Nakos et al., 1998; Zou & Stan, 1998). Managers with an international experience can profit of already existing international business networks and manage relationships and activities in foreign contexts (Stoian et al., 2011) so as to improve export performance. In line with past literature, our empirical review confirmed a positive influence of the international experience of the managers on export performance (Sousa & Bradley, 2009; Stoian et al., 2011; Filatotchev et al., 2009). Furthermore, managers with an international experience are more prepared to study the export market, recognize foreign opportunities and meet potential foreign clients (Leonidou, Katsikeas, Palihawadana & Spyropoulou, 2007).

As confirmed by Stoian et al. (2011), also a good knowledge of the foreign language leads to higher levels of export performance (Knowles, Mughan & Lloyd-Reason, 2006). This is primarily due to the fact that better linguistic skills assist the managers in building international networks, improving communication with foreign parties, planning and controlling the export business (Leonidou et al., 1998). As emphasized by Gray (1997), international business knowledge, mainly acquired through international experience or former education, is an important determinant of high export performance. Stoain et al. (2011) provided empirical support to this effect.

More generally, managers' capabilities, which are mostly represented by their experience as well as by the business networks they have established, have been found to drive the firm's exports (Hutchinson, Quinn & Alexander, 2006; Westhead, Wright & Ucbasaran, 2001). In particular, Kim et al. (2016) demonstrated that executives' managerial capabilities have a positive influence on export performance of subcontracting SMEs.

Individual values

According to Schwartz & Bilsky (1990), values are "desirable goals, varying in importance, that serve as guiding principles in people's lives" (Sousa et al., 2010). In particular, Sousa et al., (2010) considered two bipolar dimensions of the Schwartz's value theory: openness to change versus conservation and self-enhancement versus self-transcendence.

Conservation represents all the values that emphasize the preservation of traditional practices as opposed to openness-to-change values. As being opposed to the characteristics required by the managers to succeed in international markets and improve the export performance of the firm, such as flexibility, risk-tolerance, open-mindedness, resultant conservation has a negative effect on export performance (Sousa et al., 2010). Self-enhancement refers to all the values that allow the managers to pursue their success and dominance over others. Those managers, who emphasize success and dominance over others, are more likely to meet customers' needs so as to achieve gains in export performance. Thus, managers with self-enhancement help improve export performance (Sousa et al., 2010).

Relational and inter-cultural capabilities

A crucial factor, which firms have to consider when they go international, are cultural differences between home and foreign countries. Cross-national differences have a significant effect on the decisions and the outcomes of the internationalization process of the firm, such as the choice of the country to enter, the sequence of market entries, the entry mode and firm

performance (Berry, Guillén & Zhou, 2010; Luo & Peng, 1999; Morosini, Shane & Singh, 1998; Palich & Gomez-Mejia, 1999).

Inter-cultural capabilities represent the capabilities of the managers to successfully manage cross-national differences and develop formal and informal relationships with foreign parties in the export business. Given the increasing use of inter-cultural capabilities as a determinant of export performance, we put them together in an independent category of export performance determinants, which we label "relational and inter-cultural capabilities". Although Lages et al. (2009) do not stress the importance of the cultural dimension, relational and inter-cultural capabilities are similar to what they refer to as relationship capabilities in an international context. The authors provided evidence for the positive effect of these capabilities on export performance. However, the purpose of this section is to break down these capabilities so as to shed light on the different influence each of them has on export performance. We identified nine relational and inter-cultural capabilities as determinants of export performance: distributor support, commitment and power, commitment to future exchanges, affective and calculative commitment, social capital, communication skills as represented by two drivers of information sharing, and CQ. With the exception of power and one driver of information sharing (i.e. individualistic transaction cost), relational and inter-cultural capabilities in this review are all found to increase export performance.

Distributor support consists in the "intense interaction and cooperation between the firm and the foreign distributor in the form of two-way communication and frequent information exchange" (Sousa & Bradley, 2009: 685-686). Therefore, distributor support embodies the set of relational and inter-cultural capabilities communication skills that the managers need for offering support to the foreign distributor, mainly in terms of information exchange. Just as prior literature on the topic (Ling-yee & Ogunmokun, 2001b; Madsen, 1989; Rosson & Ford, 1982), also Sousa & Bradley (2009) found that distributor support leads to enhanced export performance.

Central to the relational exchange theory is the relationship commitment construct, which refers to the "strength of a party's identification and involvement with a partner […] and thus a partner's intention to continue a partnership" (Styles, Patterson & Ahmed, 2008: 883). In a cross-national relationship, Styles & Ambler (2000) found that the exporter's commitment, by encouraging a long-term relationship with foreign partners, is associated with increased export performance. This is the result of a successful operational and strategic integration, data exchange and improved innovation and quality (Larson, 1992). In the

current review, commitment has been recognized, in fact, as improving export performance (Bloemer, Pluymaekers & Odekerken, 2013; Matanda & Freeman, 2009; Styles et al., 2008).

Conversely, power imbalance has been found to reduce cooperation and increase dissatisfaction of the partners so as to reduce organizational performance (Skinner, Gassenheimer & Kelley, 1992). Similarly, in an international context the imbalance of power between export buyers and suppliers has a negative effect on export performance (Matanda & Freeman, 2009).

A construct similar to the relationship capability notion (Lages et al. 2009) is social capital. However, apart from a relational dimension, social capital consists of two other dimensions: a structural dimension (referring to the networks of relations) and a cognitive dimension (which "refers to those resources providing shared meaning or values") (Pinho 2016: 429). Pinho (2016) found that social capital increases the cooperation between the partners and thus, indirectly, export performance.

As regards communication skills, Jraisat et al. (2013) found that different drivers of information sharing lead to different export performance outcomes. In particular, a sharing of broader types of information between the firm and its partners with a long-term perspective occurs only when it is driven by integration-focused transaction cost, relationship and network information sharing drivers. This kind of information sharing fosters, in turn, export performance.

CQ, defined as an individual's capability to function and manage effectively in culturally diverse settings (Earley & Ang, 2003), represents a crucial relational and inter-cultural capability in international contexts. So far, research has mostly focused on the impact of CQ on individual-level measures of performance (work-related dimensions and outcomes), without providing strong empirical evidence for a direct effect on aggregated-level outcomes, such as export performance.

Charoensukmongkol (2016) found that CQ has an influence on export performance, though still mediated by international knowledge acquisition capability. According to the author, CQ helps the firm to acquire extensive knowledge about several aspects of the international markets, thus improving the firm's export performance. Magnusson et al. (2013) also consider the managers' CQ and, specifically, its metacognitive dimension as a crucial characteristic of the managers for achieving successful marketing-mix adaptations, which lead, in turn, to higher export performance.

External Characteristics – Export Market Characteristics

The institutional environment of the country where the firm is located significantly influences the firm's export strategy and behavior of firms (i.e. domestic firms and foreign wholly owned subsidiaries) (Gao et al., 2010). In particular, the development of a free market mechanism and intermediate institutions can lead to a better business context and foster firms' export performance (Gao et al., 2010). A free market mechanism "increases the efficiency of market transactions and resources allocation in the industry" (Gao et al., 2010: 383) so that firms can achieve economies of scale and enhance their performance. Similarly, the development of intermediate institutions improves firms' performance by reducing the transaction and agency costs and uncertainties for the firm (Gao et al., 2010). In their research, Gao et al. (2010) provided evidence for the positive influence of the aforementioned institutional development (the development of a free market mechanism and of intermediate institutions) on export performance. The work by Schneider et al. (2010) suggested that export performance does not depend on a single institutional condition, but on a combination of conditions, the most relevant being the co-existence of extensive university training and a large stock market.

Export market characteristics also play a crucial role for the firm's export performance. In particular, Matanda & Freeman (2009) stressed the negative effect of market turbulence and competitive intensity on the firm's performance outcomes.

The literature has recognized an important role of the export behavior of other firms in the same industry as a determinant of export decision and outcomes of the firm (Baum, Li & Usher, 2000; Guillén, 2003; Martin, Swaminathan & Mitchell, 1998). More recently, Gao et al. (2010) provided empirical evidence for the significant positive effect of the export orientation of the industry on the export propensity and intensity of the firm.

Stemming from the RBV, which considers technology to be a crucial source of the firm's competitive advantage, prior empirical research has paid considerable attention to the technological intensive sectors and its positive effect on firm's export performance (Bell, Crick & Young, 2004; López-Rodríguez & García-Rodríguez, 2005; Wheeler, Ibeh & Dimitratos, 2008). The abovementioned findings are confirmed by Stoian et al. (2011), who argue that the technological intensity of the industry has a positive effect on the export performance of SMEs.

Research has also explored national-export promotion programs and their effect on firm's export performance over many years either directly, (Gillespie & Riddle, 2004; Lages

& Montgomery, 2005; Wilkinson & Brouthers, 2000) or through some mediating variables (Shamsuddoha and Ali, 2006; Shamsuddoha, Ali & Ndubisi, 2009). In our review, Leonidou, Palihawadana & Theodosiou (2011) stressed the influence of national-export promotion programs on indigenous firms' export performance through the improvement of the firm's resources and capabilities required to operate at an international level. The firm's resources and capabilities allow, in fact, developing a sound export marketing strategy, through which the firm can realize a competitive advantage conducive to higher export performance. Sousa & Bradley (2009) further emphasized the positive effect of export assistance programs provided by external bodies, on export performance.

Although location is another important determinant of export performance, the majority of export performance studies did not examine its influence on export performance (Freeman, Styles & Lawley, 2012). In the present study, Freeman et al. (2012) suggested that exporters in metropolitan locations experience a higher access to resources and capabilities, such as the access to networks and export related infrastructure/service, over those in regional locations. This, in turn, has a positive influence on the firm's export performance.

Finally, psychic distance has been frequently proposed as a determinant of export performance. Psychic distance consists in the perception of differences between the home and foreign country (Sousa et al., 2010). Many scholars reported that, as psychologically closer countries are more similar to the home country and easier to manage, firms should be more successful in similar markets (Johanson & Vahlne 1977, 1990; Johanson & Wiedersheim-Paul, 1975). Conversely, dissimilarities between the home and the foreign country lead to environmental uncertainties and lack of information about the foreign market, thus reducing the performance of the firm abroad (Lee, 1998). Consistent with another set of findings, (Evans & Mavondo, 2002; Evans, Mavondo, & Bridson, 2008; O'Grady & Lane, 1996; Sousa & Lengler, 2009) in the present review, Sousa et al. (2010) provided empirical evidence for a positive relationship between psychic distance and export performance, implying that firms perform better when exporting in more distant countries. These findings suggest that there are gains in terms of variety of knowledge acquired from and related to less similar countries, which make the firms more prepared to the challenges and opportunities offered by those markets.

Limitations and Conclusions

Despite the rising attention of researchers towards export performance and the recent steps forward, research in the field has been mostly characterized by fragmentation (Sousa et

al., 2008). Moreover, the last notable review dates back to 2010 when Leonidou et al. provided a bibliographical analysis about exporting, including papers published until 2007. Therefore, in line with Sousa et al. (2008), the current paper aimed to provide a comprehensive framework that may better explain research into export performance to the reader as well as give a more recent overview of the empirical literature on the determinants of export performance, published between 2008 and 2016. Compared with earlier papers on exporting (Leonidou et al., 2010; Sousa et al., 2008), the purpose of the current review was to provide a more inclusive picture of the contributions to export business research, by synthesizing the different measures of export performance and its determinants along with moderating and mediating variables.

Specifically, our findings suggested that: (1) an increasing number of studies has been conducted outside the USA in favor of Asian countries, as the home country of the exporters; (2) the majority of the studies focused their analysis on multiple industrial sectors with an emphasis on manufacturing firms; (3) the vast majority of the studies continued to focus on SMEs; (4) many of these studies used mail surveys for data collection; (5) the primary key informant was the individual responsible for the export activities; (6) although slightly more than a half of the studies reviewed considered the firm as unit of analysis, there is a consistent number of papers focusing on a single export venture; (7) more sophisticated statistical techniques were adopted; (8) increased complexity in the relationships between the variables is explored; (9) a mix of subjective and objective financial measures of export performance is increasingly employed; (10) a consistent set of studies suggested the importance of relational and inter-cultural capabilities in determining the export performance of the firm.

As regards the research setting, in contrast with prior studies (Sousa et al., 2008), only one research was conducted in the USA, while the majority was done between European and Asian countries (58% and 23% respectively). As suggested by Sousa et al. (2008: 364), those regions have received increasing interest "because of their growing presence in an integrated global economy". This is a relevant step forward for the analysis on export performance, as developing countries provide a fruitful and culturally different environment to investigate the generalizability of current knowledge (Sousa et al., 2008).

No change has been detected in the preference for a focus on a single industry. Just as highlighted by Sousa et al. (2008), the vast majority of the studies analysed here used samples drawn from multiple industries (25/40 or 63%) with an emphasis on manufacturing firms. As advocated by Sousa et al. (2008), there is still need for studies into export

performance that relate specifically to service firms. Considering the rising importance of service firms in today's world trade, researchers should collect data from service firms so as to investigate the characteristics and export performance of this specific type of firms.

In relation to the level of analysis, the present paper pointed to the increasing percentage of studies using the export venture as unit of analysis. In a few years, this percentage more than doubled (from 12% in Zou & Stan, 1998; 23% in Sousa et al., 2008; to 27% in the present review). This is related to a long-lasting debate in the literature. Some studies recommend that the unit of analysis for larger firms should be the export venture, as this allows capturing the different strategies of the export ventures related to specific markets (Katsikeas, Leonidou & Morgan, 2000; Morgan et al., 2004). According to Styles (1998: 27), in fact, SMEs "are less able to isolate the performance of a specific export venture from total export performance" so that studies, that use data from SMEs, primarily focus on the firm level of analysis. On the other hand, the export venture as unit of analysis does not make sense when broad metrics (e.g. sales volume), or firm-level determinants of export performance (e.g. R&D and firm strategy) are considered (Sousa et al., 2008). As suggested by Sousa et al. (2008), researchers should be cautious in focusing on the export venture because multiple issues may arise, especially when mixing variables measured at different levels of analysis. Thus, as strengthened by Sousa et al. (2008), the correct level of analysis should be driven only by the objective of the study, which is captured by the research question under investigation.

Contrary to previous works on export performance (Sousa et al., 2008), the current research identified attention to more complex statistical relationships between the variables with the emergence of u-shaped and s-shaped effects on export performance. This might be partly due to the increasing level of sophistication of the statistical knowledge and software used as well as the willingness to find out innovative relationships between the variables so as to make significant methodological contributions.

As for the export performance measures, our review highlighted the increasing use of subjective and objective financial measures of export performance simultaneously. As advocated by previous research (Brouthers & Xu, 2002; Luo et al., 2001), subjective measures of export performance are preferred when firms are unwilling or unable to disclose financial information. This is especially the case of SMEs, which the majority of the reviewed papers collected data from (21/40 or 53% in our study).

Interestingly, we noticed the emergence of a consistent set of studies on export performance investigating the relational and inter-cultural capabilities of the managers. As cultural differences between home and foreign countries represent a crucial factor for internationalizing firm, research on export performance has recently focused on the cross-cultural skills of the managers in dealing with those differences. Thus, we highlight the emergence of a new category, which we label "relational and inter-cultural capabilities", including the determinants of export performance referring to the capabilities of the managers to successfully manage cross-national differences and develop relationships with foreign individuals during the export activities. Specifically, we identified nine relational and inter-cultural capabilities as determinants of export performance: distributor support, commitment and power, commitment to future exchanges, affective and calculative commitment, social capital, communication skills as represented by the drivers of information sharing, and CQ. However, future research should further investigate the relational and inter-cultural capabilities of the managers, that we brought to light, as well as explore new and crucial relational and inter-cultural capabilities to be included in this category.

Finally, we note a few limitations, which may represent fruitful opportunities for further studies on the topic. More advanced methods, such as meta-analyses, might be considered in future studies. However, as the empirical studies we reviewed here adopted very different and, hence, incomparable methodologies and measures, they could not be subjected to such meta-analytical methods. As for the determinants of export performance, even though we shed light on a wide variety of direct and indirect factors, there is still some way to go to include all the possible variables influencing export performance. As suggested by Sousa et al. (2008), we considered, indeed, both moderating and mediating factors and tried to be as exhaustive as possible so as to provide valuable contributions to the field.

Despite the few abovementioned limitations, this study provides interesting results and suggestions that future studies into exporting should fruitfully consider and address.

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Appendix

Table 2 - General characteristics of studies reviewed

Authors	Title	Journal	Citations	Year
Filatotchev, Liu, Buck & Wright	The export orientation and export performance of high-technology SMEs in emerging markets: The effects of knowledge transfer by returnee entrepreneurs	JIBS	102	2009
Lages L.F., Jap & Griffith	The role of past performance in export ventures: a short-term reactive approach	JIBS	80	2008
Schneider, Schulze-Bentrop & Paunescu	Mapping the institutional capital of high-tech firms: A fuzzy-set analysis of capitalist variety and export performance	JIBS	76	2010
Styles, Patterson & Ahmed	A relational model of export performance	JIBS	66	2008
Murray, Yong & Kotabe	Market orientation and performance of export ventures: the process through marketing capabilities and competitive advantages	JAMS	65	2011
Cadogan, Kuivalainen & Sundqvist	Export Market-Oriented Behavior and Export Performance: Quadratic and Moderating Effects Under Differing Degrees of Market Dynamism and Internationalization	JIM	59	2009
Lages L.F., Silva & Styles	Relationship Capabilities, Quality, and Innovation as Determinants of Export Performance	JIM	53	2009
Morgan, Katsikeas & Vorhies	Export marketing strategy implementation, export marketing capabilities, and export venture performance	JAMS	44	2012
Sousa, Rouzo & Losada	The Key Role of Managers' Values in Exporting: Influence on Customer Responsiveness and Export Performance	JIM	38	2010
Brouthers, L.E., Nakos, G., Hadjimarcou, J. & Brouthers K.D.	Key Factors for Successful Export Performance for Small Firms	JIM	37	2009
Hultman, Katsikeas, & Robson	Export Promotion Strategy and Performance: The Role of International Experience	JIM	37	2011
Leonidou, Theodosiou & Palihawadana	National Export-Promotion Programs as Drivers of Organizational Resources and Capabilities: Effects on Strategy, Competitive Advantage, and Performance	JIM	35	2011
Matanda & Freeman	Effect of perceived environmental uncertainty on exporter-importer inter-organisational relationships and export performance improvement	IBR	29	2009
Boehe & Cruz	Corporate Social Responsibility, Product Differentiation Strategy and Export Performance	JBE	28	2010
Singh	Export performance of emerging market firms	IBR	25	2009
Stoian, Rialp M.C & Rialp J.	Export performance under the microscope: A glance through Spanish lenses	IBR	25	2011
Hortinha, Lages C. & Lages L.F.	The Trade-Off Between Customer and Technology Orientations: Impact on Innovation Capabilities and Export Performance	JIM	25	2011
Navarro, Losada, Ruzo, Díez	Implications of perceived competitive advantages, adaptation of marketing tactics and export commitment on export performance	JWB	25	2010
Papadopoulos & Martín	Toward a model of the relationship between internationalization and export performance	IBR	23	2010
Gao, Murray, Kotabe & Lu	A "strategy tripod" perspective on export behaviors: Evidence from domestic and foreign firms based in an emerging economy	JIBS	21	2010
Chung	Export market orientation, managerial ties, and performance	IMR	20	2012
He, Brouthers & Filatochev	Resource-Based and Institutional Perspectives on Export Channel Selection and Export Performance	JM	19	2013
Sousa & Bradley	Effects of Export Assistance and Distributor Support on the Performance of SMEs The Case of Portuguese Export Ventures	ISBJ	18	2009
Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic	The Role of Cultural Intelligence in Marketing Adaptation and Export Performance	JIM	16	2013
Bertrand	What goes around, comes around: Effects of offshore outsourcing on the export performance of firms	JIBS	16	2011
Boso, Story, Cadogan, Micevski & Kadic-Maglajlic	Firm Innovativeness and Export Performance: Environmental Networking, and Structural Contingencies	JIM	16	2013
Kaleka	Studying resource and capability effects on export venture performance	JWB	15	2012
Bloemer, Pluymaekers, Odekerken	Trust and affective commitment as energizing forces for export performance	IBR	13	2013
Sichtmann, von Selasinsky & Diamantopoulos	Service Quality and Export Performance of Business-to-Business Service Providers: The Role of Service Employee- and Customer-Oriented Quality Control Initiatives	JIM	13	2011
Zeriti, Robson, Spyropoulou, & Leonidou	Sustainable Export Marketing Strategy Fit and Performance	JIM	11	2014
Freeman, Styles & Lawley	Does firm location make a difference to the export performance of SMEs?	IMR	9	2012
Diamantopoulos, Ring, Schlegelmilch & Doberer	Drivers of Export Segmentation Effectiveness and Their Impact on Export Performance	JIM	7	2014
Jraisat, Gotsi & Bourlakis	Drivers of information sharing and export performance in the Jordanian agri-food export supply chain: A qualitative study	IMR	5	2013
Cieslik, Kaciak & Thongpapanl	Effect of export experience and market scope strategy on export performance: Evidence from Poland	IBR	2	2015
Alteren & Tudoran	Enhancing export performance: Betting on customer orientation, behavioral commitment, and communication	IBR	2	2016
Charoensukmongkol	Cultural intelligence and export performance of small and medium enterprises in Thailand: Mediating roles of organizational capabilities	ISBJ	1	2016
Navarro, Losada, Ruzo & Díez	Global model of export performance: Moderator role of export department	JBR	1	2016
Azar & Drogendijk	Cultural distance, innovation and export performance: An examination of perceived and objective cultural distance	EBR	0	2016
Pinho	Social capital and export performance within exporter-intermediary relationships. The mediated effect of cooperation and commitment	MRR	0	2016
Kim & Hemmert	What drives the export performance of small and medium-sized subcontracting firms? A study of Korean manufacturers	IBR	0	2016

Table 3 – Detailed characteristics of studies reviewed

YEAR	AUTHORS	COUNTRY OF STUDY	SAMPLE SIZE	INDUSTRIAL SECTOR	FIRM SIZE (EMPLOYEES)	DATA COLLECTION	RESPONSE RATE	KEY INFORMANT	UNIT OF ANALYSIS	STATISTICAL ANALYSIS
2008	**Styles, Patterson & Ahmed**	Australia South-East Asia	125	Not specified	Not specified	Phase 1: Interviews Phase 2: Surveys	Phase 2: 34%	Senior marketing executive, export manager or marketing director	dyad: E-I partnership	SEM
2008	**Lages L.F., Jap & Griffith**	Portugal	519	Not specified	Predominantly SMEs	Survey	22%	President, marketing director, managing director, exporting director	Export venture	SEM
2009	**Sousa & Bradley**	Portugal	287	Multi-industry	SMEs (<500)	Survey	34,50%	Senior managers	Export venture	SEM
2009	**Matanda & Freeman**	Zimbabwe	262	Horticultural	Not specified	Survey	78%	Senior managers	Export venture	SEM
2009	**Lages L.F., Silva & Styles**	Portugal	419	Multi-industry	Predominantly SMEs	Survey	26,70%	Export managers, quality managers and managing directors	Export venture	Partial Least Squares (PLS)
2009	**Brouthers, L.E., Nakos, G., Hadjimarcou, J. & Brouthers K.D.**	Greece the Caribbean Region	119 Caribbean sample 83 Greek sample	Multi-industry	Small firms	Survey	28,70%	Managing directors or general managers	Firm	Regressions
2009	**Cadogan, Kuivalainen & Sundqvist**	Finland	783	Multi-industry	Mainly SMEs	Survey	81%	Export marketing manager CEO	Firm	Regressions
2009	**Filatotchev, Liu, Buck & Wright**	China	711	Hi-Tech	SMEs (<300)	Survey	41,2% from returnee owned enterprises 36,7% from locally owned enterprises	Not specified	Firm	Regressions
2009	**Singh**	India	41.434	Multi-industry	Not specified	Prowess DB		Not specified	Firm	Regressions
2010	**Schneider, Schulze-Bentrop & Paunescu**	global	19 countries	Hi-Tech				Not specified	Industry	fsQSA (fuzzy-set qualitative comparative analysis)
2010	**Gao, Murray, Kotabe & Lu**	China	18.644	Multi-industry	Not specified	Annual Census of Chinese Industrial Firms		Not specified	Domestic private enterprises foreign wholly owned subsidiaries	Regressions
2010	**Boehe & Cruz**	Brazil	252	Multi-industry	Mainly medium firms	Survey	7,50%	directors and export managers	Firm	SEM
2010	**Sousa, Rouzo & Losada**	Spain	208	Multi-industry	Not specified	Survey	17%	Export Managers, General Managers or Senior Managers	Firm	SEM
2010	**Navarro, Losada, Ruzo, Díez**	Spain	150	Multi-industry	Mainly micro and small firms	Personal interview		Export managers	Firm	SEM
2010	**Papadopoulos & Martín**	Spain	140	Multi-industry	Mainly SMEs	Interviews		Not specified	Firm	PLS
2011	**Leonidou, Theodosiou & Palihawadana**	UK	218	Multi-industry	Predominantly SMEs	Survey	52%	Export, marketing, sales managers, owners	Firm	SEM and multiple group analyses
2011	**Stoian, Rialp M.C & Rialp J.**	Spain	146	Not specified	SMEs	Survey	34,50%	Decision makers in charge of exports	Firm	Regressions
2011	**Hultman, Katsikeas, & Robson**	Sweden	336	Multi-industry	>20 employees	Survey	60%	directors or managers in relevant fields	Export venture	SEM
2011	**Sichtmann, von Selasinsky & Diamantopoulos**	Germany	129	Multi-industry	Not specified	Survey	16,20%	Managers responsible for export projects	Export venture	PLS analysis
2011	**Hortinha, Lages C. & Lages L.F.**	Portugal	193	Technological	Mainly SMEs	Survey	26%	Export managers and R&D managers	Firm	PLS
2011	**Murray, Yong & Kotabe**	China	491	Multi-industry	Not specified	Survey	37%	Senior managers	Firm	SEM
2011	**Bertrand**	France	Around 2.000	Not specified	Mainly large firms	Two French DB: EIIG and EAE		Not specified	Firm	Regressions
2012	**Freeman, Styles & Lawley**	Queensland (Aus)	13	Multi-industry	SMEs (<200)	Key informant technique and case studies		Five state government experts, two federal government experts (key informant technique) Six exporters (case studies)	Firm	Qualitative exploratory research

YEAR	AUTHORS	COUNTRY OF STUDY	SAMPLE SIZE	INDUSTRIAL SECTOR	FIRM SIZE (EMPLOYEES)	DATA COLLECTION	RESPONSE RATE	KEY INFORMANT	UNIT OF ANALYSIS	STATISTICAL ANALYSIS
2012	**Chung**	New Zealand	100	Not specified	Not specified	Survey	26%	Export marketing manager highest ranking staff member	Export venture	Hierarchical regression analysis
2012	**Kaleka**	UK	268	Multi-industry	Large firms (>500)	Survey	35,25%	Not specified	Export venture	Regressions
2012	**Morgan, Katsikeas & Vorhies**	UK	219	Multi-industry	Not specified	Survey	39%	Responsible for export ventures	Export venture	SEM
2013	**Bloemer, Pluymaekers, Odekerken**	Netherlands	134	Multi-industry	Mainly small firms	Survey	3,50%	Mostly owners	Firm	PLS analysis
2013	**He, Brouthers & Filatochev**	China	195	Multi-industry	Not specified	Survey	38,90%	CEOs	Firm	Regressions
2013	**Boso, Story, Cadogan, Micevski & Kadic-Maglajlic**	Ghana Bosnia Herzegovina	Ghana: 164 Bosnia: 117	Multi-industry	Mainly SMEs	Survey	Ghana: 49,4% Bosnia: 21%	Ghana: CEOs Bosnia: senior managers at top management level	Firm	SEM
2013	**Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic**	US	183	Not specified	Small and large	Survey	29% first method 50% second method	Predominantly export managers	Largest export markets	PLS-SEM
2013	**Jraisat, Gotsi & Bourlakis**	Jordan	interviews comparative case study	Agri-food	Small, Medium, Large	Interviews and a comparative case study		General managers and owners	Producer-exporter relationship	Interviews and a comparative case study
2014	**Zeriti, Robson, Spyropoulou, & Leonidou**	UK	217	Multi-industry	SMEs	Survey	35%	Mostly export sales manager, CEO, marketing/manager director	Export venture	Regressions
2014	**Diamantopoulos, Ring, Schlegelmilch & Doberer**	Austria	194	Not specified	SML	Austrian Chamber of Commerce		Senior executives	Firm	PLS
2015	**Cieslik, Kaciak & Thongpapanl**	Poland	321	Multi-industry	Not specified	Database of Polish commodity exporters		Not specified	A single region	Regressions
2016	**Azar & Drogendijk**	Sweden	186	Multi-industry	Mainly small firms	Survey	28%	Mainly CEOs	Export venture	SEM
2016	**Charoensukmongkol**	Thailand	129	Not specified	SMEs	Survey	12,90%	Owners	Firm	PLS Regressions
2016	**Pinho**	global	91	Multi-industry	SMEs	Survey	16%	Mainly CEOs	Firm	PLS analysis
2016	**Navarro, Losada, Ruzo & Díez**	Spain	196	Multi-industry	SMEs	Survey	16,30%	Specialized managers in export activities	Firm	SEM through PLS
2016	**Kim & Hemmert**	Korea	1733	Electronics, Machinery, Chemicals	SMEs	Nation-wide survey		Not specified	Firm	Regressions
2016	**Alteren & Tudoran**	Norway	105	Seafood	Mainly small firms	Survey	38,70%	General manager/director, managers/marketing directors, sales rep.	The relationship between the respondent and the selected customer	PLS

Table 4 – Measures of Export Performance

TITLE	MEASURE OF EXPORT PERFORMANCE (EP)	FREQUENCIES
A "strategy tripod" perspective on export behaviors: Evidence from domestic and foreign firms based in an emerging economy	Financial	33%
Effect of perceived environmental uncertainty on exporter-importer inter-organisational relationships and export performance improvement		
Effect of export experience and market scope strategy on export performance: Evidence from Poland		
Studying resource and capability effects on export venture performance		
Export marketing strategy implementation, export marketing capabilities, and export venture performance		
Trust and affective commitment as energizing forces for export performance		
Corporate Social Responsibility, Product Differentiation Strategy and Export Performance		
Cultural intelligence and export performance of small and medium enterprises in Thailand: Mediating roles of organizational capabilities		
Social capital and export performance within exporter-intermediary relationships: The mediated effect of cooperation and commitment		
The Trade-Off Between Customer and Technology Orientations: Impact on Innovation Capabilities and Export Performance		
Export Market-Oriented Behavior and Export Performance: Quadratic and Moderating EffectsUnder Differing Degrees of Market Dynamism and Internationalization		
Export performance of emerging market firms		
What goes around, comes around: Effects of offshore outsourcing on the export performance of firms		
Key Factors for Successful Export Performance for Small Firms	Financial and non-financial	50%
Does firm location make a difference to the export performance of SMEs?		
National Export-Promotion Programs as Drivers of Organizational Resources and Capabilities: Effects on Strategy, Competitive Advantage, and Performance		
Effects of Export Assistance and Distributor Support on the Performance of SMEs The Case of Portuguese Export Ventures		
Export performance under the microscope: A glance through Spanish lenses		
The role of past performance in export ventures: a short-term reactive approach		
Relationship Capabilities, Quality, and Innovation as Determinants of Export Performance		
Export Promotion Strategy and Performance: The Role of International Experience		
Service Quality and Export Performance of Business-to-Business Service Providers: The Role of Service Employee- and Customer-Oriented Quality Control Initiatives		
Global model of export performance: Moderator role of export department		
The Key Role of Managers' Values in Exporting: Influence on Customer Responsiveness and Export Performance		
Market orientation and performance of export ventures: the process through marketing capabilities and competitive advantages		
Firm Innovativeness and Export Performance: Environmental Networking, and Structural Contingencies		
What drives the export performance of small and medium-sized subcontracting firms? A study of Korean manufacturers		
Toward a model of the relationship between internationalization and export performance		
Drivers of Export Segmentation Effectiveness and Their Impact on Export Performance		
The Role of Cultural Intelligence in Marketing Adaptation and Export Performance		
Drivers of information sharing and export performance in the Jordanian agri-food export supply chain: A qualitative study		
Cultural distance, innovation and export performance: An examination of perceived and objective cultural distance		
Enhancing export performance: Betting on customer orientation, behavioral commitment, and communication		
Mapping the institutional capital of high-tech firms: A fuzzy-set analysis of capitalist variety and export performance	Non-financial	18%
Sustainable Export Marketing Strategy Fit and Performance		
A relational model of export performance		
Export market orientation, managerial ties, and performance		
Resource-Based and Institutional Perspectives on Export Channel Selection and Export Performance		
The export orientation and export performance of high-technology SMEs in emerging markets: The effects of knowledge transfer by returnee entrepreneurs		
Implications of perceived competitive advantages, adaptation of marketing tactics and export commitment on export performance		

Table 5 - Classification and frequency of appearance of variables

LIST OF VARIABLES	FREQUENCY OF USE	%	MACRO CATEGORIES	%
Internal determinants				
Export strategy				
Marketing mix	4	5%	Export marketing strategy	13%
Product differentiation	2	3%		
Fit between export marketing strategy adaptation and contingency variables	1	1%		
Strategic orientation	1	1%		
Segmentation effectiveness	1	1%		
Alignment of the export channels with the level of MO resources	1	1%		
Dimensions of the internationalization strategy	5	7%	Export strategy	8%
Offshore outsourcing	1	1%		
Total Export strategy	**16**	**21%**		
Firm characteristics				
Export commitment	3	4%	Firm capabilities and competencies	21%
Firm innovativeness	3	4%		
Marketing capabilities	2	3%		
Market orientation	2	3%		
Customer orientation and responsiveness	2	3%		
Competencies of cost leadership	1	1%		
Informational capabilities	1	1%		
External marketing implementation effectiveness	1	1%		
Relative service quality	1	1%		
Networks	4	5%	Firm resources	13%
R&D	2	3%		
Product innovation	1	1%		
Technological resources	1	1%		
Experience	1	1%		
Financial resources	1	1%		
Past export performance	1	1%		
Firm size (scale included)	2	3%	Other characteristics	5%
Advertising expenditures	1	1%		
Perceived competitive advantage	1	1%		
Total Firm characteristics	**31**	**41%**		
Management characteristics				
Relational and inter-cultural capabilities	9	12%	Relational and inter-cultural capabilities	12%
International experience	3	4%	International outlook	7%
Foreign language skills	1	1%		
International business knowledge	1	1%		
Individual values	2	3%	Other characteristics	4%
Executive managerial capabilities	1	1%		
Total Management characteristics	**17**	**23%**		
External determinants				
Institutional environment	3	4%	Institutional environment	4%
Export market characteristics	2	3%	Export market characteristics	3%
Industry export orientation	1	1%	Industry characteristics	2%
Technological intensity of the industry	1	1%		
Export-assistance programs	2	3%	Other characteristics	5%
Location	1	1%		
Psychic distance	1	1%		
Total External Determinants	**11**	**15%**		

Table 6 - Influence of the independent variables on Export Performance

LIST OF INDEPENDENT VARIABLES	No OF STUDIES CITING THE LISTED VARIABLES	-	+	U-SHAPED	S-SHAPED
Internal determinants					
Export strategy					
Marketing mix	4		4		
Product differentiation	2		1		
Fit between export marketing strategy adaptation and contingency variables	1		1		
Strategic orientation	1		1		
Segmentation effectiveness	1		1		
Alignment of the export channels with the level of MO resources	1		1		
Dimensions of the internationalization strategy	5	1	2	1	1
Offshore outsourcing	1		1		
Firm characteristics					
Export commitment	3		3		
Firm innovativeness	3		2		
Marketing capabilities	2		2		
Market orientation	2		2		
Competencies of cost leadership	1		1		
Informational capabilities	1			1	
External marketing implementation effectiveness	1		1		
Relative service quality	1		1		
Networks	4		2	2	
R&D	2		2		
Product innovation	1		1		
Technological resources	1		1		
Experience	1		1		
Financial resources	1	1			
Past export performance (satisfaction)	1		1		
Firm size (scale included)	2		1	1	
Advertising expenditures	1	1			
Perceived competitive advantage	1		1		
Management characteristics					
Relational and inter-cultural capabilities	9	2	7		
International experience	3		3		
Foreign language skills	1		1		
International business knowledge	1		1		
Individual values	2	1	1		
Executive managerial capabilities	1		1		
External determinants					
Institutional environment	3		3		
Export market characteristics	2	2			
Industry export orientation	1		1		
Technological intensity of the industry	1		1		
Export-assistance programs	2		2		
Metropolitan location	1		1		
Psychic distance	1		1		

Table 7 - Moderating and mediating variables

AUTHORS	DETERMINANTS	MODERATION/MEDIATION
Lages L.F., Jap & Griffith	Past export performance (+) Management forces (firm's commitment to exporting (+))	
Styles, Patterson & Ahmed	Commitment to future exchanges E-I (+)	Moderation (+) by export department
Brouthers, L.E., Nakos, G., Hadjimarcou, J. & Brouthers K.D.	Number of foreign markets (-) Export intensity (+) Interaction term between export intensity and the number of foreign markets (-) Concentration in a single foreign market (+)	
Cadogan, Kuivalainen & Sundqvist	Export market oriented behaviour (inverted U-shaped)	
Filatotchev, Liu, Buck & Wright	R&D intensity (+), Export orientation (networks) (+), entrepreneurs' international experience (+)	
Lages L.F., Silva & Styles	management capabilities (relationship capabilities) (+) product innovation (+)	
Matanda & Freeman	Perceived environmental uncertainty: Market turbulence (-), competitive intensity (-) Inter-organizational relationships: commitment (+) and power (-)	Mediation by export marketing strategy implementation effectiveness
Singh	Firm size (+), R&D (+) and advertising expenditure (-) and group affiliation (+)	Mediation (+) by behavioural commitment and communication
Sousa & Bradley	Export assistance programs (+), manager's international experience (+) and distributor support of the managers (+)	
Boehe & Cruz	Direct and moderated effect: Product innovation differentiation (+) Product differentiation by CSR (CSR product differentiation) (+)	
Gao, Murray, Kotabe & Lu	Competencies of cost leadership (+) Institutional environments (indices of free market mechanisms and intermediate institutions development) (+) Industry export orientation (+)	2) Mediation by customer responsiveness (+) 4) Moderation by psychic distance
Navarro, Losada, Ruzo, Díez	Direct effect: Export commitment, perceived competitive advantages Indirect effect: Adaptation of marketing tactics and export commitment	Moderation by institutional distance
Papadopoulos & Martín	Level of internationalization (+)	Moderation (+) by Metacognitive CQ
Schneider, Schulze-Bentrop & Paunescu	Combination of institutional conditions: extensive university training and large stock market (the most important combination) (+)	
Sousa, Rouzo & Losada	Managers' values: 1) Customer responsiveness (+) 2) Resultant self-enhancement (indirect) (+) 3) psychic distance (+) 4) Resultant conservation (indirect) (-)	Mediation (+) by the firm's international knowledge acquisition
Bertrand	Direct and moderated effect: Offshore outsourcing (+)	
Hortinha, Lages C. & Lages L.F.	Indirect effect (+): Strategic orientation (customer orientation and technology orientation)	Mediation (+) by innovation
Hultman, Katsikeas, & Robson	Moderated effect: Promotion strategy adaptation (+)	Moderation (-) by duration and intensity
Leonidou, Theodosiou & Palihawadana	National export-promotion programs (+)	Mediation by firm resources and capabilities (SMEs' exporters access to networks and export related infrastructure/services)
Murray, Yong & Kotabe	1) Market orientation (+) 2) Marketing capabilities (+)	Moderation by: export market environment (competitive intensity) (+) Customer dynamism (+) Internal firm condition (channel networking capability (+) and structural organicity (effect of firm innovativeness stronger for firms with an organic structure)
Sichtmann, von Selasinsky & Diamantopoulos	Relative service quality (+)	
Stoian, Rialp M.C & Rialp J.	Managerial, organizational and environmental Managerial: Foreign language skills (+), manager's years of international experience (+), international business knowledge (+) Organizational: Firm's export commitment (+) Environmental: technological intensity of the industry (+)	
Chung	Export market orientation responsiveness (+)	Moderation by diversification of countries (-) and level of target export country development
Freeman, Styles & Lawley	Location (regional vs metropolitan)	

AUTHORS	DETERMINANTS	MODERATION/MEDIATION
Kaleka	Resources and capabilities: Experience (+) Scale (U-shaped only with adaptability dimension of performance) Financial resources (+/- depending on export performance measure) Information capabilities (u-shaped)	1) Mediation by marketing capabilities 2) Mediation by competitive advantages
Morgan, Katsikeas & Vorhies	Marketing capabilities (indirect) External marketing implementation effectiveness (+)	Mediation by relation-oriented and entrepreneurial competencies: cultural sensitivity and innovativeness
Bloemer, Pluymaekers, Odekerken	Affective commitment (+) (indirect) Direct effect of calculative commitment (+)	Moderation by market dynamism (+) and degree of internationalization (+)
Boso, Story, Cadogan, Micevski & Kadic-Maglajlic	Firm innovativeness (+)	
He, Brouthers & Filatochev	Moderated effect: Alignment of the export channels with the level of MO resources (+)	Moderation (+) by firm size, organization of intra-firm imports and export experience
Jraisat, Gotsi & Bourlakis	Drivers of information sharing: 1) integration focused transaction cost (+) 2) individualistic transaction cost (-)	Moderation by firm's resources and capabilities, export marketing strategy and competitive advantage (+)
Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic	Moderated effect: Marketing mix adaptation	Moderation by informational capabilities
Diamantopoulos, Ring, Schlegelmilch & Doberer	Segmentation effectiveness (+): positioning performance and adaptability to change (directly) targeting performance (indirectly)	Mediation by perceived competitive advantages and adaptation of marketing tactics
Zeriti, Robson, Spyropoulou, & Leonidou	Fit between export marketing strategy adaptation and contingency variables (environmental factors) (+) Environmental factors: differences between home and export market in <u>Macroenvironmental Forces:</u> • Economic conditions • Technological conditions <u>Microenvironmental Forces:</u> • Competitive intensity • Customer characteristics • Stakeholder pressures	Mediation effect of cooperation (+)
Cieslik, Kaciak & Thongpapanl	Time after internationalization (inverted S-shape) Number of export markets growth (inverted U-shape)	
Alteren & Tudoran	Customer orientation (+)	
Azar & Drogendijk	Technological and organizational innovations (+)	
Charoensukmongkol	CQ (+)	
Kim & Hemmert	Firm resources: technological (+) Executive managerial capabilities (+) Customer network features: number (inverted U-shaped) and strength of subcontracting ties (U-shaped)	
Navarro, Losada, Ruzo & Díez	Moderated effect: Marketing mix strategic decisions (+)	Mediation by information sharing (+ if driven by driver 1, - otherwise)
Pinho	Social capital between exporters and intermediaries (+)	Mediation by positioning performance (+)

Paper 2

Export Performance of SMEs: Cultural Intelligence as a Condition for a Successful Internationalization Strategy

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Export Performance of SMEs: Cultural Intelligence as a Condition for a Successful Internationalization Strategy

Abstract

Why are some firms more successful in internationalization than others? Research in international business has tended to focus on macro-level factors, such as the "cultural distance" between home and host country. However, we need to explore factors at the level of the firm and the individual manager to understand differences in internationalization success. In this study, we focus on one such factor: the "cultural intelligence" of the export manager. Individual managers play a key role in major strategic decisions, especially within SMEs. We explore a unique dataset of Italian SMEs to analyze how cultural intelligence, cultural distance and export channels interactively influence export performance. Our findings show that cultural intelligence contributes to export performance, and that this effect increases with cultural distance. Our results also suggest that the cultural intelligence of the managers is needed mostly when the firm exports directly abroad, rather than through foreign intermediaries and in culturally distant countries. Moreover, we find that measures of both cultural intelligence and cultural distance that are specific to the situation are better predictors of export performance than the more general measures mostly used in previous research. Our research suggests that international business research may benefit from bringing the individual manager back in.

Keywords: export performance, export managers, cultural intelligence, cultural distance, export channels

Introduction

Although most of the attention in the international business literature focuses on large firms, more and more small and medium sized enterprises (SMEs) are also successfully internationalizing. This phenomenon has aroused considerable interest among researchers (Leonidou, Katsikeas & Hadjimarcou, 2002; Morgan, Kaleka & Katsikeas, 2004; Rosson & Ford, 1982; Styles & Ambler, 1994, 2000; Styles, Patterson & Ahmed, 2008; Zou & Stan, 1998). An important factor internationalizing firms have to cope with are cultural differences between home and host countries. Cross-national differences have been found to influence several variables related to the internationalization strategy of firms, such as the choice of the country to enter, the sequence of market entries, the entry mode and firm performance (Berry,

Guillén & Zhou, 2010; Luo & Peng, 1999; Morosini, Shane & Singh, 1998; Palich & Gomez-Mejia, 1999).

However, the effects of cultural distance are equivocal, and previous research on the cultural distance-performance relationship provided mixed empirical findings. Some researchers found a negative relationship between cultural distance and performance (Luo & Peng, 1999), whereas other studies found evidence for a positive relationship between cultural distance and performance in international activities (Gomez-Mejia & Palich, 1997; Morosini et al., 1998). These paradoxical findings suggest that the relationship between cultural distance and firm performance is more complicated than often assumed. In particular, as suggested by Stahl and Tung (2014: 20), it is likely that there are "management-related factors (e.g. abilities and interventions to manage cultural diversity) that determine whether cultural differences can have a positive or negative effect in international business". Hence, we focus on the role of managers in trying to better understand the relationship between cultural distance and firm performance.

We study SMEs that internationalize through exports, and hypothesize that managers with a higher cultural intelligence (CQ) are better able to deal with cultural differences and, as a consequence, can enhance export performance. Despite the growing interest in CQ, applications of the concept have remained primarily limited to the international human resource domain (Chen, Kirkman, Kim, Farh, & Tangirala, 2010). As researchers have primarily focused on the impact of CQ on individual-level measures of performance (work-related dimensions and outcomes), the application of the concept of CQ in international business has remained limited. Prior attempts to investigate the CQ-export performance relationship have focused either on CQ as a moderating variable, providing the export manager with better abilities to adapt the marketing-mix and, hence, enhance export performance, or, as an independent variable, whose positive influence on export performance is mediated by the firm's international knowledge acquisition (Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic, 2013; Charoensukmongkol, 2016). As a result, the role of CQ, as an important capability for the manager to successfully deal with foreign counterparts during the internationalization process, has so far remained under-researched. We argue that CQ is a crucial ability for managing cross-cultural situations, and consequently could be a determinant of export performance by itself. However, we also theorize that the extent to which CQ positively influences export performance depends on how large cultural differences between home country and host country are and the extent to which intensive interaction with host-country actors is necessary. The latter issue is likely to be strongly

related to the export channel chosen (i.e. hierarchical export channels versus hybrid and market-based export channels).

In order to increase our knowledge about these important issues we address three questions: (1) How does CQ affect export performance; and how is this effect moderated by (2) cultural distance; and (3) the export channel chosen.

We test our hypotheses on a unique database of Italian SMEs, collected through a large-scale survey conducted in 2015-2016, and find broad support for most, but not all of our hypotheses. In the following sections, we will, first, develop our theory and hypotheses and subsequently, describe the methods of this study and discuss our findings, followed by conclusions.

Theory and Hypotheses

Exporting is the preferred initial internationalization strategy for SMEs. Compared with other modes of entry, exporting represents one of the most low-cost and low-commitment means of going international (Stottinger & Schlegelmilch, 1998). In addition, by exporting firms do not face all the complexities related to the establishment and management of a foreign subsidiary (Cassiman & Golovko, 2011). Therefore, exporting represents one of the most frequently used entry modes in foreign markets (Zhao & Zou, 2002).

From an extensive review of previous research and in line with Sousa, Martínez-López & Coelho (2008), the determinants of export performance can be classified in internal and external factors and analyzed on three different levels: market level (external factors) and firm and individual level (internal factors).

The factors influencing export performance at the market level can be grouped in foreign and domestic market characteristics. Foreign market characteristics influencing export performance are related to threats and opportunities posed by foreign markets, such as legal and political factors and cultural similarity (Sousa et al., 2008). The major domestic market characteristics, which have been identified as determinants of export performance, are export assistance and environmental hostility (Sousa et al., 2008).

Firm characteristics have been also extensively analyzed as determinants of export performance. Specifically, the size of the firm, the international experience of the firm and the firm's capabilities and competencies were the most frequently cited in this category (Sousa et al., 2008). A more recently explored firm-level determinant of export performance is market orientation (He, Brouthers & Filatotchev, 2013).

However, we are mainly interested in the managerial characteristics, as an internal determinant of export performance, because "a company's decision to extend its marketing

activities abroad is ultimately taken by the individual decision-maker" (Holzmuller & Kasper, 1990: 218). The management has been recognized as having a crucial role in the internationalization process of a firm, from the decision to go international to the development and successful implementation of this process (Leonidou, Katsikeas & Piercy, 1998; Miesenböck, 1988). As managers are, in fact, directly involved in and responsible for export decisions, research in the export literature has continuously identified managers as the principal determinant of the whole export process of the firm (Miesenböck, 1988; Sousa et al. 2008). The way in which export managers select, enter and expand into foreign countries, choose export marketing strategies and monitor business with overseas customers will ultimately affect the export performance of the firm (Leonidou et al., 1998).

As suggested by Leonidou et al. (1998), managerial factors with a direct influence on export performance can have either an objective, or subjective nature. Examples of management characteristics of an objective nature are: age, education, professional experience and foreign country exposure (Leonidou et al., 1998). Older managers with a higher attained level of education, more years of professional experience and more exposed to foreign countries are more likely to be successful in exporting. A second set of managerial factors influencing export performance is of a more subjective nature. Examples of this second category are: risk tolerance, flexibility, commitment, quality and dynamism (Leonidou et al., 1998). In particular, management commitment to exports is one of the most recognized ingredients in determining export success. Only when managers are committed to exports, they carefully plan the entry and allocate the right amount of resources to that purpose (O'Cass & Julian, 2003). Quality and dynamism are measured in terms of skills, capabilities and expertise (Leonidou et al., 1998). This concept is reinforced by Griffith & Hoppner (2013), who argue that the skills and competences of the managers are crucial for the ability of the firm to sustain its competitive advantage when entering a foreign country.

Traditionally, research has devoted more attention to objective factors influencing export performance than to subjective factors because of their convenience and ease of data collection (Priem, Lyon & Dess, 1999). However, as suggested by Sousa, Ruzo & Losada (2010), subjective (psychographic or cognitive) variables have been recently found to be better predictors containing less noise than objective predictors. Therefore, it might be more appropriate to focus on these (Hambrick & Mason, 1984; Priem et al., 1999). The key factors that influence performance outcomes are the psychological characteristics of executives as they provide a causal relationship to the executives' behavior (Sousa et al., 2010). In this

context, managers' cultural intelligence (CQ) might be identified as a relevant, yet under-estimated, subjective determinant of export performance.

This is consistent with some studies, which find that managers have different abilities to deal with and manage cultural differences in the process of managing cross-cultural relationships (Groves & Feyerherm, 2011; Mannor, 2008; Rockstuhl, Seiler, Ang, Van Dyne & Annen, 2011). In particular, cross-cultural skills are crucial leadership competencies in today's companies (Groves & Feyerman, 2011). The concept of cultural intelligence (CQ) encapsulates this set of skills, which are neither specific, nor bounded to any cultural context. Contrary to other forms of intelligence (General Mental Ability and Emotional Intelligence), CQ is, in fact, "culture free and refers to a general set of capabilities with relevance to situations characterized by cultural diversity" (Ang et al., 2007: 339). CQ helps leaders in making foreign partnerships more successful (Mannor, 2008). According to Mannor (2008), culturally intelligent leaders have greater understanding of foreign contexts, are more open and flexible to culturally different others and are committed to set up long-lasting and trust-based relationships with foreign partners. Rockstuhl et al. (2011) demonstrated the unique importance of CQ for leadership effectiveness in the military cross-border context. Groves & Feyerherm (2011) examined the relevance of CQ for leaders in culturally diverse work teams. In addition to a strong influence of leader CQ on team member perceptions of leader and team performance, the CQ of the leaders explains higher leader and team performance in culturally diverse teams.

By analogy, we reason that the positive effect of CQ on performance applies also to the export business. As export activities involve relationships with foreign parties (commission agents, JV partners, foreign distributors), managers engaged in exporting may need CQ to avoid miscommunication and misunderstandings as well as to build successful and trustworthy relationships. CQ may allow export managers to limit the risks and lower the costs of engagement in cross-cultural alliances. All in all, cultural intelligence (CQ), defined as an individual's capability to function and manage effectively in culturally diverse settings (Earley & Ang, 2003), represents an important individual attribute for export managers.

Cultural Intelligence (CQ)

The conceptualization of CQ comes from Sternberg & Detterman's (1986) integrative framework of multiple intelligences within the person. Metacognitive intelligence refers to awareness and control of cognition used to acquire and understand knowledge. Cognitive intelligence refers to knowledge structures. Motivational intelligence refers to the mental capability to direct and sustain energy to a specific task or situation. Behavioral intelligence

complements the cultural understanding (metacognitive CQ) and interest (motivational CQ) in other cultures with the behavioral flexibility of showing appropriate verbal and non-verbal behaviors when interacting with people from different cultures (Ang, Van Dyne & Koh, 2006). It "refers to outward manifestations or overt actions: what people do rather than what they think" (Ang et al., 2007: 337).

Applying Sternberg & Detterman's framework (1986), Earley & Ang (2003) conceptualized CQ as a four-dimensional construct comprising cognitive, metacognitive, motivational and behavioral dimensions. Metacognitive CQ is the self-awareness of one's cultural knowledge and the ability to properly use and adapt these mental models during cross-cultural interactions. It includes knowledge of and control over individual thought processes (Flavell, 1979) relating to culture. Individuals with high metacognitive CQ are aware of others' cultural preferences and norms. Relevant skills are, among the others, "planning, monitoring and revising mental models" (Ng, Van Dyne and Ang, 2009). Not only are individuals with high metacognitive CQ aware of their cultural knowledge, but they also question cultural assumptions and adapt mental models to the cultural interaction (Ang et al., 2007). Cognitive CQ represents the knowledge of norms, practices, values and conventions of a different culture acquired through education, or, personal experience (Ang et al., 2007). Individuals with high cognitive CQ can "anticipate and understand similarities and differences across cultural situations" (Ng et al., 2009). Motivational CQ refers to one's propensity to commit to adaptive behaviors when in a culturally unfamiliar context (Earley & Peterson, 2004). Ang et al. (2007: 338) argued that the motivational component of CQ "reflects the capability to direct attention and energy toward learning about and functioning in situations characterized by cultural differences". Based on the expectancy-value theory of motivation (Eccles & Wigfield, 2002), motivational CQ includes intrinsic motivation (Deci & Ryan, 1985) and self-efficacy (Bandura, 1997). People with high motivational CQ are intrinsically interested in cross-cultural interactions and self-confident about their cross-cultural effectiveness (Ang et al., 2007). They are also confident they can manage the stress of adaptation to a culturally different setting (Jyoti & Kour, 2015). Behavioral CQ includes the individual's skills of showing appropriate verbal and non-verbal actions, based on cultural values of specific settings (Hall, 1959). Those with high behavioral CQ show, in fact, situationally appropriate behavior (Ang et al., 2007). People with high behavioral CQ show good verbal and non-verbal communication capabilities, such as being able to exhibit culturally appropriate words, accents, pauses, tones, rate of speaking, gestures and facial

expressions so as to interact effectively with foreign individuals in different cultural contexts (Ng et al., 2009).

CQ and Export Performance

So far, research has mostly focused on the impact of CQ on individual-level measures of performance (work-related dimensions and outcomes). For instance, Ang et al. (2007) show that there is a positive relationship between CQ and task performance. In particular, metacognitive and behavioral CQ are recognized as predictors of task performance in intercultural settings. Chen et al. (2010) found that motivational CQ is positively related to expatriates' job performance (mediated by work adjustment). Moreover, Chen, Lin & Sawangpattanakul (2011) demonstrate that CQ is a predictor of Philippine laborers' performance in a cross-cultural setting. Recently, Ang & Van Dyne (2015) proposed a positive influence of executive CQ on the performance of managers in global firms. CQ provides these managers with the skills necessary to make good investments in culturally distant countries as well as to properly communicate and understand their foreign partners (Ang & Van Dyne, 2015).

However, CQ is likely to influence also aggregated-level outcomes, such as the export performance of the firm. Magnusson et al. (2013) were the first authors to recognize and explain the relevance of motivational and metacognitive CQ for export performance. Motivational CQ allows the marketing managers to adapt the marketing mix strategy to the foreign environment, whereas metacognitive CQ makes them aware of which marketing adaptation is worthy of implementation (Magnusson et al., 2013). Although these authors made a remarkable contribution, they focused on a very specific aspect of the relationship between CQ and export performance, namely the moderating influence of CQ on the export performance (Magnusson et al., 2013). More recently, Charoensukmongkol (2016) provided empirical evidence for a more direct effect of CQ on export performance, though still mediated by international knowledge acquisition capability. In other words, managers' CQ, by enhancing the knowledge of the firm about several aspects of the international markets, has a positive indirect influence on export performance. However, the export manager's CQ may directly influence the export performance of the firm in many other ways (it may influence, for instance, the way in which the export managers select, enter and expand in foreign countries, it may provide the export managers with the abilities to monitor business with overseas customers and effectively select and deal with culturally different partners). We build on the findings of Magnusson et al. (2013) and Charoensukmongkol (2016) and test a direct overall relationship between CQ and export performance, recognizing CQ as a

determinant of export performance by itself. In other words, we argue that CQ is a necessary capability for the manager to successfully deal with foreign parties during the internationalization process. As suggested by Charoensukmongkol (2016: 117), "it may be possible that the CQ of business owners can benefit the firm's international performance from the quality of relationship that business owners are able to develop with foreign exchange partners".

CQ and, specifically its metacognitive dimension, has been recognized to enable managers to succeed in intercultural relationships (Ang et al., 2007; Chua, Morris & Mor, 2012; Mor, Morris & Joh, 2013). As Chua et al. (2012) suggest, managers high in metacognitive CQ collaborate across cultures more effectively. According to Ang et al. (2007), cultural metacognition increases intercultural effectiveness. Cultural metacognition is also critical to intercultural collaborations because it enhances communication quality and affect-based trust (Chua et al., 2012). Mor et al. (2013) further demonstrate the importance of metacognitive CQ for successful intercultural collaborations with culturally different counterparts. CQ has been also recognized as an important determinant of intercultural negotiation effectiveness (Imai & Gelfand, 2010). According to Imai & Gelfand (2010), dyads equipped with CQ will engage in more effective negotiation behavior, which, in turn, enhances their joint profit. Therefore, we suggest that CQ enables export leaders to effectively manage cross-cultural relationships during the internationalization process of the firm, and in this way, improves its export performance. In other words, CQ positively influences the export performance, such that those firms whose leaders possess high CQ will experience higher export performance than the others. We believe this to be particularly true in the case of the SMEs that are the subject of our study.

Hypothesis 1: CQ positively influences export performance, such that the higher the CQ of export leaders the higher the export performance of the SME.

In the literature CQ has been conceptualized at a very general level, but just as Leonidou et al. (1998) distinguish between general and specific managerial attributes, depending whether they are specifically related to export activities or not, we also introduce a more specific type of CQ, specifically targeted to the export business. Based on previous literature on CQ, we propose that the CQ exists at two levels: general and task-specific. CQ at the general level is by definition of a nonspecific nature and thus may influence not specifically export-related activities but also, or mostly, other corporate activities. By general

CQ we refer to the capability of the individual "to grasp, reason and behave effectively in situations characterized by cultural diversity" (Ang et al., 2007). Although, as pointed out by Ang et al., (2007), this is a form of intelligence which focuses on a specific domain (i.e. intercultural settings), it is not specific to the task performed by the individual. We contend that different types of cultural intelligence (CQ) may be needed depending on the task the individual is assigned. Therefore, there is a need to look at the task-specific level of CQ, which reflects the abilities of the individual in functioning and managing effectively in intercultural settings while performing a specific task. In other words, when predicting the outcome of a particular intercultural task, we should consider the task-specific level of CQ of the individual, rather than his or her general CQ. This latter might not correctly reflect the characteristics of a narrower and practice-oriented form of intelligence, which is concretely used by the individual for the specific task at hand. Thus, we envisage that the task-specific level of CQ is more predictive in that it might have a greater positive influence on export performance than a general level of CQ. Therefore, we hypothesize that the task-specific level of CQ is positively related to export performance, its influence being stronger than the impact of a general form of CQ.

Hypothesis 2: Task-specific CQ positively influences export performance, such that the higher the task-specific level of CQ of export leaders the higher the export performance of the SME.

CQ and Cultural Distance

While we have hypothesized that CQ, as an overall construct, influences the export performance of the firm, we surmise that the relevance of CQ differs depending on whether the firm exports to countries culturally closer or distant from the home country.

Cultural distance refers to the difference in cultural traits between the home country of a firm and the target foreign country (Kogut & Singh, 1988). Cultural distance has gained broad interest in international business research (Ricks, Toyne & Martinez, 1990). The reason for this interest is that the cultural differences between home and foreign countries increase the cost of entry, decrease operational benefits and hinder the transfer of core competencies to foreign markets (Bartlett & Ghoshal, 1989; Palich & Gomez-Mejia, 1999). As a consequence, the higher the cultural differences between home and foreign markets, the smaller the ability of the firm to operate effectively abroad (Gomez-Mejia & Palich, 1997; Hennart & Larimo, 1998).

Cultural distance has been primarily used to explain differences in firms' performance in international contexts (Luo and Peng, 1999; Morosini & al., 1998; Palich & Gomez-Mejia, 1999). However, previous research provided mixed empirical findings. Some researchers found a negative relationship between cultural distance and performance (Luo & Peng., 1999). The main reason lies in intra-organizational conflicts and poor implementation of organizational actions due to a lack of understanding of the norms, values and institutions of the foreign country (Tihanyi, Griffith & Russell, 2005). Cultural distance may also increase the complexity and uncertainty of the strategies and organizational choice for managers (Shane, Venkataraman & MacMillan, 1995). Conversely, other studies found evidence for a positive relationship between cultural distance and performance (Gomez-Mejia & Palich, 1997; Morosini et al., 1998). An explanation for this finding could be that cultural distance may enhance the performance of the firm through associated creativity benefits (Shane et al., 1995). For instance, by internationalizing in advanced R&D environments culturally distant from the home market, the firm may also achieve innovation-related benefits (Birkinshaw, 1997; Håkanson & Nobel, 2001). These studies suggest that culturally distant markets can provide the firm with new knowledge and resources, which, in turn, enhance the performance of the firm (Morosini et al., 1998).

In light of these ambivalent studies, we advance that cultural distance is to be seen as a moderating variable, rather than a main factor influencing firm outcomes. After all, cultural distance in itself does not "cause" firm performance to be better or worse, but it does impact on the effectiveness of managerial actions aimed at improving firm performance. In the context of our study, we hypothesize that cultural distance affects the importance of the CQ of export managers. Since CQ is the ability to function effectively in cross-cultural relationships, SMEs leaders need this ability most when the cultural distance between home country and export country is high. In these situations, export managers with a high CQ can effectively manage cultural differences with the foreign parties involved in their export activities, leading to higher export performance.

Hypothesis 3: Cultural distance positively moderates the relationship between CQ and export performance such that the higher the cultural distance between the country of origin and the foreign country, the stronger the effect of CQ on export performance.

Whereas above we discussed cultural distance as reflected in country-level indices, e.g., based on Hofstede's (1991) work, we should also take into account measures of cultural

distance at the level of the individual, such as the international experience of the manager and the manager's knowledge of the foreign language. Both measures gauge the cultural distance as experienced by the individual manager, and have been found as important determinants of export performance in previous studies. Management's international experience refers to the degree of international experience of the management in terms of: professional exporting experience, living and working experience abroad and skills and abilities for exporting (Cavusgil, Zou & Naidu, 1993; Das, 1994; Lages, Jap & Griffith, 2008). Experience in multiple countries equips managers with a variety of insights and an extensive knowledge base (March, 1991). Managers can, in fact, take advantage of already existing international business networks, manage relationships and activities in new contexts and improve the ability of dealing with foreign markets and customers (Stoian, Rialp A. & Rialp J., 2011). This may affect, in turn, export performance. As management's experience in international markets increases, a greater experiential knowledge regarding the international markets accumulates (Leonidou et al., 1998). Moreover, managers, who have travelled abroad, are better prepared to study the export market, identify foreign opportunities and encounter potential clients (Leonidou, Katsikeas, Palihawadana & Spyropoulou, 2007).

Similarly, the knowledge of relevant foreign languages may help managers to build social and business networks abroad, improve communication with foreign customers, facilitate an effective planning and control of export activities (Leonidou et al., 1998). In addition, as managers with linguistic skills are more likely to access new markets and exit from existing ones (Williams & Chaston, 2004), this may lead to a more flexible approach in the export strategy of the firm. In general, firms run by managers with foreign language skills reach higher levels of export performance than those run by managers lacking those skills (Knowles, Mughan & Lloyd-Reason, 2006; Stoian et al., 2011).

As a consequence, both manager's international experience and knowledge of the foreign language contribute to reduce the cultural distance, as relevant to a specific manager, between the home country and the export country. In other words, firms, whose managers possess a higher international experience and knowledge of foreign languages, by leveraging on those managers, experience a lower cultural distance with respect to the foreign export countries. Hence, if the cultural distance between the home country and the export country is low, there is less need for managers with high levels of CQ in order to improve the export performance of the firm.

Thus, we advance the following hypotheses:

Hypothesis 4: The international experience of the manager negatively moderates the relationship between CQ and export performance such that the higher the international experience of the manager, the weaker the effect of CQ on export performance.

Hypothesis 5: The knowledge of the foreign language of the manager negatively moderates the relationship between CQ and export performance such that the higher the knowledge of the foreign language of the manager the weaker the effect of CQ on export performance.

CQ and Export Channels

Apart from cultural distance we argue that the overall positive effect of CQ on the export performance of the firm is also influenced by the export channel chosen, as this affects the type of interaction between the export manager and foreign partners.

Charoensukmongkol (2016, p.117) advances that the benefit of CQ of business owners to the firm's international performance may be derived from the quality of the relationships that they are able to develop with foreign exchange partners. This suggests that CQ becomes more effective if relations with foreign partners are more important. Building on these insights, we not only analyze the effect of CQ on the relationship between the managers and their foreign partners in the export activities, but we also put forward that the influence of CQ on export performance varies depending on the type of the export channel chosen, because the interactions with foreign partners differ between export channels.

TCE, Export Channels and Export Performance

As suggested by Haas, Diamond and Sutton and further reinforced by John & Weitz (1988), we can classify channel organizations with respect to the degree of forward integration into direct and indirect export channels.

In the direct channel the firm retains ownership of the product until it passes to the end-user, without employing an independent reseller. All of the downstream tasks are undertaken by company employees, or, else, by commission agents. The direct export channel category comprises hierarchical and hybrid export channels. In the hierarchical export channel, the firm decides to rely on either a wholly-owned sales subsidiary in the foreign market or company personnel, whereas the hybrid export channel involves the sharing of tasks between the firm and its partners over the distribution functions (i.e. sales Joint Ventures and commission agents) (Rangan, V. Kasturi, E. Raymond Corey & Frank Cespedes, 1993). In contrast with the hierarchical export channel where the firm is the only

one having "any claim to residual profits" (John & Weitz, 1988, p. 339), in the case of the sales JV the profits are shared with the partners. In addition, the parties involved in the hierarchical export channels are essentially company employees, whereas in the hybrid export channels they are either commission agents or JV partners. The hybrid export channel involves an intensive relationship between the firm and external partners, who are mostly foreign parties culturally different from the focal firm. Although in a JV the incentives of all actors are aligned "through joint commitment of financial or real assets" (Kogut, 1988), the extent to which goals are shared with external partners (commission agents and JV partners) need to be constantly verified and their actions monitored so as to guarantee a common vision and harmonized actions throughout the collaboration.

Conversely, in the indirect channel the firm sells to independent resellers, such as distributors, wholesaler, retailers, who, in turn, resell the product to end-users or other resellers. Indirect channels are often referred to as distributors. The distributor is a company that does not depend on the manufacturer and whose goals and interests seldom mesh exactly with those of the manufacturer (Rosson & Ford, 1982). Exporting through international intermediaries represents a low-cost, but also low-control way to enter a foreign market (Bello, Urban & Verhage 1991). The firm shifts responsibility to the foreign distributors, who are compensated by the profit margin on their sales and other activities (Shipley, Cook & Barnet, 1989). As key functions are delegated, the focal firm exerts a low level of coordination of the foreign marketing of its products and has a low level of control (Bello & Gilliland, 1997). As suggested by Rosson & Ford (1982, p.57), the exporting firm will experience a dilemma, because "although high performance in the foreign market is desired, the lack of absolute control over marketing means that the exporter is partially dependent on another company to achieve its aims". Although both companies have a mutual benefit in the exploitation of a business opportunity, as each party bargains in order to prioritize its own goals, tensions and conflicts may occur (Bello & Gilliland, 1997). The parties of such a relationship display so-called "mixed-motives" (Schmidt & Kochan, 1977, p.221) in the sense that they can be cooperative and conflicting at the same time. Thus, tensions and disagreements may be a prevailing condition of such relations (Stern & Reve, 1980, p. 58).

As pointed out by Rosson and Ford (1982) what distinguishes the relationship between the exporting company and the distributor in the international exporting channel is the "distance" between the two companies. Acknowledging the importance of this research, we contend that this "distance" might be a key characteristic of all the relationships between the exporting firms and its foreign partners involved in the export channel (commission

agents, JV partners and foreign distributor), whose objectives may be either more or less aligned to the firm's. Going beyond a mere distinction between direct and indirect export channels, we assume the relevant difference to be that between hierarchical export channels on the one hand and hybrid and market export channels on the other. We will refer to this latter type of export channels as 'collaborative export channels' (hybrid and market-based export channels). Contrary to the relationship between the exporting firm and its personnel or representatives, a key characteristic of the collaborative export channels is the distance with its foreign partners (commission agents, JV partners, foreign distributors). This distance can be defined "as the sum of factors preventing flows of information and understanding" "and includes geographical, cultural and social elements" (Rosson & Ford, 1982, p. 58). As pointed out by Bello & Gilliland (1997), in order to overcome distance and export successfully, some method for achieving "closeness" should be encouraged. Given the cross-border dimension in export channel relationships, CQ may represent the key capability to reduce all the above-mentioned facets of distance by increasing the effectiveness of intercultural relationships. As extensively discussed in the literature, CQ helps individual to overcome cultural differences by managing intercultural relationships more effectively (Ang et al., 2007; Chua, Morris & Mor, 2012; Mor, Morris & Joh, 2013). In general, individuals with higher CQ show greater interpersonal trust toward culturally different individuals (Rockstuhl & Ng, 2008). In addition, individuals with higher CQ are usually more cooperative, agreeable and adaptable towards culturally different others (Ang, van Dyne & Koh, 2006; Kim, Kirman & Chen, 2008; Imai & Gelfand, 2010). In other words, through the CQ the individuals are more prepared to adapt their roles and routines to the culture of the foreign partner and committed to develop a business in the foreign market.

In addition, the CQ increases the sharing of decision-making and decreases the level of tension and disagreement between culturally different parties. Should conflict or communication setbacks arise, due to cultural differences, these individuals tend to approach conflict cooperatively and put great effort into having a deep understanding of their surroundings so as to adapt effectively to the intercultural situations (Imai & Gelfand, 2010).

To sum up, in case the firm decides to export through collaborations with foreign parties (i.e. commission agents, JV partners and foreign distributors), conflicts, lack of collaboration and misalignment of the collaboration objectives between the companies may arise so as to threaten the collaboration and, ultimately, the export performance of the exporting firm. Therefore, CQ on the part of the export managers of the exporting firm is

needed in order to overcome the distance between the exporting firm and its foreign partners, in order to achieve successful intercultural collaborations and enhance export performance.

Thus, we advance the following hypothesis:

Hypothesis 6: Export channels influence the relationship between CQ and export performance such that the positive effect of CQ on export performance is stronger for hybrid and market export channels (collaborative export channels) than for hierarchical export channels (direct export channels).

Methods

Data Collection and Variables

We collected data in Italy through a large-scale online survey. The questionnaire was developed in English after an extensive review of the relevant literature on factors influencing export performance and CQ. It was subjected to a round of pilot testing with Italian practicing managers, the aim of which was to assess the clarity and coherence of the questionnaire in its Italian translation. The final questionnaire was in Italian and had a total of 51 questions, divided in three sections: information about the manager and the firm, the export activities of the firm and the firm's export alliances.

The questionnaire was sent to 77.012 leaders of Italian SMEs through the *Qualtrics online software*. It was sent in one wave to six different panels between November 2015 and January 2016. In January 2016, we sent a reminder to those who started filling out the survey without finishing it. The sample was drawn from the *Kompass Database* and included only Italian SMEs. Therefore, following the European Union definition, we included all the Italian firms with fewer than 250 employees.

Of the 77.012 emails sent, 1.154 usable questionnaires were returned (leaving out duplicates, bounced and failed emails). However, the email addresses were three years old at the time of the survey and only 9.970 respondents opened the received email invitation. Of the firms excluded through this process, a few could not be contacted because of old or incorrect email addresses, others shut down their activity, or moved without leaving a forwarding address. Another percentage of these respondents died, changed firm, or refused to take part to the survey. Therefore, by excluding those respondents, who did not even open the email invitation, the final response rate was 8% (1,5% of total initial sample).

Independent variable – Cultural Intelligence. We measured the *Cultural Intelligence (CQ)* at two different levels.

The first general measure for CQ was taken from Ang et al. (2007). Respondents were asked to answer to 20 items, on a 7-point Likert scale: Metacognitive CQ (α=0,7704), Cognitive CQ (α=0,8848), Motivational CQ (α=0,8639), Behavioral CQ (α=0,8854).

The second way of measuring the CQ is task specific in that it relates to the CQ of the managers during the export business. It was measured by using the reduced 10-item CQ scale on a 5-point Likert scale by Thomas et al. (2015): cultural knowledge (α=0,8588), cultural skills (α=0,8333) and cultural metacognition (α=0,8168).

Dependent variable - Export performance. In line with previous export studies (Lages et al. 2008), we used objective and subjective measures for our dependent variable *export performance.* All of the following measures referred to the export performance of the firm between 2014 and 2015 in its most important export country. *Export performance achievement* (α=0,9513) was measured with a 5-item Likert scale adapted from Lages et al. (2008) and referred to the extent to which the firm achieved its export objectives in terms of sales, market share, profitability and overall export performance. *Export performance intensity* (α=0,9559) was measured with a 5-item Likert scale adapted from Lages et al. (2008) and referred to the change in percentage of: exports to total sales volume, exports to total sales revenue and exports to total profitability.

Export performance satisfaction (α=0,9652) was measured with a 5-item Likert scale adapted from Lages et al. (2008) and referred to the satisfaction of the managers with the export objectives of the firm in terms of sales, market share, profitability and overall export performance.

Given the strong correlations between the three measures, we decided to use an overall measure of *export performance,* as dependent variable, composed by the three abovementioned dimensions (*export performance achievement, intensity and satisfaction)*.

Moderating variables. The first moderating variable is *cultural distance (CD),* which was calculated by using multiple sources. First of all, given its popularity, we used the Hofstede's five dimensions of cultural distance: individualism, masculinity, uncertainty avoidance, power distance and long-term orientation. By using the composite index by Kogut & Singh (1988), we computed the deviation along each of the five dimensions of each country from Italy. Algebraically:

$$CD_j = \sum_{i=1}^{5} \frac{(I_{ij} - I_{iI})/V_i}{5}$$

where I_{ij} is the index of the i_{th} cultural practices dimension and j_{th} country, I_{iu} is the index of the i_{th} cultural practices dimension of Italy, V_t is the variance of index of the i_{th} cultural practices dimension, and $CD_j$is the cultural distance of the j_{th} country from Italy.

This operationalization yields an objective measure of CD, but individual managers may differ in their assessment of cultural distance, depending on their abilities and experiences. Therefore, we also measured the CD using two more variables, which can be used as proxies for CD at the individual level: the managers' knowledge of foreign languages (adjusted from Cavusgil & Naor, 1987) and international experience (Lages et al. 2008). *Knowledge of foreign languages* was captured by asking the managers their knowledge of foreign languages (English, Spanish, French, German and other) on a 5-point Likert scale, ranging from "None" to "Excellent" (α=0,6). According to Lages et al. (2008) *managers' international experience* was measured on a 5-point scale, by asking the managers their degree of: overseas experience live/work abroad, professional exporting experience and training in exporting (α=0,8241).

In addition, given increasing concerns regarding the relevance of Hofstede's measures of culture, given their age, reliance on single company data, non-exhaustiveness and imperfect psychometric characteristics (McSweeney, 2002; Ng, Lee & Soutar, 2007; Shenkar, 2001; Smith, Peter B., Mark F. Peterson & Shalom H. Schwartz, 2002), we have also employed two other objective measures of CD in the robustness checks. These two measures of cultural distance were also calculated by using the Kogut and Singh index, but rely on the scores of Schwartz's (1994) and the GLOBE project scores (House, Hanges, Javidan, Dorfman & Gupta, 2004).

The second moderating variable is *export channels.* Respondents were asked to indicate which statement best represented the export channel they use in their most important export market. According to Klein, Frazier & Roth (1990), respondents were asked which kind of export channel they mainly used in the most important export country: (1) Merchant distributor who takes title to the products and contact buyers himself; (2) Commission agents; (3) Sales joint venture; (4) Market served directly from Italy, using company personnel; (5) Wholly owned sales subsidiary in the foreign market; (6) Other (please specify). These categories were subsequently reduced to three: (1) hierarchical export channels; (2) hybrid export channels; (3) market-based export channels (category 4) and 5) were lumped together into hierarchical export channels, category 2) and 3) were combined into hybrid export channels and category 1) was included in market based export channels). We created three

dummy variables for each export channel category, which takes a value of 1 if the firm uses that specific export channel and 0 otherwise.

Control variables. We included an extensive number of control variables that have been linked to export performance by previous research (Sousa et al. 2008).

First of all, we controlled for a few variables at the firm level. *Firm industry* was measured with a categorical variable by asking respondents the sector to which the firm belongs (categories provided according to Ateco classification, 2007). In order to have a more meaningful variable for *industry* we further reduced these categories to five (Agriculture, Forestry and Fishing, Service, Manufacturing, Trade and Construction) and included them as dummy variables in the models. For each of these five industries, a value of 1 means the firm is in the industry, while a value of 0 indicates the firm is not in the specific industry. In line with the European definition of micro, small and medium-sized firms, *firm size* was operationalized as a categorical variable (0-9, 10-49, 50-249, >250). The last category was included in order to control for potential expansion of the SMEs in our sample between 2012 (when data and contacts of SMEs in our sample were extracted from the Kompass database) and 2015 (when the survey was conducted). For each of these five categories we created a dummy variable. A value of 1 means the firm belongs to that size category, while a value of 0 indicates the firm is not in that size category.

In addition, some research shows that the export channel a firm uses determines the export performance (Bello & Gilliland, 1997). Therefore, we included export channel also as a control variable in the models where export channels is not the moderator (i.e. the base model, the models testing the main relationship between CQ and export performance and the models testing the moderation by CD). In order to use export channels as control variables, we created three dummy variables for each export channel category, which takes a value of 1 if the firm uses that specific export channel and 0 otherwise.

As suggested by Sterlacchini (2001), we also controlled for the *firm location,* which considered where the HQ of the firm was located in Italy. Firm location includes three categories: North, Center and South. Three dummy variables were created for each of these categories. A value of 1 means the firm is located in that specific Italy area, while a value of 0 indicates the firm is not in that particular Italy area.

Moreover, we included a number of firm transaction cost variables that have been linked to export performance and controlled for in previous studies (Brouthers & Xu, 2002; He et al., 2013). We measured the *asset specificity* of physical assets (α=0,5824), which is "the extent to which specialized investments are needed to support an exchange" (Shervani,

Frazier & Challagalla 2007), with a three-item scale by Aulakh & Kotabe (1997) and adjusted it so as to have a 7-point Likert scale, ranging from 1 "Strongly disagree" to 7 "Strongly agree". Then, we included *exporting experience* (He et al., 2013) – the number of years the firm had been exporting. In order to assess *external uncertainty,* we adjusted the scale by Klein et al. (1990). Two dimensions of *external uncertainty* were assessed: volatility and diversity. Volatility (α=0,7378) refers to the extent to which the environment changes rapidly, while diversity (α=0,3266) has to do with the extent to which there are multiple sources of uncertainty in the environment. Seven-point scales ranging from 1, "Strongly disagree", to 7, "Strongly agree", were used. Because of the low α of the diversity variable, we included only volatility in our models.

Results

Before using the inferential analysis, we assessed the validity and reliability of the constructs with confirmatory factor analysis (CFA). In this first phase, measurement models were tested to assess the convergent and discriminant validity.

Analysis

In order to assess the convergent validity of the measures, the constructs were subjected to a confirmatory factor analysis (CFA) using full-information maximum likelihood procedure with missing values in STATA 14.0. Confirmatory factor analysis (CFA) is a multivariate statistical procedure that is used to test how well the measured variables (latent variables) explain the number of constructs (items).

We subjected to CFA all the variables (dependent, independent and control variables), which are included in our models as latent variables. We subjected to CFA the independent variable (CQ) and the dependent variables (Export achievement, intensity and satisfaction) separately by using the SEM (structural equation model). Similarly, we subjected to CFA the other latent variables serving as controls in our models. First of all, we subjected to CFA a higher-order model with one second-order factor (CQ) and four first-order factors, which are the dimensions of CQ (Metacognitive CQ, Cognitive CQ, Motivational CQ and Behavioral CQ). A graphic representation of the model is shown in the figure below.

Figure 1 about here

A good model fit is suggested by a non-significant χ^2 test. However, since χ^2 is sensitive to a large sample size, we also considered other recommended model fit indices. A good model fit is indicated by SRMR lower than 0.08, RMSEA lower than 0.06 and other

indices higher than 0.95 (Hu & Bentler, 1998, 1999). The second-order factor structure yielded good model fit with χ^2=548.196, 164 d.f., p<0.00, RMSEA=0.052, CFI=0.954, TLI=0.947, CD=0.811. Second, we subjected to CFA each of our dependent variables measuring the Export Performance (Export Achievement, Export Intensity and Export Satisfaction).

Figure 2 about here

The model, subjecting Export Achievement to CFA, yielded good fit with χ^2=7.273, 3 d.f., p<0.00, RMSEA=0.053, CFI=0.998, TLI=0.995, CD=0.939, SRMR=0.007.

Figure 3 about here

The model, subjecting Export Intensity to CFA, yielded good fit with χ^2=0.000, 0 d.f., p<0.00, RMSEA=0.000, CFI=1.000, TLI=1.000, CD=0.982, SRMR=0.000.

Figure 4 about here

The model, subjecting Export Satisfaction to CFA, yielded good fit with χ^2=5.084, 2 d.f., p<0.00, RMSEA=0.055, CFI=0.999, TLI=0.996, CD=0.954, SRMR=0.005.

Finally, we subjected to CFA a higher-order model with one second-order factor (Export Performance) and three first-order factors (Achievement, Intensity, Satisfaction).

Figure 5 about here

The model, subjecting Export Performance to CFA, yielded acceptable fit with χ^2=748.576, 57, p<0.00, RMSEA=0.155, CFI=0.928, TLI=0.901, CD=0.953 SRMR=0.030.

In order to double-check for the reliability of the measurement models, CFA was also done with the three two-factor models shown below. All of the three models yielded good fit as shown in table 8.

Figure 6 about here

Figure 7 about here

Figure 8 about here

Table 8 about here

Thus, convergent validity has been established through the CFA. Further, we checked for convergent validity by using the CONDISC command in STATA 14.0. In this way we assessed that the average variance extracted (AVE) for all of the constructs was equal to or higher than 0.5, which is the cut-off for establishing the convergent validity of the constructs.

Discriminant validity has been established by using the CONDISC command in STATA 14.0, which allows comparing squared correlation (SC) among the latent variables with the average variance extracted (AVE) by latent variable. We assessed the discriminant validity among the main latent variables of our models (Metacognitive CQ, Cognitive CQ, Motivational CQ, Behavioral CQ, Export achievement, Export intensity and Export satisfaction). Evidence of discriminant validity was revealed by the fact that the shared variance among any two latent variables (squared correlation) was less than the average variance (AVE) explained in the items by the latent variables (Fornell & Larcker, 1981; MacKenzie, Podsakoff & Rich, 2001), thereby proving discriminant validity of the constructs (Table 9).

To check internal consistency, Cronbach's alpha has been used as it is the indicator of the reliability of constructs (Cronbach, 1951). α values equal to or greater than 0.70 indicate good reliability (Nunually, 1970; O'Leary-Kelly & Vokurka, 1998). In the present study α values for all constructs are greater than 0.70 (Table 9).

Table 9 about here

Once convergent and discriminant validity have been established, we predicted the value of all the latent variables by using the PREDICT command in STATA 14.0 as a post-

estimation tool after SEM. Therefore, by using the predicted values of the variables, as if they were observed variables, we could move to linear regression models to test our hypotheses.

Table 10 provides descriptive statistics, including the mean, standard deviation and correlations between the variables.

Table 10 about here

Impact of Cultural Intelligence (CQ) on Export Performance

Table 11 provides the results of the regression analysis of export performance.

Table 11 about here

First, we assessed a model with only the control variables. Then, we added the independent variable and the moderating impact of cultural distance and export channels.

In particular, we introduced a layered hierarchical view of the CQ by measuring our independent measure (CQ) at two different levels: general and domain specific.

Model 1 in Table 11 is our base model and was significant ($p<0.01$). The control variables explain about 7.7% of the variance in our dependent variable, export performance. Model 2 contains the same control variables and our independent variable: CQ. Our results show that Model 2 was significant ($p<0.01$) and that the CQ variable was also significant ($p<0.1$) and positively associated with export performance, thereby confirming our Hypothesis 1.

Model 3, 4 and 5 look at the moderating impact of cultural distance (CD) on export performance. In order to measure cultural distance, Model 3 used the Kogut & Singh (1988) formula based on Hofstede's (1991) five dimensions of national culture, while Model 4 and 5 used the manager's international experience and knowledge of the foreign language. In particular, Model 3 was significant ($p<0.01$), but the moderating variable was not ($p>0.1$). Model 4 and 5 were significant ($p<0.01$) and the moderating variable was also significant ($p<0.01$ and $p<0.1$ respectively), and negative. This is in line with our expectations. A higher international experience and knowledge of the foreign language of the manager means, in fact, a lower cultural distance between the home country and the main export country. If, in turn, the cultural distance between the home and the export country is lower, there is less need for managers with high levels of cultural intelligence (CQ) during the export activities. Therefore, the influence of cultural intelligence (CQ) on export performance would be

weaker. In contrast with Hypothesis 2, Hypotheses 3 and 4 are supported. This suggests that the subjective measures of cultural distance (CD) better explain the hypothesis of a different effect of CQ on export performance depending on how much the export country is culturally distant from the home country. In addition, there was an increase in the regression R^2 from Model 3 to Model 4 (from 10.2 to 11.2) and as compared with the previous models.

The next models (Model 6, 7, 8, 9) use the task-specific measure of CQ related to the export business as independent variable. Model 6 in Table 11 contains the same control variables as the previous models and our task specific CQ as independent variable. Results show that Model 6 was significant ($p<0.01$) and that the CQ variable was also significant ($p<0.01$), thereby confirming our Hypothesis 2.

Model 7, 8 and 9 look at the moderating impact of cultural distance on export performance. In order to measure cultural distance, Model 7 used the Kogut & Singh (1988) formula based on Hofstede's (1991) five dimensions of national culture, while Model 8 and 9 used the manager's international experience and knowledge of the foreign language. In particular, Model 7 was significant ($p<0.01$), and the moderating variable was also significant ($p<0.1$) and positively associated with Export Performance. Model 8 and 9 were also significant ($p<0.01$) and the moderating variable was highly significant ($p<0.01$), but, as discussed above, and in line with our expectations, negatively associated with export performance. Finally, there was an increase in the regression R^2 as compared with Model 6 (from 10 to 12.2).

Figure 9 and 10 give a graphic representation of the moderation by cultural distance, calculated by using the Kogut & Singh (1988) formula (Figure 9) and the manager's international experience (Figure 10).

Figure 9 about here

Figure 10 about here

Model 10 and 11 explore the interaction between the CQ at the general and task specific levels and export channels. Model 10 was significant ($p<0.01$) with a regression R^2 of 0.07. Model 11 was also significant ($p<0.01$). There was an increase in the regression R^2

compared with the previous model from 0.07 to 0.09. The Wald tests of simple and composite linear hypotheses about the parameters of our models indicated that the overall effect of the interaction was not significant in either case (p>0.1). In addition, both Models 10 and 11 have a lower regression R^2 compared with the previous models, which look at the moderating impact of cultural distance.

The above results are generally consistent with our hypotheses. According to Hypothesis 1, the results indicate a positive influence of the managers' CQ on the firm's export performance. In line with Hypothesis 3, our findings indicate that the higher is the distance of the export country from the home country the more the firm needs managers with a high level of cultural intelligence (CQ) to achieve a better export performance. These results are stronger if we consider the task-dependent measure of CQ, instead of its general measure. In contrast with previous studies, this suggests that it is not so much the level of general CQ that matters for the fulfillment of a specific task like export management, but, rather, the specific capabilities relevant to the task (export business in our case). We also note that a measure of cultural distance that is specific to the focal manager, such as the international experience of the manager, better explains our hypothesis on the cultural distance. This indicates that country level measures of cultural distance are less informative of the obstacles encountered in doing business across borders than individual level measures.

Finally, Hypothesis 6, which suggests a higher influence of CQ on export performance if the firm exports through an indirect export channel, is not confirmed. The Wald tests of simple and composite linear hypotheses about the parameters of Model 10 and 11 indicated that the overall interaction between CQ and export channels is not significant (p>0.1).

Discussion, Limitations and Conclusion

In this article, we extend existing research on the factors leading to a successful internationalization strategy. In particular, our interest in the management characteristics, as determinants of export performance, led us to focus on the managers' cultural intelligence (CQ) as a relevant, yet under-estimated predictor of export performance. Only recently, Magnusson et al., (2013) and Charoensukmongkol (2016) have suggested the relevance of managers' CQ for export performance. Building on this, we theorize and test the notion that CQ may directly influence export performance by enabling export leaders to effectively manage cross-cultural relationships. Drawing on a sample of Italian SMEs, we find that the managers and their CQ play a key role in achieving a successful internationalization strategy and export performance improvements.

Our study makes four important contributions.

First, we make an important contribution to the export literature by recognizing the importance of the managers and their abilities in dealing effectively with culturally different partners (i.e. CQ) for experiencing higher export performance.

Second, our research explains the paradoxical findings in the cultural distance-firm performance relationship, which has so far characterized prior research on the topic (Morosini et al., 1998; Luo & Peng, 1999; Palich & Gomez-Mejia, 1999). In the current study, cultural distance is most fruitfully seen as a moderating factor, rather than a main variable in the relationship between CQ and export performance. This means that the higher the cultural distance between the home and the export country the more the firm needs managers with a high level of CQ to improve its export performance.

Another interesting contribution relates to the different levels at which we measured our independent variable (i.e. CQ) and moderating variable (i.e. cultural distance). In particular, we found that variables closest to the decision maker (i.e. task specific CQ and individual level cultural distance) explain more. In line with previous studies on the topic, we used a general level of CQ and cultural distance and we complemented this with a measure more specific to the situation (i.e. task specific CQ and individual level cultural distance). Our findings suggest that measures of the variables closer to the specific situation (i.e. export management) are more informative of the implications on the firm's export performance. In details, we provide evidence that a measure of the CQ (task-specific CQ), which specifically captures the CQ of the export managers during the export activities, matters more than general capabilities (general CQ) in the fulfillment of the export management activity and in explaining export performance improvements. Similarly, individual level measures of cultural distance (i.e. international experience of the manager and knowledge of the foreign language) better explain the cross-cultural issues encountered by managers in doing business across borders.

Finally, we theorized how the importance of the managers' CQ differs between export channels. Within our theory, we distinguish between direct export channels (hierarchical export channel) and a new category, namely collaborative export channels (hybrid and market-based export channels). As collaborative export channels involve cultural distance between the managers of the exporting firm and its foreign partners (i.e. commission agents, JV partners and foreign distributors), which may lead to conflicts and lack of collaboration between the parties, CQ is needed in order to manage inter-cultural relationships and achieve performance gains. However, contrary to our expectations, we found that the influence of CQ

on export performance does not vary with the export channel chosen. This counterintuitive finding suggests that, beyond the more stable collaborations with foreign partners (collaborative export channels), CQ is a crucial capability for export managers also when the firm exports through a direct export channel (hierarchical export channel). Direct export channels involve cross-cultural relationships between the export manager and foreign firms or customers. Although, in contrast with the long-term relationships with foreign partners, these are more frequently short-time relationships, they still require the manager's ability to deal with culturally different individuals and manage effectively cross-cultural relationships so as to improve the firm export performance.

Another interesting explanation for the non-significant moderation by export channels is that this moderation might be moderated, in turn, by the cultural distance between the home country and the export country. Therefore, we detected a three-way moderation by export channels and cultural distance, which is highly significant ($p<0.1$), as shown in Model 12 and 13 (Table 11). This moderation provides a more linear and traditional explanation regarding the moderation by export channels, according to which, the more the firm exports directly, rather than through some foreign distributors, the more it would need high levels of CQ of the managers to improve the export performance.

Figure 11 about here

As shown in Figure 11, if the firm exports directly (export channel=1), the more it exports in culturally distant countries the more the managers would need high levels of CQ to increase the export performance. If, on the other way, the firm exports through some foreign distributor (export channel=2), an increase in the cultural distance between Italy and the export country does not require a higher level of CQ on the part of the managers in order to improve the firm's export performance. The effect of CQ on export performance is even slightly detrimental in this case. The theoretical explanation for this result would be that collaborative export channels are mostly employed when the firm exports in countries different from the home country, in terms of socio-cultural and physical distance (Gatignon & Anderson, 1988; Goodnow & Hansz, 1972; Klein & Roth, 1990). In this situation, foreign intermediaries can effectively bridge these distances (Ahn, Khandelwal & Wei, 2011). Conversely, if the firm decides to export directly abroad, a gap between buyers and sellers is likely to arise. Therefore, managers' CQ may represent a key capability for the exporting firm

to reduce this gap by increasing the effectiveness of intercultural relationships with the firm's buyers and enhance export performance.

All in all, this paper represents a fundamental study, which stresses the importance of bringing the manager back in. Not only does the managers and their capabilities represent crucial factors for successfully internationalize, but measures of our variables closest to the export managers are more informative of the firm's export performance. Furthermore, our study helps improve managerial understanding of the importance for firms to hire managers with task-specific CQ or train managers to acquire those skills, thus ensuring a proper management of cultural differences in the process of exporting and, in turn, high levels of export performance.

Limitations and Conclusions

In this paper, we note a few limitations, which offer interesting opportunities for future research.

First of all, we collected data only from Italian exporting firms. Thus, our results might not be generalizable to firms from other countries.

Second, the majority of the firms in our sample belongs to the manufacturing sector. Although we expected this result, as manufacturing firms represent the biggest percentage of Italian SMEs, a promising avenue for future research would be to complement these empirical findings with further data on firms from other sectors in order to add generalizability and thus, consistency, to our results. These additional data could be collected through interviews or case studies so as to have a multi-method approach, which may help to deal with the issue in more details.

Third, we employed data from a single informant, although the questionnaire allowed to select carefully the main expert in export activities. Future studies could use a multi-informant approach in order to verify the accuracy of our findings.

In addition, we used cross-sectional data. Even though cross-sectional data are appropriate to study a phenomenon at a specific time, they do not allow to follow the possible dynamic process through which managers acquire and develop the CQ. Future research may use longitudinal data also to understand how this CQ learning process affects export performance over time.

Finally, despite the focus on CQ, we did not consider other resources and competences of the firm that, together with CQ, could have an influence on export performance. Future research may consider other resources and skills, which, combined with CQ, could create value in exporting.

In summary, our study provides important extensions to research in export and CQ by exploring the impact of CQ on export performance. We found evidence for the crucial role of managers and their CQ in the internationalization strategy of the firm. Furthermore, our article suggests a unique explanation to the equivocal findings in the cultural distance-performance relationship by providing evidence for a major role of CQ, as a dependent variable, on export performance and a moderating role, rather than a main role, of cultural distance. In addition, we develop new theory to explain the different importance of the managers' CQ according to the export channel adopted. However, contrary to our expectations, our results provided evidence for a more intuitive theory and suggest, conversely, the major importance of CQ for those firms exporting directly abroad. Thus, we move the CQ and export channel literature forward by addressing the impact of an underestimated capability of the managers, namely CQ, on the export performance of the firm.

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Appendix A - Figures and Tables

Figure 1 - Second order factor model - CQ

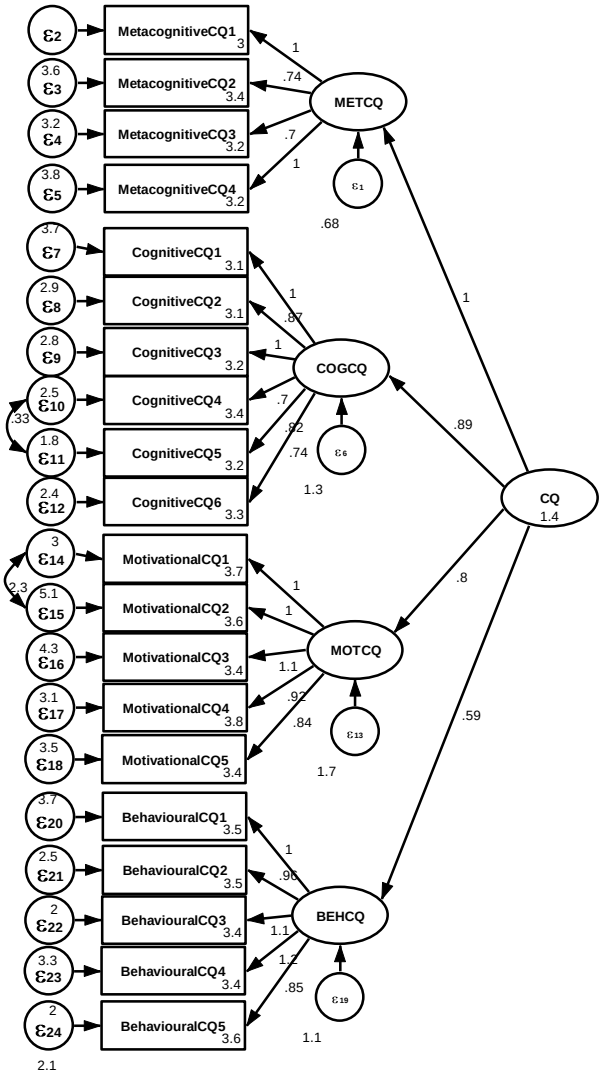


Figure 2 - First order factor model - Export Achievement

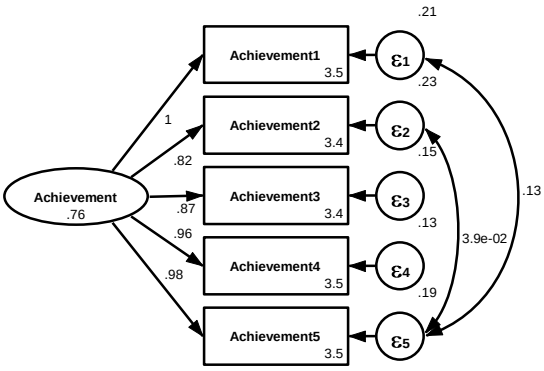


Figure 3 - First order factor model - Export Intensity

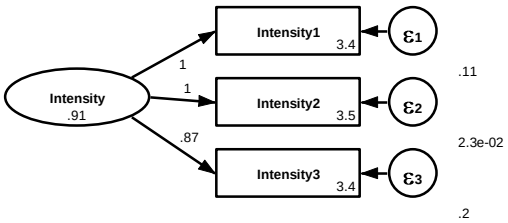


Figure 4 - First order factor model - Export Satisfaction

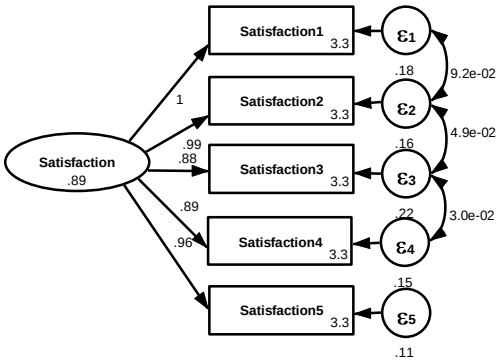


Figure 5 - Second order factor model - Export Performance

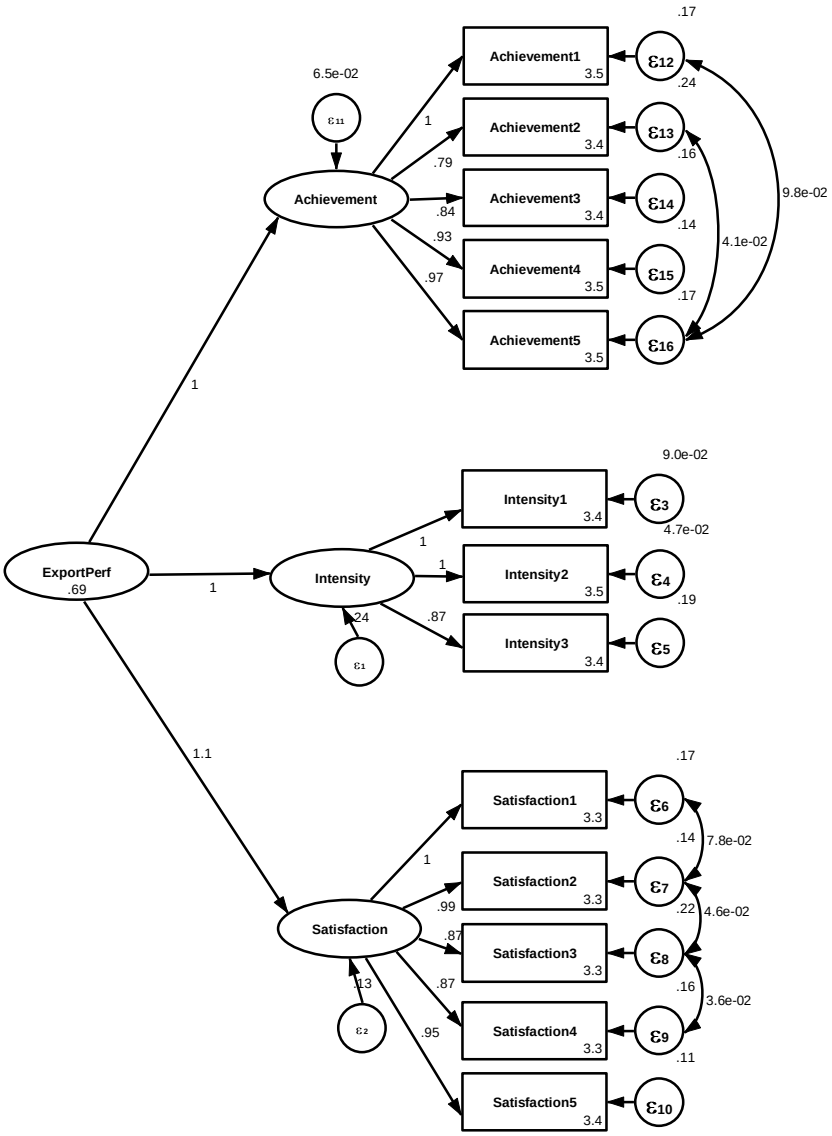


Figure 6 – Full model CQ - Export Achievement

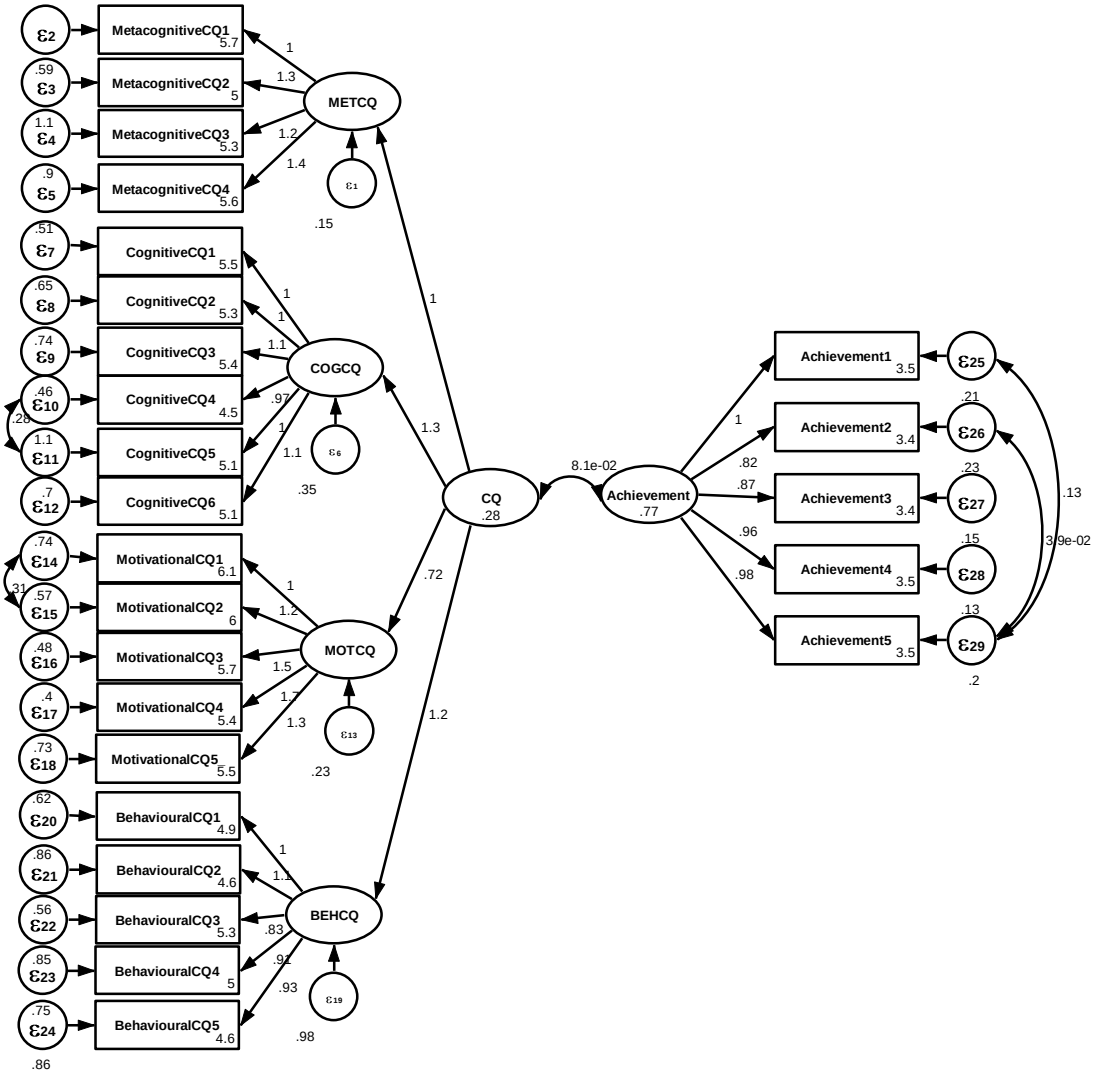


Figure 7 – Full model CQ - Export Intensity

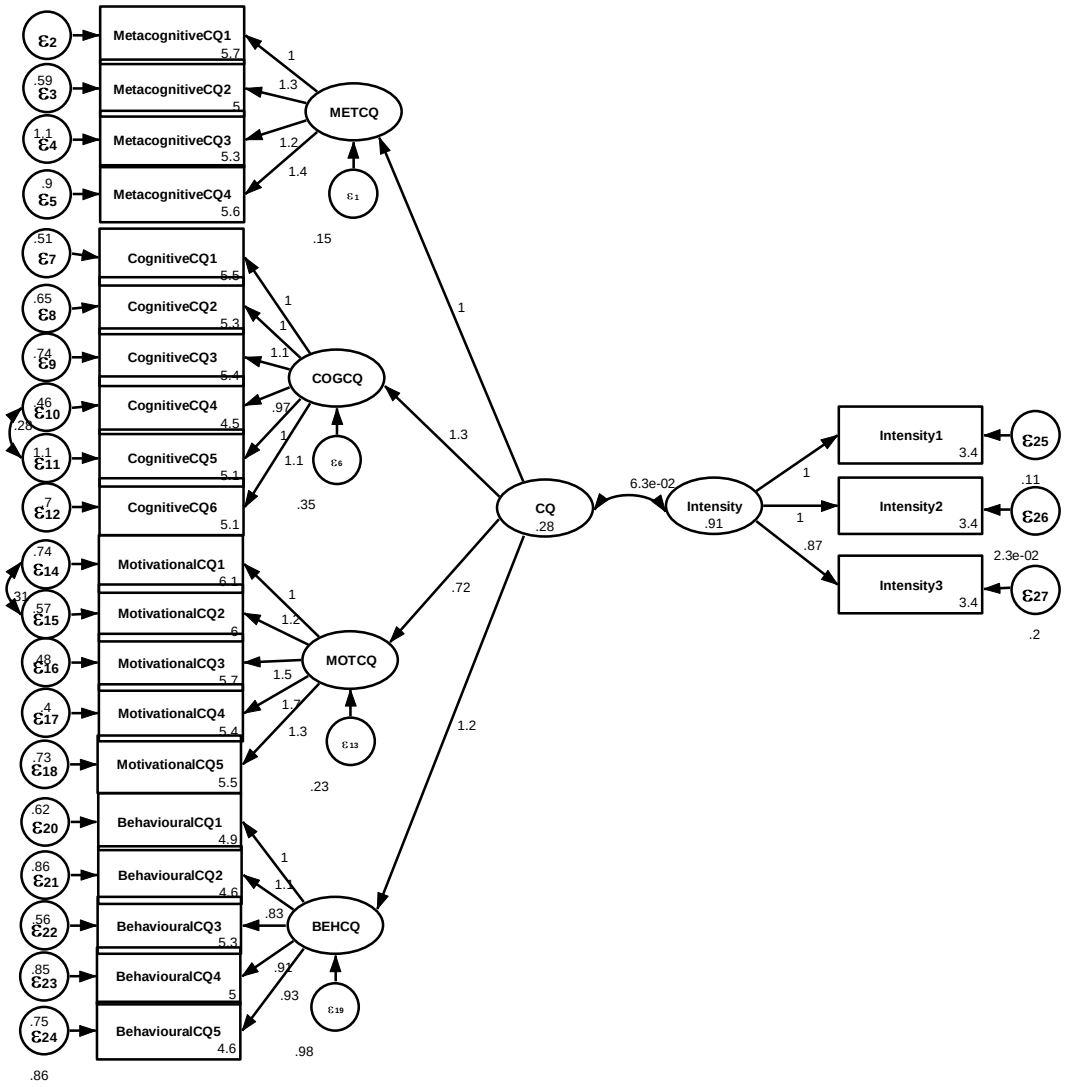


Figure 8 – Full model CQ - Export Satisfaction

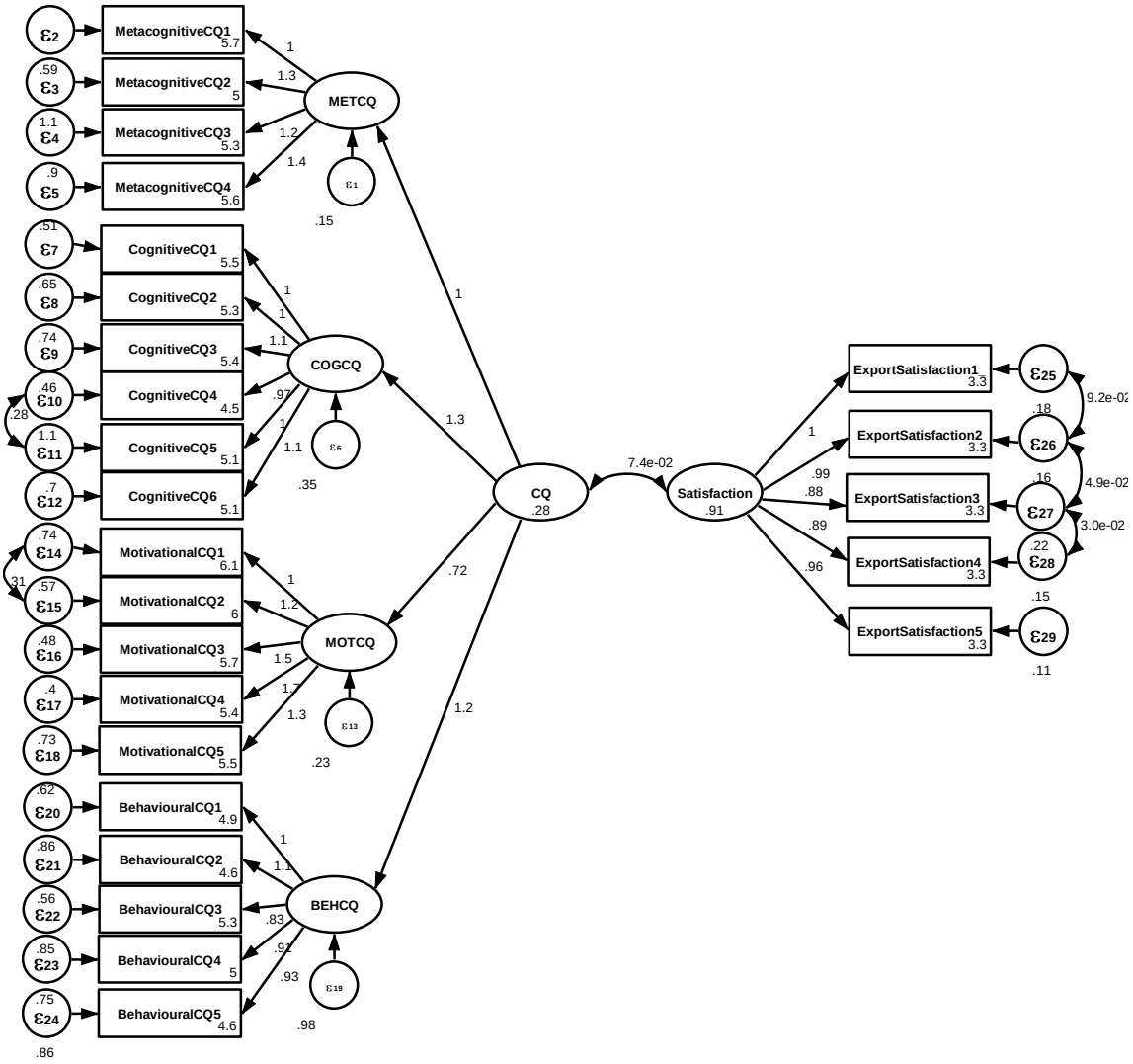


Table 8 - Model summary of fit indices

	χ^2/df	RMSEA	CFI	TLI	CD	SRMR
CQ	548196/164	0.052	0.954	0.947	0.811	
Achievement	7.273/3	0.053	0.998	0.995	0.939	0.007
Intensity	0.000/0	0.000	1.000	1.000	0.982	0.000
Satisfaction	5084/2	0.055	0.999	0.996	0.954	0.005
Export Performance	748.576/57	0.155	0.928	0.901	0.953	0.030
CQ-Achievement	681.375/266	0.043	0.963	0.958	0.988	
CQ-Intensity	618.399/233	0.042	0.965	0.961	0.991	
CQ-Satisfaction	668.300/265	0.044	0.962	0.957	0.991	

Table 9 - Reliability and validity analysis

Construct	Average variance extracted (AVE)	Squared correlations	Cronbach α
Cultural Intelligence			
Metacognitive	0.462	0.000 (with COGCQ, MOTCQ, BEHCQ, Achievement, Intensity and Satisfaction)	0.770
Cognitive	0.554	0.000 (with METCQ, MOTCQ, BEHCQ, Achievement, Intensity and Satisfaction)	0.885
Motivational	0.532	0.000 (with METCQ, COGCQ, BEHCQ, Achievement, Intensity and Satisfaction)	0.864
Behavioral	0.609	0.000 (with METCQ, COGCQ, MOTCQ, Achievement, Intensity and Satisfaction)	0.885
Export Performance			
Export Achievement	0.779	0.000 (with Intensity, Satisfaction, METCQ , COGCQ, MOTCQ, BEHCQ)	0.951
Export Intensity	0.881	0.000 (with Achievement and Satisfaction, METCQ , COGCQ, MOTCQ, BEHCQ)	0.956
Export Satisfaction	0.831	0.000 (with Achievement and Intensity, METCQ , COGCQ, MOTCQ, BEHCQ)	0.965

Table 10 - Means, Standard Deviations and Correlations

	Construct	Mean	S.D.	1	2	3	4	5	6	7	8	9
1	Export_Achievement	0.00	0.56	1.00								
2	Export_Intensity	0.00	0.63	0.78***	1.00							
3	Export_Satisfaction	0.00	0.61	0.84***	0.76***	1.00						
4	Export_Performance	0.00	0.55	0.96***	0.88***	0.94***	1.00					
5	CQ (full scale)	0.00	0.39	0.08***	0.06**	0.07**	0.07**	1.00				
6	CQ (reduced scale)	0.00	0.33	0.16***	0.12***	0.14***	0.15***	0.49***	1.00			
7	CD Hofstede	0.00	0.95	-0.08*	-0.09**	-0.08*	-0.09**	0.07*	0.09*	1.00		
8	CD Globe Practices	0.00	0.79	0.06	0.05	0.06	0.06	0.04	0.05	0.13*	1.00	
9	CD Globe Values	0.00	0.86	-0.02	-0.02	-0.01	-0.017	0.07	0.01*	0.76***	0.43***	1.00
10	CD Schwartz	0.00	1.93	-0.08*	-0.04	-0.08*	-0.076	0.11**	0.11**	0.62***	0.04	0.72***
11	International experience (manager)	0.00	0.70	0.06**	0.06**	0.06**	0.06**	0.24***	0.22***	0.13***	-0.05	0.11**
12	knowledge of the foreign language (manager)	0.00	0.49	0.12***	0.07**	0.08***	0.10***	0.33***	0.30***	0.05	-0.03	0.04
13	Export channel: hierarchical	0.43	0.50	0.04	0.01	0.04	0.03	0.04	0.07	-0.07	0.01	-0.07
14	Export channel: hybrid	0.18	0.38	-0.13***	-0.12***	-0.13***	-0.14***	-0.01	0.00	0.07	-0.02	0.03
15	Export channel: Market-based	0.39	0.49	0.07	0.08*	0.06	0.07*	-0.03	-0.07	0.01	0.01	0.04
16	Industry: Agriculture, Forestry and Fishing	0.04	0.19	0.08**	0.10***	0.06*	0.08**	0.05	0.04	-0.05	0.12**	0.03
17	Industry: Service	0.21	0.41	0.00	0.01	0.01	0.01	-0.02	0.03	-0.01	0.02	0.03
18	Industry: Manufacturing	0.58	0.49	0.01	-0.01	0.03	0.01	0.03	-0.02	0.05	-0.08	-0.02
19	Industry: Trade	0.11	0.31	-0.04	-0.04	-0.06*	-0.05	0.01	0.00	-0.02	-0.02	0.01
20	Industry: Construction	0.06	0.24	-0.04	-0.03	-0.03	-0.04	-0.08**	-0.05	-0.02	0.04	-0.05
21	Size: 0-9	0.26	0.44	-0.18***	-0.11**	-0.18***	-0.171***	-0.07	-0.07	-0.05	0.07	0.04
22	Size: 10-49	0.57	0.50	0.06	0.05	0.09**	0.07*	0.04	0.05	0.00	-0.04	-0.02
23	Size: 50-250	0.16	0.37	0.12***	0.05	0.07	0.09**	0.01	0.00	0.06	-0.03	-0.01
24	Size: >250	0.01	0.09	0.05	0.05	0.08*	0.06	0.08*	0.07*	-0.02	0.00	-0.03
25	Export experience (firm)	16.88	12.35	-0.07	-0.03	-0.04	-0.05	0.08*	0.10**	-0.20***	0.01	-0.14***
26	Hqlocation: North	0.71	0.46	0.01	0.03	0.02	0.02	0.02	0.04	-0.08*	-0.05	-0.13***
27	Hqlocation: Center	0.20	0.40	-0.03	-0.02	-0.04	-0.04	0.00	-0.03	0.08*	0.00	0.12
28	Hqlocation: South	0.09	0.28	0.03	-0.01	0.04	0.03	-0.04	-0.02	0.017	0.07	0.04
29	Asset Specificity (physical assets)	0.00	0.57	0.07**	0.05*	0.02	0.05*	0.10***	0.16***	0.02	0.06	0.08
30	Environmental uncertainty: Volatility	0.00	0.47	0.06**	0.08***	0.04	0.06**	0.02	-0.01	-0.04	-0.03	-0.06

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 10 (cont'd)

	Construct	10	11	12	13	14	15	16	17	18	19	20
10	CD Schwartz	1.00										
11	International experience (manager)	0.20***	1.00									
12	knowledge of the foreign language (manager)	0.05	0.51***	1.00								
13	Export channel: hierarchical	-0.07	-0.02	0.12***	1.00							
14	Export channel: hybrid	0.04	0.04	-0.06	-0.41***	1.00						
15	Export channel: Market-based	0.05	-0.02	-0.08*	-0.7***	-0.37***	1.00					
16	Industry: Agriculture, Forestry and Fishing	0.05	0.09***	0.02	-0.11**	0.00	0.11**	1.00				
17	Industry: Service	0.05	-0.21***	-0.04	0.12***	0.01	-0.13***	-0.10***	1.00			
18	Industry: Manufacturing	-0.01	0.26***	0.09**	-0.03	0.05	0.00	-0.23***	-0.61***	1.00		
19	Industry: Trade	-0.03	-0.05	-0.03	-0.04	-0.07	0.10**	-0.07**	-0.18***	-0.42***	1.00	
20	Industry: Construction	-0.08*	-0.17***	-0.09***	0.07	-0.02	-0.06	-0.05	-0.13***	-0.30***	-0.09**	1.00
21	Size: 0-9	-0.02	-0.15***	-0.16***	-0.03	-0.04	0.07	0.01	0.08*	-0.20***	0.21***	0.02
22	Size: 10-49	0.00	0.03	0.03	-0.07	0.04	0.04	0.01	-0.06	0.13***	-0.14***	-0.02
23	Size: 50-250	0.01	0.12***	0.15***	0.14***	-0.01	-0.14***	-0.02	-0.01	0.06	-0.07	0.01
24	Size: >250	0.07	0.09**	0.04	-0.02	-0.04	0.04	-0.02	-0.03	0.05	-0.03	-0.02
25	Export experience (firm)	-0.08	0.24***	0.16***	0.11**	-0.02	-0.10**	0.08*	-0.01	0.08*	-0.09**	-0.10**
26	Hqlocation: North	-0.15***	-0.01	0.07*	0.04	-0.05	0.00	-0.05**	-0.09	0.06	0.02	0.01
27	Hqlocation: Center	0.17***	-0.02**	-0.06	-0.01	0.10**	-0.07	0.00	0.11**	-0.04	-0.05	0.01
28	Hqlocation: South	0.00	0.03	-0.03	-0.05	-0.07	0.11**	0.09**	-0.01	-0.04	0.04	-0.03
29	Asset Specificity (physical assets)	0.04	0.13***	0.13***	-0.16***	0.06	0.12**	0.03	0.03	-0.01	-0.01	-0.03
30	Environmental uncertainty: Volatility	-0.05	0.01	0.02	-0.10**	-0.01	0.11**	0.06*	-0.04	0.01	0.01	-0.02

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 10 (cont'd)

	Constructs	21	22	23	24	25	26	27	28	29	30
21	Size: 0-9	1.00									
22	Size: 10-49	-0.69***	1.00								
23	Size: 50-250	-0.26***	-0.50***	1.00							
24	Size: >250	-0.05	-0.10**	-0.04	1.00						
25	Export experience (firm)	-0.02	-0.01	0.03	0.04	1.00					
26	Hqlocation: North	-0.04	0.09	-0.04	-0.09**	0.13***	1.00				
27	Hqlocation: Center	0.04	-0.07*	0.03	0.06	-0.11**	-0.79***	1.00			
28	Hqlocation: South	0.01	-0.04	0.03	0.05	-0.06	-0.48***	-0.16***	1.00		
29	Asset Specificity (physical assets)	-0.07	0.06	0.00	0.03	0.07	0.01	-0.01	0.00	1.00	
30	Environmental uncertainty: Volatility	0.00	0.06	-0.06	-0.06	0.00	0.03	-0.01	-0.043	0.09***	1.00

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 11- Regression Analysis of Export Performance (CD Hofstede-baseline model)

	Model1	Model2	Model3	Model4	Model5	Model6	Model7	Model8	Model9
Predictor variables									
CQ (full scale)		0.180*	0.184*	0.341***	0.157				
		(0.101)	(0.105)	(0.116)	(0.106)				
CQ (reduced scale)						0.276***	0.287***	0.401***	0.304***
						(0.0807)	(0.0833)	(0.0986)	(0.0875)
CD Hofstede			-0.110***				-0.110***		
			(0.0411)				(0.0399)		
International experience of the manager				0.148**				0.0622	
				(0.0683)				(0.0695)	
Manager's knowledge of the foreign language					0.175**				0.120
					(0.0806)				(0.0784)
Export channel: binary = 2									
Control variables									
Industry: Agriculture, Forestry and Fishing	-	-	0.384	0.430*	0.460*	-	0.378	0.399	0.426*
			(0.272)	(0.260)	(0.260)		(0.268)	(0.260)	(0.256)
Industry: Service	-0.291	-0.261	0.132	0.176	0.176	-0.302	0.0996	0.137	0.127
	(0.219)	(0.219)	(0.231)	(0.221)	(0.223)	(0.217)	(0.229)	(0.220)	(0.219)
Industry: Manufacturing	-0.372**	-0.338*	0.0481	0.0806	0.108	-0.336*	0.0533	0.0706	0.0858
	(0.184)	(0.185)	(0.202)	(0.190)	(0.192)	(0.182)	(0.199)	(0.191)	(0.189)
Industry: Trade	-0.494**	-0.466**	-0.0322	-0.0450	-0.0341	-0.474**	-0.0334	-0.0534	-0.0539
	(0.221)	(0.221)	(0.237)	(0.224)	(0.227)	(0.219)	(0.235)	(0.224)	(0.223)
Industry: Construction	-0.532**	-0.496*	-	-	-	-0.496*	-	-	-
	(0.261)	(0.261)				(0.258)			
		-							
Size: 0-9	-0.412***	0.402***	-0.711	-0.764	-0.722	-0.388***	-0.612	-0.683	-0.656
	(0.121)	(0.121)	(0.580)	(0.476)	(0.478)	(0.120)	(0.573)	(0.474)	(0.471)
Size: 10-49	-0.151	-0.151	-0.438	-0.512	-0.483	-0.153	-0.361	-0.448	-0.417
	(0.106)	(0.106)	(0.577)	(0.471)	(0.474)	(0.105)	(0.570)	(0.469)	(0.466)
Size: 50-250	-	-	-0.292	-0.346	-0.349	-	-0.217	-0.289	-0.303
			(0.582)	(0.475)	(0.479)		(0.575)	(0.474)	(0.472)
Size: >250	0.401	0.335	-	-	-	0.260	-	-	-
	(0.480)	(0.480)				(0.476)			
Hierarchical export channel	0.334***	0.325***	0.00564	-0.0115	-0.00666	0.322***	-0.0161	-0.0265	-0.0126
	(0.106)	(0.106)	(0.0891)	(0.0863)	(0.0873)	(0.105)	(0.0883)	(0.0861)	(0.0860)
					-				
Hybrid export channel	-	-	-0.355***	-0.365***	0.345***	-	-0.377***	-0.360***	-0.352***
			(0.110)	(0.106)	(0.107)		(0.109)	(0.105)	(0.105)
Market-based export channel	0.324***	0.327***	-	-	-	0.338***	-	-	-
	(0.107)	(0.107)				(0.106)			
		-	-		-			-	
Export experience of the firm	-0.00543*	0.00562*	0.00691**	-0.00621*	0.00623*	-0.00608*	-0.00743**	0.00627**	-0.00581*
	(0.00315)	(0.00315)	(0.00349)	(0.00318)	(0.00317)	(0.00312)	(0.00345)	(0.00317)	(0.00313)
Hqlocation: North	-0.00520	-0.0178	-0.0903	0.00896	-0.0319	-0.0167	-0.0898	-0.00493	-0.0446
	(0.136)	(0.136)	(0.142)	(0.134)	(0.135)	(0.135)	(0.140)	(0.134)	(0.134)
Hqlocation: Center	-0.107	-0.117	-0.141	-0.0980	-0.119	-0.105	-0.127	-0.110	-0.113
	(0.153)	(0.153)	(0.159)	(0.151)	(0.152)	(0.151)	(0.157)	(0.150)	(0.150)
Hqlocation: South	-	-	-	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0212	0.00845	0.0213	-0.0139	-0.00313	-0.00470	0.00677	-0.0199	-0.0123
	(0.0444)	(0.0448)	(0.0457)	(0.0450)	(0.0450)	(0.0445)	(0.0451)	(0.0448)	(0.0443)
Environmental uncertainty: Volatility	0.0580	0.0548	0.0579	0.0407	0.0504	0.0603	0.0601	0.0420	0.0525
	(0.0519)	(0.0518)	(0.0534)	(0.0513)	(0.0516)	(0.0513)	(0.0528)	(0.0513)	(0.0509)
Interactions									
CQ (full scale)#CDHofstede			0.135						
			(0.103)						
CQ (full scale)#International experience				-0.543***					
				(0.156)					
CQ (full scale)#knowledge of the foreign language					-0.363*				
					(0.187)				
CQ (reduced scale)#CDHofstede							0.139*		
							(0.0834)		
CQ (reduced scale)#International experience								-0.374***	
								(0.127)	
CQ (reduced scale)#knowledge of the foreign language									-0.497***
									(0.152)
Constant	0.410	0.380	0.686	0.620	0.625	0.392	0.632	0.632	0.631
	(0.250)	(0.250)	(0.608)	(0.513)	(0.517)	(0.247)	(0.600)	(0.512)	(0.509)
Observations	470	470	443	470	470	470	443	470	470
R-squared	0.077	0.084	0.102	0.112	0.096	0.100	0.122	0.118	0.122

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 11 - (cont 'd)

	Model10	Model11	Model12	Model13
Predictor variables				
CQ (full scale)	0.103		0.213	
	(0.135)		(0.140)	
CQ (reduced scale)		0.197*		0.270**
		(0.105)		(0.109)
CD Hofstede			-0.131**	-0.117**
			(0.0564)	(0.0538)
International experience of the manager				
Manager's knowledge of the foreign language				
Export channel: binary = 2	0.0974	0.125	0.119	0.139*
	(0.0817)	(0.0802)	(0.0829)	(0.0817)
Control variables				
Industry: Agriculture, Forestry and Fishing	0.436*	0.450*	0.251	0.252
	(0.263)	(0.260)	(0.272)	(0.271)
Industry: Service	0.233	0.204	0.0901	0.0707
	(0.224)	(0.223)	(0.232)	(0.232)
Industry: Manufacturing	0.126	0.139	0.0102	0.0376
	(0.193)	(0.191)	(0.202)	(0.201)
Industry: Trade	0.0228	0.0238	-0.0568	-0.0504
	(0.228)	(0.226)	(0.237)	(0.237)
Industry: Construction	-	-	-	-
Size: 0-9	-0.735	-0.643	-0.536	-0.472
	(0.484)	(0.480)	(0.585)	(0.581)
Size: 10-49	-0.487	-0.415	-0.307	-0.235
	(0.481)	(0.476)	(0.581)	(0.577)
Size: 50-250	-0.319	-0.243	-0.136	-0.0692
	(0.486)	(0.482)	(0.586)	(0.582)
Size: >250	-	-	-	-
Export experience of the firm	-0.00460	-0.00523*	-0.00654*	-0.00725**
	(0.00319)	(0.00315)	(0.00352)	(0.00348)
Hqlocation: North	-0.0305	-0.0235	-0.118	-0.0998
	(0.137)	(0.136)	(0.142)	(0.141)
Hqlocation: Center	-0.147	-0.123	-0.193	-0.152
	(0.154)	(0.152)	(0.159)	(0.158)
Hqlocation: South	-	-	-	-
Asset Specificity (physical assets)	-0.00758	-0.0219	0.00927	-0.00253
	(0.0449)	(0.0445)	(0.0454)	(0.0451)
Environmental uncertainty: Volatility	0.0561	0.0623	0.0489	0.0570
	(0.0524)	(0.0518)	(0.0536)	(0.0533)
Interactions				
CQ (full scale)#CDHofstede			0.452***	
			(0.155)	
CQ (full scale)#International experience				
CQ (full scale)#knowledge of the foreign language				
CQ (reduced scale)#CDHofstede				0.292**
				(0.116)
CQ (reduced scale)#International experience				
CQ (reduced scale)#knowledge of the foreign language				
Export Channel: binary=2#CQ(full scale)	0.213		0.0796	
	(0.204)		(0.210)	
Export Channel: binary=2#CQ(reduced scale)		0.209		0.0934
		(0.162)		(0.168)
Export Channel: binary=2#CDHofstede			-0.0819	-0.107
			(0.0867)	(0.0882)
Export Channel: binary=2#CQ(full scale)#CDHofstede			-0.707***	
			(0.217)	
Export Channel: binary=2#CQ(reduced scale)#CDHofstede				-0.480***
				(0.185)
Constant	0.470	0.386	0.482	0.392
	(0.525)	(0.521)	(0.618)	(0.615)
Observations	470	470	443	443
R-squared	0.067	0.085	0.106	0.116

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market based (indirect export channels)

Table 12 - Regression Analysis of Export Performance (CD Schwartz)

	Model1	Model2	Model3	Model4	Model5	Model6
Predictor variables						
CQ (full scale)		0.180*	0.227**		0.146	
		(0.101)	(0.114)		(0.146)	
CQ (reduced scale)				0.292***		0.218*
				(0.0892)		(0.113)
CD Schwartz			-0.0354	-0.0400*	-0.0412	-0.0408
			(0.0217)	(0.0211)	(0.0290)	(0.0273)
Export channel: binary = 2					0.148*	0.166*
					(0.0884)	(0.0876)
Control variables						
Industry: Agriculture, Forestry and Fishing			0.350	0.321	0.277	0.292
			(0.290)	(0.288)	(0.290)	(0.289)
Industry: Service	-0.291	-0.261	0.0676	0.00671	0.0537	0.0242
	(0.219)	(0.219)	(0.254)	(0.254)	(0.255)	(0.255)
Industry: Manufacturing	-0.372**	-0.338*	0.0117	-0.00224	-0.0268	-0.0143
	(0.184)	(0.185)	(0.224)	(0.222)	(0.224)	(0.223)
Industry: Trade	-0.494**	-0.466**	-0.0796	-0.102	-0.0851	-0.118
	(0.221)	(0.221)	(0.261)	(0.260)	(0.261)	(0.261)
Industry: Construction	-0.532**	-0.496*	-	-	-	-
	(0.261)	(0.261)				
Size: 0-9	-0.412***	-0.402***	-0.717	-0.620	-0.716	-0.611
	(0.121)	(0.121)	(0.587)	(0.582)	(0.594)	(0.591)
Size: 10-49	-0.151	-0.151	-0.445	-0.374	-0.456	-0.367
	(0.106)	(0.106)	(0.583)	(0.578)	(0.590)	(0.586)
Size: 50-250			-0.296	-0.226	-0.292	-0.210
			(0.589)	(0.584)	(0.595)	(0.593)
Size: >250	0.401	0.335	-	-	-	-
	(0.480)	(0.480)				
Hierarchical export channel	0.334***	0.325***	-0.0330	-0.0491		
	(0.106)	(0.106)	(0.0949)	(0.0943)		
Hybrid export channel			-0.346***	-0.359***		
			(0.117)	(0.116)		
Market-based export channel	0.324***	0.327***	-	-		
	(0.107)	(0.107)				
Export experience of the firm	-0.00543*	-0.00562*	-0.00635*	-0.00698*	-0.00488	-0.00573
	(0.00315)	(0.00315)	(0.00360)	(0.00357)	(0.00361)	(0.00359)
Hqlocation: North	-0.00520	-0.0178	-0.0753	-0.0725	-0.132	-0.0913
	(0.136)	(0.136)	(0.157)	(0.156)	(0.158)	(0.157)
Hqlocation: Center	-0.107	-0.117	-0.113	-0.111	-0.165	-0.127
	(0.153)	(0.153)	(0.174)	(0.173)	(0.174)	(0.174)
Hqlocation: South	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0212	0.00845	0.00353	-0.000228	-0.000247	-0.0102
	(0.0444)	(0.0448)	(0.0487)	(0.0482)	(0.0486)	(0.0482)
Environmental uncertainty: Volatility	0.0580	0.0548	0.0595	0.0626	0.0579	0.0689
	(0.0519)	(0.0518)	(0.0590)	(0.0586)	(0.0594)	(0.0589)
Interactions						
CQ (full scale)#CDSchwartz			-0.0576		0.0895	
			(0.0572)		(0.0825)	
CQ (reduced scale)#CDSchwartz				0.0194		0.0836
				(0.0462)		(0.0595)
Export Channel_binary=2#CQ(full scale)					0.211	
					(0.228)	
Export Channel_binary=2#CQ(reduced scale)						0.196
						(0.180)
Export Channel_binary=2#CDSchwartz					-0.0320	-0.0371
					(0.0444)	(0.0448)
Export Channel_binary=2#CQ (full scale)#CDSchwartz					-0.311***	
					(0.118)	
Export Channel_binary=2#CQ (reduced scale)#CDSchwartz						-0.208**
						(0.101)
Constant	0.410	0.380	1.400*	0.708	0.672	0.557
	(0.250)	(0.250)	(0.834)	(0.612)	(0.629)	(0.629)
Observations	470	470	363	403	403	403
R-squared	0.077	0.084	0.093	0.106	0.096	0.102

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market based (indirect export channels)

Table 13 - Regression Analysis of Export Performance (CD Globe Values)

	Model1	Model2	Model3	Model4	Model5	Model6
Predictor variables						
CQ (full scale)		0.180*	0.244**		0.148	
		(0.101)	(0.117)		(0.152)	
CQ (reduced scale)				0.246***		0.169
				(0.0914)		(0.117)
CD Globe Values			-0.0227	-0.0335	-0.0292	-0.0440
			(0.0491)	(0.0484)	(0.0731)	(0.0695)
Export channel: binary = 2					0.128	0.166*
					(0.0914)	(0.0912)
Control variables						
Industry: Agriculture, Forestry and Fishing	-	-	0.325	0.366	0.264	0.282
			(0.300)	(0.298)	(0.302)	(0.300)
Industry: Service	-0.291	-0.261	0.152	0.102	0.128	0.0888
	(0.219)	(0.219)	(0.269)	(0.268)	(0.270)	(0.270)
Industry: Manufacturing	-0.372**	-0.338*	0.0457	0.0412	0.0322	0.0409
	(0.184)	(0.185)	(0.238)	(0.236)	(0.239)	(0.238)
Industry: Trade	-0.494**	-0.466**	-0.141	-0.144	-0.134	-0.154
	(0.221)	(0.221)	(0.277)	(0.276)	(0.278)	(0.278)
Industry: Construction	-0.532**	-0.496*	-	-	-	-
	(0.261)	(0.261)				
Size: 0-9	-0.412***	-0.402***	-1.503*	-1.493*	-1198	-1189
	(0.121)	(0.121)	(0.820)	(0.815)	(0.835)	(0.831)
Size: 10-49	-0.151	-0.151	-1270	-1271	-0.996	-0.981
	(0.106)	(0.106)	(0.818)	(0.812)	(0.831)	(0.827)
Size: 50-250	-	-	-1102	-1105	-0.806	-0.797
			(0.822)	(0.816)	(0.836)	(0.832)
Size: >250	0.401	0.335	-	-	-	-
	(0.480)	(0.480)				
Hierarchical export channel	0.334***	0.325***	-0.0398	-0.0522		
	(0.106)	(0.106)	(0.0993)	(0.0987)		
Hybrid export channel	-	-	-0.311***	-0.337***		
			(0.119)	(0.119)		
Market-based export channel	0.324***	0.327***	-	-		
	(0.107)	(0.107)				
Export experience of the firm	-0.00543*	-0.00562*	-0.00485	-0.00550	-0.00376	-0.00451
	(0.00315)	(0.00315)	(0.00377)	(0.00375)	(0.00379)	(0.00376)
Hqlocation: North	-0.00520	-0.0178	-0.0205	-0.0204	-0.0397	-0.00954
	(0.136)	(0.136)	(0.165)	(0.164)	(0.166)	(0.165)
Hqlocation: Center	-0.107	-0.117	0.0304	0.0297	-0.0236	0.00810
	(0.153)	(0.153)	(0.183)	(0.182)	(0.185)	(0.184)
Hqlocation: South	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0212	0.00845	-0.0297	-0.0283	-0.0434	-0.0415
	(0.0444)	(0.0448)	(0.0517)	(0.0512)	(0.0512)	(0.0509)
Environmental uncertainty: Volatility	0.0580	0.0548	0.0945	0.0924	0.0917	0.0908
	(0.0519)	(0.0518)	(0.0627)	(0.0623)	(0.0633)	(0.0628)
Interactions						
CQ (full scale)#CD Globe Values			-0.0631		0.163	
			(0.119)		(0.186)	
CQ (reduced scale)#CD Globe Values				0.0587		0.193
				(0.0960)		(0.138)
Export Channel_binary=2#CQ(full scale)					0.254	
					(0.236)	
Export Channel_binary=2#CQ(reduced scale)						0.251
						(0.187)
Export Channel_binary=2#CD Globe Values					-0.0645	-0.0463
					(0.105)	(0.106)
Export Channel_binary=2#CQ (full scale)#CD Globe Values					-0.506**	
					(0.257)	
Export Channel_binary=2#CQ (reduced scale)#CD Globe Values						-0.389*
						(0.211)
Constant	0.410	0.380	1.400*	1.439*	1006	0.975
	(0.250)	(0.250)	(0.834)	(0.829)	(0.851)	(0.851)
Observations	470	470	363	363	363	363
R-squared	0.077	0.084	0.093	0.102	0.094	0.100

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market based (indirect export channels)

Table 14 - Regression Analysis of Export Performance (CD Globe Practices)

	Model1	Model2	Model3	Model4	Model5	Model6
Predictor variables						
CQ (full scale)		0.180*	0.227*		0.114	
		(0.101)	(0.116)		(0.152)	
CQ (reduced scale)				0.236***		0.150
				(0.0904)		(0.115)
CD Globe Practices			0.0635	0.0599	0.0193	0.0298
			(0.0539)	(0.0532)	(0.0782)	(0.0743)
Export channel: binary = 2					0.136	0.167*
					(0.0916)	(0.0911)
Control variables						
Industry: Agriculture, Forestry and Fishing	-	-	0.316	0.331	0.256	0.242
			(0.298)	(0.296)	(0.304)	(0.301)
Industry: Service	-0.291	-0.261	0.154	0.0924	0.158	0.0889
	(0.219)	(0.219)	(0.268)	(0.267)	(0.270)	(0.271)
Industry: Manufacturing	-0.372**	-0.338*	0.0548	0.0355	0.0202	0.00222
	(0.184)	(0.185)	(0.237)	(0.236)	(0.242)	(0.241)
Industry: Trade	-0.494**	-0.466**	-0.113	-0.139	-0.121	-0.155
	(0.221)	(0.221)	(0.277)	(0.276)	(0.281)	(0.280)
Industry: Construction	-0.532**	-0.496*	-	-	-	-
	(0.261)	(0.261)				
Size: 0-9	-0.412***	-0.402***	-1.566*	-1.521*	-1.448*	-1.372*
	(0.121)	(0.121)	(0.818)	(0.812)	(0.832)	(0.824)
Size: 10-49	-0.151	-0.151	-1313	-1281	-1206	-1146
	(0.106)	(0.106)	(0.816)	(0.809)	(0.830)	(0.820)
Size: 50-250	0.401	0.335	-1148	-1114	-1018	-0.952
	(0.480)	(0.480)	(0.820)	(0.813)	(0.834)	(0.825)
Size: >250	-	-	-	-	-	-
Hierarchical export channel	0.334***	0.325***	-0.0431	-0.0464		
	(0.106)	(0.106)	(0.0992)	(0.0985)		
Hybrid export channel	-	-	-0.313***	-0.331***		
			(0.119)	(0.119)		
Market-based export channel	0.324***	0.327***	-	-		
	(0.107)	(0.107)				
Export experience of the firm	-0.00543*	-0.00562*	-0.00472	-0.00531	-0.00379	-0.00453
	(0.00315)	(0.00315)	(0.00373)	(0.00371)	(0.00375)	(0.00373)
Hqlocation: North	-0.00520	-0.0178	-0.0122	-0.00294	0.00921	0.0198
	(0.136)	(0.136)	(0.167)	(0.164)	(0.171)	(0.166)
Hqlocation: Center	-0.107	-0.117	0.0262	0.0374	0.0214	0.0329
	(0.153)	(0.153)	(0.184)	(0.181)	(0.187)	(0.183)
Hqlocation: South	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0212	0.00845	-0.0335	-0.0355	-0.0652	-0.0634
	(0.0444)	(0.0448)	(0.0515)	(0.0509)	(0.0517)	(0.0510)
Environmental uncertainty: Volatility	0.0580	0.0548	0.0999	0.0979	0.104	0.100
	(0.0519)	(0.0518)	(0.0625)	(0.0621)	(0.0630)	(0.0626)
Interactions						
CQ (full scale)#CD Globe Practices			0.0247		0.262	
			(0.119)		(0.189)	
CQ (reduced scale)#CD Globe Practices				0.107		0.241
				(0.105)		(0.149)
Export Channel_binary=2#CQ(full scale)					0.273	
					(0.236)	
Export Channel_binary=2#CQ(reduced scale)						0.245
						(0.184)
Export Channel_binary=2#CD Globe Practices					0.0557	0.0389
					(0.113)	(0.113)
Export Channel_binary=2#CQ (full scale)#CD Globe Practices					-0.397	
					(0.251)	
Export Channel_binary=2#CQ (reduced scale)#CD Globe Practices						-0.298
						(0.222)
Constant	0.410	0.380	1.434*	1.437*	1189	1153
	(0.250)	(0.250)	(0.831)	(0.825)	(0.847)	(0.844)
Observations	470	470	363	363	363	363
R-squared	0.077	0.084	0.095	0.106	0.091	0.101

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market based (indirect export channels)

Table 15 - Regression Analysis of Export Achievement

	Model1	Model2	Model3	Model4	Model5	Model6	Model7	Model8	Model9
Predictor variables									
CQ (full scale)		0.180*	0.184*	0.341***	0.157				
		(0.101)	(0.105)	(0.116)	(0.106)				
CQ (reduced scale)						0.276***	0.287***	0.401***	0.304***
						(0.0807)	(0.0833)	(0.0986)	(0.0875)
CD Hofstede			-0.110***				-0.110***		
			(0.0411)				(0.0399)		
International experience of the manager				0.148**				0.0622	
				(0.0683)				(0.0695)	
Manager's knowledge of the foreign language					0.175**				0.120
					(0.0806)				(0.0784)
Export channel: binary = 2									
Control variables									
Industry: Agriculture, Forestry and Fishing	-	-	0.384	0.430*	0.460*	-	0.378	0.399	0.426*
			(0.272)	(0.260)	(0.260)		(0.268)	(0.260)	(0.256)
Industry: Service	-0.291	-0.261	0.132	0.176	0.176	-0.302	0.0996	0.137	0.127
	(0.219)	(0.219)	(0.231)	(0.221)	(0.223)	(0.217)	(0.229)	(0.220)	(0.219)
Industry: Manufacturing	-0.372**	-0.338*	0.0481	0.0806	0.108	-0.336*	0.0533	0.0706	0.0858
	(0.184)	(0.185)	(0.202)	(0.190)	(0.192)	(0.182)	(0.199)	(0.191)	(0.189)
Industry: Trade	-0.494**	-0.466**	-0.0322	-0.0450	-0.0341	-0.474**	-0.0334	-0.0534	-0.0539
	(0.221)	(0.221)	(0.237)	(0.224)	(0.227)	(0.219)	(0.235)	(0.224)	(0.223)
Industry: Construction	-0.532**	-0.496*	-	-	-	-0.496*	-	-	-
	(0.261)	(0.261)				(0.258)			
Size: 0-9	-0.412***	-0.402***	-0.711	-0.764	-0.722	-0.388***	-0.612	-0.683	-0.656
	(0.121)	(0.121)	(0.580)	(0.476)	(0.478)	(0.120)	(0.573)	(0.474)	(0.471)
Size: 10-49	-0.151	-0.151	-0.438	-0.512	-0.483	-0.153	-0.361	-0.448	-0.417
	(0.106)	(0.106)	(0.577)	(0.471)	(0.474)	(0.105)	(0.570)	(0.469)	(0.466)
Size: 50-250	-	-	-0.292	-0.346	-0.349	-	-0.217	-0.289	-0.303
			(0.582)	(0.475)	(0.479)		(0.575)	(0.474)	(0.472)
Size: >250	0.401	0.335	-	-	-	0.260	-	-	-
	(0.480)	(0.480)				(0.476)			
Hierarchical export channel	0.334***	0.325***	0.00564	-0.0115	-0.00666	0.322***	-0.0161	-0.0265	-0.0126
	(0.106)	(0.106)	(0.0891)	(0.0863)	(0.0873)	(0.105)	(0.0883)	(0.0861)	(0.0860)
Hybrid export channel	-	-	-0.355***	-0.365***	-0.345***	-	-0.377***	-0.360***	-0.352***
			(0.110)	(0.106)	(0.107)		(0.109)	(0.105)	(0.105)
Market-based export channel	0.324***	0.327***	-	-	-	0.338***	-	-	-
	(0.107)	(0.107)				(0.106)			
Export experience of the firm	-0.00543*	-0.00562*	-0.00691**	-0.00621*	-0.00623*	-0.00608*	-0.00743**	-0.00627**	-0.00581*
	(0.00315)	(0.00315)	(0.00349)	(0.00318)	(0.00317)	(0.00312)	(0.00345)	(0.00317)	(0.00313)
Hqlocation: North	-0.00520	-0.0178	-0.0903	0.00896	-0.0319	-0.0167	-0.0898	-0.00493	-0.0446
	(0.136)	(0.136)	(0.142)	(0.134)	(0.135)	(0.135)	(0.140)	(0.134)	(0.134)
Hqlocation: Center	-0.107	-0.117	-0.141	-0.0980	-0.119	-0.105	-0.127	-0.110	-0.113
	(0.153)	(0.153)	(0.159)	(0.151)	(0.152)	(0.151)	(0.157)	(0.150)	(0.150)
Hqlocation: South	-	-	-	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0212	0.00845	0.0213	-0.0139	-0.00313	-0.00470	0.00677	-0.0199	-0.0123
	(0.0444)	(0.0448)	(0.0457)	(0.0450)	(0.0450)	(0.0445)	(0.0451)	(0.0448)	(0.0443)
Environmental uncertainty: Volatility	0.0580	0.0548	0.0579	0.0407	0.0504	0.0603	0.0601	0.0420	0.0525
	(0.0519)	(0.0518)	(0.0534)	(0.0513)	(0.0516)	(0.0513)	(0.0528)	(0.0513)	(0.0509)
Interactions									
CQ (full scale)#CDHofstede			0.135						
			(0.103)						
CQ (full scale)#International experience				-0.543***					
				(0.156)					
CQ (full scale)#knowledge of the foreign language					-0.363*				
					(0.187)				
CQ (reduced scale)#CDHofstede							0.139*		
							(0.0834)		
CQ (reduced scale)#International experience								-0.374***	
								(0.127)	
CQ (reduced scale)#knowledge of the foreign language									-0.497***
									(0.152)
Constant	0.410	0.380	0.686	0.620	0.625	0.392	0.632	0.632	0.631
	(0.250)	(0.250)	(0.608)	(0.513)	(0.517)	(0.247)	(0.600)	(0.512)	(0.509)
Observations	470	470	443	470	470	470	443	470	470
R-squared	0.077	0.084	0.102	0.112	0.096	0.100	0.122	0.118	0.122

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 15 - (cont 'd)

	Model10	Model11	Model12	Model13
Predictor variables				
CQ (full scale)	0.103		0.213	
	(0.135)		(0.140)	
CQ (reduced scale)		0.197*		0.270**
		(0.105)		(0.109)
CD Hofstede			-0.131**	-0.117**
			(0.0564)	(0.0538)
International experience of the manager				
Manager's knowledge of the foreign language				
Export channel: binary = 2	0.0974	0.125	0.119	0.139*
	(0.0817)	(0.0802)	(0.0829)	(0.0817)
Control variables				
Industry: Agriculture, Forestry and Fishing	0.436*	0.450*	0.251	0.252
	(0.263)	(0.260)	(0.272)	(0.271)
Industry: Service	0.233	0.204	0.0901	0.0707
	(0.224)	(0.223)	(0.232)	(0.232)
Industry: Manufacturing	0.126	0.139	0.0102	0.0376
	(0.193)	(0.191)	(0.202)	(0.201)
Industry: Trade	0.0228	0.0238	-0.0568	-0.0504
	(0.228)	(0.226)	(0.237)	(0.237)
Industry: Construction	-	-	-	-
Size: 0-9	-0.735	-0.643	-0.536	-0.472
	(0.484)	(0.480)	(0.585)	(0.581)
Size: 10-49	-0.487	-0.415	-0.307	-0.235
	(0.481)	(0.476)	(0.581)	(0.577)
Size: 50-250	-0.319	-0.243	-0.136	-0.0692
	(0.486)	(0.482)	(0.586)	(0.582)
Size: >250	-	-	-	-
Export experience of the firm	-0.00460	-0.00523*	-0.00654*	-0.00725**
	(0.00319)	(0.00315)	(0.00352)	(0.00348)
Hqlocation: North	-0.0305	-0.0235	-0.118	-0.0998
	(0.137)	(0.136)	(0.142)	(0.141)
Hqlocation: Center	-0.147	-0.123	-0.193	-0.152
	(0.154)	(0.152)	(0.159)	(0.158)
Hqlocation: South	-	-	-	-
Asset Specificity (physical assets)	-0.00758	-0.0219	0.00927	-0.00253
	(0.0449)	(0.0445)	(0.0454)	(0.0451)
Environmental uncertainty: Volatility	0.0561	0.0623	0.0489	0.0570
	(0.0524)	(0.0518)	(0.0536)	(0.0533)
Interactions				
CQ (full scale)#CDHofstede			0.452***	
			(0.155)	
CQ (full scale)#International experience				
CQ (full scale)#knowledge of the foreign language				
CQ (reduced scale)#CDHofstede				0.292**
				(0.116)
CQ (reduced scale)#International experience				
CQ (reduced scale)#knowledge of the foreign language				
Export Channel_binary=2#CQ(full scale)	0.213		0.0796	
	(0.204)		(0.210)	
Export Channel_binary=2#CQ(reduced scale)		0.209		0.0934
		(0.162)		(0.168)
Export Channel_binary=2#CDHofstede			-0.0819	-0.107
			(0.0867)	(0.0882)
Export Channel_binary=2#CQ (full scale)#CDHofstede			-0.707***	
			(0.217)	
Export Channel_binary=2#CQ (reduced scale)#CDHofstede				-0.480***
				(0.185)
Constant	0.470	0.386	0.482	0.392
	(0.525)	(0.521)	(0.618)	(0.615)
Observations	470	470	443	443
R-squared	0.067	0.085	0.106	0.116

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market-based (indirect export channels)

Table 16 - Regression Analysis of Export Intensity

	Model1	Model2	Model3	Model4	Model5	Model6	Model7	Model8	Model9
Predictor variables									
CQ (full scale)		0.158	0.174	0.336**	0.149				
		(0.116)	(0.120)	(0.134)	(0.122)				
CQ (reduced scale)						0.252***	0.264***	0.418***	0.291***
						(0.0931)	(0.0961)	(0.113)	(0.101)
CD Hofstede			-0.116**				-0.111**		
			(0.0472)				(0.0461)		
International experience of the manager				0.188**				0.107	
				(0.0784)				(0.0797)	
Manager's knowledge of the foreign language					0.135				0.0771
					(0.0929)				(0.0909)
Export channel:binary = 2									
Control variables									
Industry: Agriculture, Forestry and Fishing	-	-	0.441	0.531*	0.586*	-	0.435	0.468	0.557*
			(0.311)	(0.299)	(0.300)		(0.309)	(0.298)	(0.297)
Industry: Service	-0.377	-0.351	0.101	0.192	0.211	-0.387	0.0710	0.142	0.168
	(0.251)	(0.252)	(0.265)	(0.253)	(0.257)	(0.250)	(0.264)	(0.253)	(0.254)
Industry: Manufacturing	-0.523**	-0.493**	-0.0295	0.0302	0.0759	-0.489**	-0.0257	-0.00457	0.0591
	(0.211)	(0.212)	(0.231)	(0.219)	(0.222)	(0.210)	(0.230)	(0.219)	(0.219)
Industry: Trade	-0.613**	-0.588**	-0.0918	-0.0637	-0.0287	-0.595**	-0.0926	-0.0907	-0.0435
	(0.254)	(0.254)	(0.272)	(0.258)	(0.261)	(0.252)	(0.271)	(0.257)	(0.259)
Industry: Construction	-0.648**	-0.616**	-	-	-	-0.614**	-	-	-
	(0.299)	(0.300)				(0.298)			
Size: 0-9	-0.298**	-0.290**	-0.594	-0.659	-0.647	-0.276**	-0.499	-0.594	-0.579
	(0.139)	(0.139)	(0.665)	(0.547)	(0.551)	(0.138)	(0.662)	(0.543)	(0.546)
Size: 10-49	-0.121	-0.121	-0.396	-0.491	-0.484	-0.123	-0.321	-0.442	-0.419
	(0.122)	(0.122)	(0.662)	(0.541)	(0.546)	(0.121)	(0.657)	(0.538)	(0.540)
Size: 50-250	-	-	-0.289	-0.358	-0.375	-	-0.212	-0.316	-0.326
			(0.668)	(0.546)	(0.552)		(0.664)	(0.543)	(0.547)
Size: >250	0.411	0.353	-	-	-	0.283	-	-	-
	(0.551)	(0.552)				(0.549)			
Hierarchical export channel	0.301**	0.293**	-0.0352	-0.0618	-0.0529	0.290**	-0.0518	-0.0782	-0.0593
	(0.122)	(0.122)	(0.102)	(0.0991)	(0.101)	(0.121)	(0.102)	(0.0988)	(0.0997)
Hybrid export channel	-	-	-0.382***	-0.389***	-0.364***	-	-0.399***	-0.386***	-0.370***
			(0.126)	(0.122)	(0.123)		(0.126)	(0.121)	(0.122)
Market-based export channel	0.342***	0.345***	-	-	-	0.355***	-	-	-
	(0.123)	(0.123)				(0.122)			
Export experience of the firm	-0.00384	-0.00401	-0.00402	-0.00488	-0.00436	-0.00444	-0.00431	-0.00489	-0.00401
	(0.00362)	(0.00362)	(0.00400)	(0.00365)	(0.00366)	(0.00360)	(0.00398)	(0.00363)	(0.00363)
Hqlocation: North	0.144	0.133	0.0445	0.165	0.123	0.134	0.0525	0.152	0.112
	(0.156)	(0.156)	(0.163)	(0.154)	(0.156)	(0.155)	(0.162)	(0.153)	(0.155)
Hqlocation: Center	0.0534	0.0444	0.00425	0.0676	0.0434	0.0549	0.0274	0.0496	0.0493
	(0.175)	(0.175)	(0.182)	(0.173)	(0.175)	(0.174)	(0.181)	(0.172)	(0.173)
Hqlocation: South	-	-	-	-	-	-	-	-	-
Asset Specificity (physical assets)	0.0165	0.00528	0.0145	-0.0224	-0.00333	-0.00722	-0.000259	-0.0304	-0.0121
	(0.0509)	(0.0515)	(0.0524)	(0.0517)	(0.0519)	(0.0513)	(0.0520)	(0.0514)	(0.0514)
Environmental uncertainty: Volatility	0.0910	0.0882	0.102*	0.0720	0.0842	0.0931	0.105*	0.0674	0.0866
	(0.0596)	(0.0596)	(0.0613)	(0.0589)	(0.0595)	(0.0592)	(0.0609)	(0.0588)	(0.0589)
Interactions									
CQ (full scale)#CDHofstede			0.168						
			(0.118)						
CQ (full scale)#International experience				-0.620***					
				(0.179)					
CQ (full scale)#knowledge of the foreign language					-0.356*				
					(0.216)				
CQ (reduced scale)#CDHofstede							0.109		
							(0.0962)		
CQ (reduced scale)#International experience								-0.520***	
								(0.145)	
CQ (reduced scale)#knowledge of the foreign language									-0.450**
									(0.177)
Constant	0.338	0.312	0.545	0.466	0.479	0.322	0.480	0.525	0.475
	(0.287)	(0.287)	(0.697)	(0.589)	(0.596)	(0.285)	(0.692)	(0.588)	(0.590)
Observations	470	470	443	470	470	470	443	470	470
R-squared	0.055	0.059	0.078	0.089	0.066	0.070	0.088	0.098	0.083

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 16 - (cont 'd)

	Model10	Model11	Model12	Model13
Predictor variables				
CQ (full scale)	0.0383		0.162	
	(0.154)		(0.160)	
CQ (reduced scale)		0.207*		0.277**
		(0.121)		(0.125)
CD Hofstede			-0.127*	-0.0992
			(0.0645)	(0.0620)
International experience of the manager				
Manager's knowledge of the foreign language				
Export channel:binary = 2	0.131	0.162*	0.150	0.167*
	(0.0935)	(0.0922)	(0.0949)	(0.0942)
Control variables				
Industry: Agriculture, Forestry and Fishing	0.559*	0.572*	0.302	0.316
	(0.301)	(0.299)	(0.311)	(0.312)
Industry: Service	0.267	0.231	0.0592	0.0396
	(0.257)	(0.257)	(0.265)	(0.267)
Industry: Manufacturing	0.0921	0.104	-0.0689	-0.0424
	(0.221)	(0.220)	(0.231)	(0.231)
Industry: Trade	0.0236	0.0177	-0.117	-0.114
	(0.261)	(0.260)	(0.272)	(0.273)
Industry: Construction	-	-	-	-
Size: 0-9	-0.617	-0.568	-0.384	-0.393
	(0.554)	(0.552)	(0.669)	(0.669)
Size: 10-49	-0.452	-0.420	-0.232	-0.233
	(0.550)	(0.547)	(0.665)	(0.665)
Size: 50-250	-0.316	-0.280	-0.101	-0.102
	(0.557)	(0.554)	(0.671)	(0.671)
Size: >250	-	-	-	-
Export experience of the firm	-0.00290	-0.00372	-0.00359	-0.00433
	(0.00365)	(0.00362)	(0.00402)	(0.00401)
Hqlocation: North	0.119	0.127	0.0159	0.0401
	(0.157)	(0.156)	(0.162)	(0.163)
Hqlocation: Center	0.0182	0.0354	-0.0491	-0.00913
	(0.176)	(0.175)	(0.182)	(0.182)
Hqlocation: South	-	-	-	-
Asset Specificity (physical assets)	-0.00815	-0.0228	0.00396	-0.00885
	(0.0514)	(0.0512)	(0.0519)	(0.0520)
Environmental uncertainty: Volatility	0.0913	0.0937	0.0949	0.100
	(0.0599)	(0.0596)	(0.0614)	(0.0614)
Interactions				
CQ (full scale)#CDHofstede			0.487***	
			(0.178)	
CQ (full scale)#International experience				
CQ (full scale)#knowledge of the foreign language				
CQ (reduced scale)#CDHofstede				0.228*
				(0.134)
CQ (reduced scale)#International experience				
CQ (reduced scale)#knowledge of the foreign language				
Export Channel_binary=2#CQ(full scale)	0.309		0.172	
	(0.234)		(0.241)	
Export Channel_binary=2#CQ(reduced scale)		0.128		0.00278
		(0.186)		(0.193)
Export Channel_binary=2#CDHofstede			-0.108	-0.153
			(0.0992)	(0.102)
Export Channel_binary=2#CQ (full scale)#CDHofstede			-0.738***	
			(0.248)	
Export Channel_binary=2#CQ (reduced scale)#CDHofstede				-0.430**
				(0.213)
Constant	0.256	0.214	0.275	0.255
	(0.601)	(0.599)	(0.706)	(0.708)
Observations	470	470	443	443
R-squared	0.050	0.059	0.086	0.083

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market-based (indirect export channels)

Table 17 - Regression Analysis of Export Satisfaction

	Model1	Model2	Model3	Model4	Model5	Model6	Model7	Model8	Model9
Predictor variables									
CQ (full scale)		0.168	0.174	0.291**	0.153				
		(0.114)	(0.118)	(0.132)	(0.119)				
CQ (reduced scale)						0.261***	0.285***	0.338***	0.300***
						(0.0910)	(0.0942)	(0.112)	(0.0990)
CD Hofstede			-0.114**				-0.113**		
			(0.0465)				(0.0452)		
International experience of the manager				0.153**				0.0760	
				(0.0772)				(0.0788)	
Manager's knowledge of the foreign language					0.137				0.0900
					(0.0909)				
Export channel: binary = 2									
Control variables									
Industry: Agriculture, Forestry and Fishing	-	-	0.269	0.327	0.369	-	0.264	0.310	0.333
			(0.307)	(0.294)	(0.294)		(0.303)	(0.294)	(0.290)
Industry: Service	-0.203	-0.175	0.128	0.164	0.174	-0.213	0.0985	0.133	0.119
	(0.246)	(0.247)	(0.261)	(0.250)	(0.251)	(0.244)	(0.259)	(0.250)	(0.248)
Industry: Manufacturing	-0.285	-0.253	0.0395	0.0733	0.103	-0.251	0.0459	0.0740	0.0745
	(0.207)	(0.208)	(0.228)	(0.216)	(0.217)	(0.206)	(0.226)	(0.217)	(0.214)
Industry: Trade	-0.496**	-0.471*	-0.118	-0.144	-0.125	-0.478*	-0.115	-0.145	-0.151
	(0.248)	(0.249)	(0.268)	(0.254)	(0.256)	(0.247)	(0.266)	(0.254)	(0.252)
Industry: Construction	-0.431	-0.397	-	-	-	-0.397	-	-	-
	(0.293)	(0.294)				(0.291)			
Size: 0-9	-0.433***	-0.423***	-0.971	-0.996*	-0.991*	-0.410***	-0.869	-0.918*	-0.932*
	(0.136)	(0.136)	(0.655)	(0.538)	(0.540)	(0.135)	(0.649)	(0.537)	(0.533)
Size: 10-49	-0.110	-0.109	-0.627	-0.685	-0.685	-0.112	-0.546	-0.622	-0.627
	(0.119)	(0.119)	(0.652)	(0.533)	(0.534)	(0.119)	(0.644)	(0.532)	(0.528)
Size: 50-250	-	-	-0.523	-0.569	-0.589	-	-0.446	-0.513	-0.549
			(0.658)	(0.538)	(0.540)		(0.651)	(0.537)	(0.534)
Size: >250	0.636	0.574	-	-	-	0.503	-	-	-
	(0.539)	(0.540)				(0.537)			
Hierarchical export channel	0.360***	0.352***	0.0166	0.00516	0.00948	0.349***	-0.00714	-0.00751	0.00451
	(0.119)	(0.119)	(0.101)	(0.0977)	(0.0985)	(0.118)	(0.0999)	(0.0977)	(0.0973)
Hybrid export channel	-	-	-0.370***	-0.372***	-0.355***	-	-0.395***	-0.367***	-0.365***
			(0.124)	(0.120)	(0.121)		(0.123)	(0.120)	(0.119)
Market-based export channel	0.336***	0.340***	-	-	-	0.350***	-	-	-
	(0.120)	(0.120)				(0.120)			
Export experience of the firm	-0.00487	-0.00504	-0.00649	-0.00584	-0.00548	-0.00549	-0.00704*	-0.00591	-0.00505
	(0.00354)	(0.00354)	(0.00394)	(0.00360)	(0.00358)	(0.00352)	(0.00391)	(0.00359)	(0.00354)
Hqlocation: North	-0.0626	-0.0744	-0.145	-0.0499	-0.0853	-0.0735	-0.147	-0.0627	-0.0981
	(0.153)	(0.153)	(0.160)	(0.152)	(0.153)	(0.152)	(0.159)	(0.151)	(0.151)
Hqlocation: Center	-0.185	-0.194	-0.222	-0.177	-0.196	-0.183	-0.210	-0.185	-0.190
	(0.172)	(0.172)	(0.179)	(0.170)	(0.171)	(0.170)	(0.177)	(0.170)	(0.169)
Hqlocation: South	-	-	-	-	-	-	-	-	-
Asset Specificity (physical assets)	-0.00402	-0.0159	-0.00364	-0.0379	-0.0249	-0.0285	-0.0190	-0.0426	-0.0343
	(0.0498)	(0.0504)	(0.0516)	(0.0509)	(0.0508)	(0.0502)	(0.0510)	(0.0508)	(0.0502)
Environmental uncertainty: Volatility	0.0528	0.0498	0.0499	0.0381	0.0462	0.0550	0.0515	0.0414	0.0478
	(0.0583)	(0.0583)	(0.0603)	(0.0580)	(0.0582)	(0.0579)	(0.0598)	(0.0581)	(0.0575)
Interactions									
CQ (full scale)#CDHofstede			0.170						
			(0.116)						
CQ (full scale)#International experience				-0.448**					
				(0.176)					
CQ (full scale)#knowledge of the foreign language					-0.306				
					(0.211)				
CQ (reduced scale)#CDHofstede							0.179*		
							(0.0943)		
CQ (reduced scale)#International experience								-0.271*	
								(0.143)	
CQ (reduced scale)#knowledge of the foreign language									-0.489***
									(0.172)
Constant	0.353	0.325	0.970	0.882	0.911	0.336	0.915	0.874	0.932
	(0.281)	(0.281)	(0.687)	(0.580)	(0.583)	(0.278)	(0.679)	(0.581)	(0.575)
Observations	470	470	443	470	470	470	443	470	470
R-squared	0.074	0.079	0.094	0.096	0.085	0.091	0.111	0.099	0.107

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 17 - (cont 'd)

	Model10	Model11	Model12	Model13
Predictor variables				
CQ (full scale)	0.104		0.229	
	(0.151)		(0.158)	
CQ (reduced scale)		0.169		0.253**
		(0.119)		(0.123)
CD Hofstede			-0.160**	-0.137**
			(0.0637)	(0.0609)
International experience of the manager				
Manager's knowledge of the foreign language				
Export channel: binary = 2	0.0933	0.119	0.121	0.140
	(0.0919)	(0.0904)	(0.0937)	(0.0925)
Control variables				
Industry: Agriculture, Forestry and Fishing	0.334	0.348	0.124	0.134
	(0.296)	(0.293)	(0.307)	(0.306)
Industry: Service	0.219	0.196	0.0760	0.0723
	(0.252)	(0.251)	(0.262)	(0.262)
Industry: Manufacturing	0.110	0.124	-0.00405	0.0295
	(0.217)	(0.216)	(0.228)	(0.227)
Industry: Trade	-0.0819	-0.0777	-0.148	-0.128
	(0.257)	(0.255)	(0.268)	(0.268)
Industry: Construction	-	-	-	-
Size: 0-9	-1.004*	-0.904*	-0.793	-0.712
	(0.545)	(0.540)	(0.661)	(0.657)
Size: 10-49	-0.695	-0.613	-0.494	-0.402
	(0.540)	(0.536)	(0.656)	(0.653)
Size: 50-250	-0.566	-0.481	-0.363	-0.279
	(0.547)	(0.543)	(0.662)	(0.659)
Size: >250	-	-	-	-
Export experience of the firm	-0.00401	-0.00454	-0.00601	-0.00666*
	(0.00358)	(0.00354)	(0.00397)	(0.00394)
Hqlocation: North	-0.0873	-0.0808	-0.175	-0.156
	(0.154)	(0.153)	(0.160)	(0.160)
Hqlocation: Center	-0.227	-0.202	-0.272	-0.228
	(0.173)	(0.172)	(0.179)	(0.179)
Hqlocation: South	-	-	-	-
Asset Specificity (physical assets)	-0.0337	-0.0471	-0.0166	-0.0301
	(0.0505)	(0.0501)	(0.0512)	(0.0511)
Environmental uncertainty: Volatility	0.0505	0.0574	0.0394	0.0497
	(0.0589)	(0.0584)	(0.0606)	(0.0603)
Interactions				
CQ (full scale)#CDHofstede			0.553***	
			(0.175)	
CQ (full scale)#International experience				
CQ (full scale)#knowledge of the foreign language				
CQ (reduced scale)#CDHofstede				0.351***
				(0.131)
CQ (reduced scale)#International experience				
CQ (reduced scale)#knowledge of the foreign language				
Export Channel_binary=2#CQ(full scale)	0.186		0.0468	
	(0.230)		(0.238)	
Export Channel_binary=2#CQ(reduced scale)		0.243		0.146
		(0.182)		(0.190)
Export Channel_binary=2#CDHofstede			-0.0401	-0.0645
			(0.0979)	(0.0998)
Export Channel_binary=2#CQ (full scale)#CDHofstede			-0.806***	
			(0.245)	
Export Channel_binary=2#CQ (reduced scale)#CDHofstede				-0.495**
				(0.209)
Constant	0.782	0.688	0.768	0.651
	(0.590)	(0.587)	(0.697)	(0.696)
Observations	470	470	443	443
R-squared	0.062	0.077	0.098	0.104

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1
Legend:
Export channel: binary = 1 hierarchical and hybrid (direct export channels)
Export channel: binary = 2 market-based (indirect export channels)

Figure 9 – The moderating effect of Cultural Distance (CD)

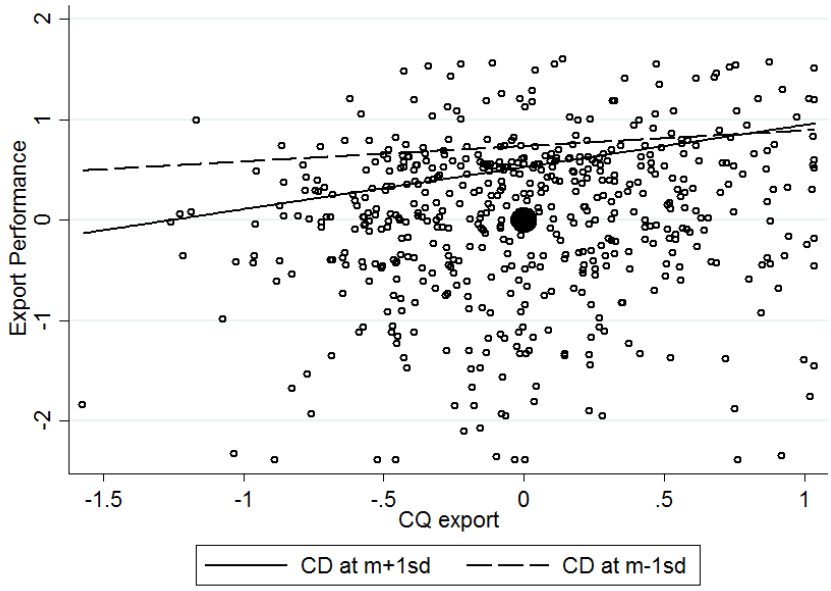


Figure 10 - The moderating effect of International Experience as Cultural Distance (CD)

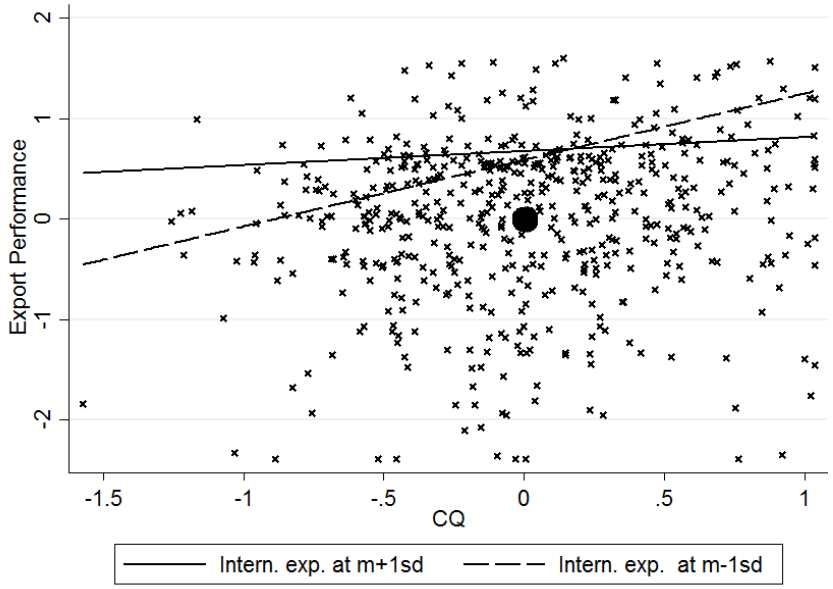
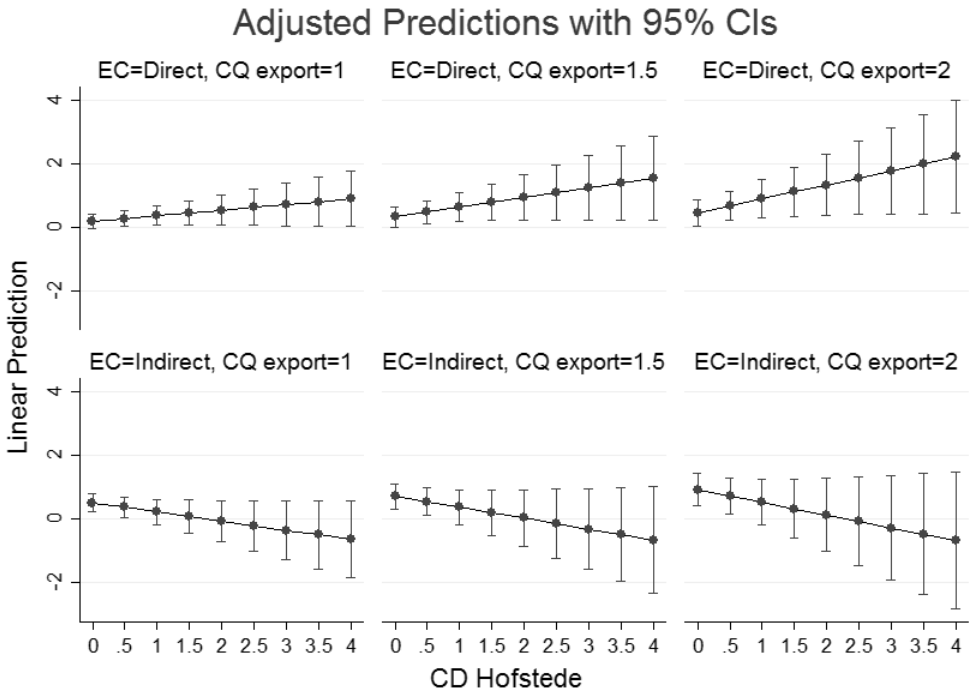


Figure 11 – The moderating effect of Export Channels (EC) and Cultural Distance (CD)



Appendix B - Robustness Tests

We conducted several auxiliary analyses to check the robustness of our findings by considering alternative measures for our variables and running alternative models.

First, we considered alternative operationalization of our moderating variable CD always based on the Kogut & Singh formula, but relying this time on the cultural dimensions by Schwartz and the GLOBE project, rather than Hofstede. The Schwartz's six dimensions of national culture are: harmony, embeddedness, hierarchy, mastery, affective autonomy, intellectual autonomy, egalitarianism. In contrast, the GLOBE project identifies nine cultural dimensions. It asks respondents in 61 societies to gauge practices that assessed cultural qualities "as they are", and values that assessed cultural qualities "as they should be". For the sake of clarity, we used both practices and values scores to calculate the Cultural Distance Index based on the cultural dimensions from the GLOBE project. In these models, the interaction between the reduced scale of CQ and CD became insignificant. Despite its acknowledged limitations (Shenkar, 2001), the CD measure, based on Hofstede's cultural dimensions, has been used extensively in the internationalization field and "the internationalization literature has yet to offer a better proxy for cultural national differences" (Lavie & Miller, 2008). If we consider the two-way moderation by export channels, this remains insignificant whatever the dimensions of cultural distance used. Conversely, the three-way moderation by export channels and cultural distance is significant and with the same direction as in the baseline model, except for the model using the GLOBE practices as dimensions of cultural distance (Table 14). In this case, the three-way moderation by export channels becomes insignificant.

Table 12 about here

Table 13 about here

Table 14 about here

Subsequently, we tested variations of our dependent variable, i.e. the three different dimensions of Export Performance (export achievement, intensity and satisfaction).

Table 15 about here

Table 16 about here

Table 17 about here

In these models the main relationship has the same direction as in the base model. Generally speaking, the relationship between the task specific measure of CQ and export performance is always positive and significant, whereas, if considering the influence of the general measure of CQ on export intensity and satisfaction, the relationship becomes insignificant. If we consider the two-way moderation by export channels, this remains insignificant with all the dimensions of export performance. Conversely, the three-way moderation by export channels and cultural distance is significant and with the same direction, regardless the measure of export performance used. Similarly, with respect to the moderation by CD, the analysis replicates the same main findings as our base model.

Paper 3

The Alliance Portfolio Diversity and Alliance Portfolio Performance: The Moderating Role of Cultural Intelligence

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The Alliance Portfolio Diversity and Alliance Portfolio Performance: The Moderating Role of Cultural Intelligence

Abstract

Why are some firms more successful in managing their portfolio of alliances? Alliance research has increasingly focused on the influence of the alliance portfolio diversity and alliance portfolio performance relationship. Despite research has tended to focus on dimensions of diversity between the partners of the alliance at the macro-level (e.g. the industry, organizational form and the network of partners), we need to explore factors at the level of the individual manager to understand differences in alliance portfolio success. In particular, we focus on one such factors: the "cultural intelligence" of the export manager. Individual managers play a key role in major strategic decisions, especially within SMEs. We explore a unique dataset of Italian SMEs to analyse how cultural intelligence moderate the relationship between alliance portfolio diversity and alliance portfolio performance. Our findings suggest that the higher the cultural distance between the exporting firm and the alliance partners, the more the firm needs managers with a high level of cultural intelligence to turn the cultural differences into higher alliance portfolio performance. Moreover, this study introduces a new and more accurate measure of alliance portfolio diversity, which simultaneously considers the cultural diversity between the country of origin of the focal firm and the country of origin of its partners and the dispersion among the countries of origin of the firm's foreign partners. Finally, we find that a measure of cultural intelligence, such as metacognitive cultural intelligence, that is specific to the cross-cultural situation, is a better predictors of alliance portfolio performance than the more general measures mostly used in previous research.

Introduction

Whereas firms historically formed simple and single alliances, today they are engaged in multiple simultaneous alliances with different partners (Wassmer, 2010). Consequently, managing alliance portfolios is increasingly important in several key industries. Together with the increasing use of alliance portfolios, research in alliance portfolio has also proliferated (Lavie, 2007). A recent stream in strategic alliance research takes a firm-level perspective by focusing on the alliance portfolio degree of variance under different dimensions, named alliance portfolio diversity (APD).

The phenomenon also appears in the relationships of small and medium-sized firms (SMEs). As SMEs face a new challenging environment, characterized by technological

evolution, globalization and fierce competition, appropriate investments are needed in order to build the right competencies to survive in the new setting (Marino, Strandholm, Steensma & Weaver, 2002). However, typically SMEs are constrained by a lack of resources and the small dimension, as compared to their larger rivals (Calof, 1993). Therefore, strategic alliances may represent an efficient solution for SMEs to build the necessary competencies (Suarez-Villa, 1998). In particular, previous researchers have pointed to the fact that, having multiple partners allows the firm to reduce the costs of bilateral relationships, such as the loss of control of the partnership, or, the loss of the secret and proprietary knowledge to the partner (Gnyawali & Park, 2009; Lavie, 2007). This is particularly true for SMEs, which commonly have a limited bargaining power when partnering with larger firms and have limited resources to face the potential costs of bilateral alliances. We surmise that, just as having multipartner alliances may be beneficial for SMEs (Gnyawali & Park, 2009), having a portfolio of alliances may represent an effective way, especially for SMEs, to enhance their strength in the alliance relationships as well as reduce the risks of simple and single alliances. Given the above-mentioned liabilities of SMEs, managing multiple alliances (i.e. portfolio management) and acquiring the organizational competencies needed to form and manage these alliances, becomes especially critical for SMEs than for larger firms (Marino, Strandholm, Steensma & Weaver, 2002).

Moreover, as the internationalization activity of SMEs is export-centered and when exporting, SMEs frequently collaborate with other firms, such as intermediaries and partners in target countries, those portfolios of alliances are primarily related to exporting. Given that the SME sector is vital for a national economy and given the importance of alliance portfolios for SMEs and of export activities for increasing innovation and competitiveness of SMEs (Golovko & Valentini, 2011), the current research focuses on how SMEs manage diverse portfolios of collaborative export relations.

However, previous studies considering alliance portfolio diversity (APD) and its influence on alliance portfolio performance (APP) have found opposite results. The work by Goerzen & Beamish (2005) revealed a negative influence of the alliance network diversity on the multinational enterprise economic performance. Lavie & Miller (2008) found that the influence of the alliance portfolio internationalization (API) on the firm performance follows a sigmoid pattern. In contrast, Jiang, Tao & Santoro (2010) suggested equivocal results in the alliance portfolio diversity-firm performance relationship. This divergence depends on the different dimensions of the portfolio diversity and their unique relationship with firm performance. Industry diversity has a u-shaped relationship with firm performance.

Organizational and functional diversity can enhance firm performance, while greater governance diversity can have a negative influence on firm performance (Jiang et al., 2010). Interestingly, they found no significant effect for national diversity and urge further studies on this relationship. Recently, Duysters, Heimeriks, Lokshin, Meijer & Sabidussi (2012) have demonstrated an inverted u-shaped effect of APD on the alliance portfolio performance (APP). Increasing levels of diversity lead, in fact, to diseconomies of learning and coordination costs, which, past some point, may be detrimental to APP. Thus, it is evident that previous efforts linking APD to performance have suggested a positive, negative, U-shaped, sigmoid relationship, or nothing. These mixed empirical findings suggest that there could be no main effect between APD and APP. Moreover, how the cultural diversity of the partners may influence APP has remained largely unexplored. In an effort to reconcile these equivocal findings and further extend previous research on APD and APP, we propose a managerial perspective. As suggested by Stahl & Tung (2014), we will look at the management-related factors that could help understanding the effect of cultural differences in international business studies.

We hypothesize that managers with cultural intelligence (CQ) are better able to take advantage of the partners' cultural diversity (APD based on cultural distance) and enhance the alliance portfolio performance (APP). According to Early (2002), assessing the capability of individuals to function across cultural contexts and with different individuals is crucial if we want to understand the influence of culture on cross-cultural operations. Cultural intelligence (CQ), as the capability of individuals to adapt effectively across cultural settings, helps individuals in this direction. Being composed of a cognitive, behavioral and metacognitive dimension, CQ allows capturing and managing cultural differences towards some specific objectives (Thomas et al., 2015). In addition, Imai & Gelfand (2010) suggested the importance of CQ for intercultural negotiation effectiveness. Those dyads with CQ will engage in more effective negotiation behavior, which, in turn, increases their joint profit (Imai & Gelfand, 2010). Previous studies have also stressed the positive influence of expatriates' CQ on cultural adjustment and effectiveness so as to enhance expatriate performance (Lee & Sukoco, 2010). Just as expatriates hold a key task in bridging multinational enterprises (MNEs) to the foreign country, export managers represent key individuals in the internationalization process of SMEs. Therefore, we suggest that export managers require CQ in order to achieve intercultural effectiveness in alliances with foreign partners so as to take advantage of cultural diversity and enhance the performance of the firm's alliance portfolio (APP). Thus, we pose a moderation effect of export managers' CQ

so that we expect a strong positive effect of APD, based on cultural differences, on APP at high levels of export managers' CQ, being the effect indifferent otherwise. By bridging the previously separated literature on portfolio diversity and CQ, we will address the question: What is the relationship between the APD based on cultural differences and APP as moderated by CQ.

We test our hypotheses on a unique database of Italian SMEs (Small and Medium-sized Enterprises) collected through a large-scale survey conducted in 2015-2016. In the following sections, we will first develop our theory and hypotheses, and, subsequently, describe the methods of this study and discuss our findings, followed by conclusions.

Theory and Hypotheses

Alliance is the most common form of inter-organizational relationships (IOR) (Parmigiani & Rivera-Santos, 2011). However, definitions of alliances are still relatively vague in the literature (Parmigiani & Rivera-Santos, 2011). They range from narrow to broad definitions, where nearly every form of IOR is included, making it hard to properly define an alliance. Therefore, for the purpose of this paper, we adopt the broad definition by Contractor & Lorange (2002), who define alliances as "any inter-firm cooperation that falls between the extremes of discrete, short-term contracts and the complete merger of two or more organizations".

Even though alliances have been conceived for a long time as "ad hoc" arrangements satisfying specific needs, firms have started to take part to multiple alliances simultaneously (Lavie, 2007). Therefore, researchers have recently shifted their focus towards the firm's alliances as a portfolio (Goerzen & Beamish, 2005; Jiang et al., 2010; Lavie, 2007). As suggested by Lavie & Miller (2008), alliance portfolio refers to "a firm's collection of immediate alliance partners".

Alliance Portfolio Diversity (APD)

More diverse alliance portfolios have been found to bring advantages and disadvantages. Having multiple international alliances represents an opportunity to increase the variety of knowledge and capabilities leading to growth (Vassolo, Anand & Folta, 2004) and offers performance benefits (Dell'Era & Verganti, 2010; Mouri, Sarkar & Frye, 2012; Srivastava & Gnyawali, 2011). A more recent stream of research focused on how APD influences performance. Some authors found a negative relationship (Faems, De Visser, Andries & Van Looy, 2010; Goerzen & Beamish, 2005).

In particular, Faems, De Visser, Andries & Van Looy (2010) found that technology alliance portfolio diversity has a negative effect on the firm financial performance. This is the

result of the direct cost-increasing effect, being higher than the indirect value-enhancing effect of these alliances. Goerzen & Beamish (2005) provided evidence for diminishing economic benefits of large Japanese MNEs with a diverse network of equity-based alliances. The measure of alliance network diversity used in this case, refers to the diversity in terms of partners and industries of partners. There are several underlying reasons for this negative effect of the alliance network diversity on the firm economic performance. As the diversity of the network increases, integration and, thus, synergy among the subsidiaries is less likely to occur. In addition, as the diversity of the partners and their industries increases, the higher cultural diversity among the partners may lead to higher difficulties in managing the network of alliances. Finally, another reason for the negative effect of the alliance portfolio diversity on the firm performance is the different process of resource transfer between the firms, which leads to challenges in the knowledge sharing and appropriation.

In contrast, other authors (Jiang et al., 2010) suggested a positive relationship between some dimensions of APD (organizational and functional) and the firm performance, while negative relationships or no effect for other APD dimensions (governance and national diversity, respectively). Specifically, similar to Goerzen & Beamish (2005), Jiang et al. (2010) provided support for a U-shaped effect of industry diversity of the alliance partners and firm performance. Partner industry diversity brings benefits in terms of learning and resource access, but also costs, due to conflicts with competitors, lack of synergy with partners from unrelated industries and alliance management complexity. As learning and resource benefits accumulate and firms become more familiar with managing these type of costs, the net benefits from industry diversity surpass the related costs so as to improve the firm performance. Organizational diversity, which comes from collaborating with different types of organizations (i.e. not-for-profit and for-profit, public and private, large and small enterprises) showed a strong positive J-shaped relationship with firm performance, which suggests that the benefits of this diversity outweigh the costs of managing such different types of relationships. Similarly, greater functional diversity, which refers to the functional purpose of the alliance (i.e. marketing, manufacturing and R&D alliances), has a positive influence on the firm performance because a balance of exploitation (i.e. marketing, manufacturing and distribution) and exploration activities (i.e. R&D) provides the access to complementary and supplementary assets, a wider knowledge base and market reach. Therefore, the positive influence of organizational and functional diversity on firm performance is explained by "the learning and resource benefits accruing form collaborating with diverse organizations for a wide scope of functional purposes" (Jiang et al., 2010: 1142).

Conversely, different governance structures (i.e. equity and various equity-ownership arrangements) are found to increase managerial complexity in dealing with many different structures and deter knowledge accumulation due to an excessive experimenting with different governance forms, rather than focusing on a set of familiar structures (Jiang et al., 2010).

The non-significant effect of national diversity and firm performance is thought to be a consequence of the widespread use of global alliances in the auto industry, that is the industry which the firms in the study belong to (Jiang et al., 2010). Lavie & Miller (2008) proposed a sigmoid pattern between a new measure of alliance portfolio diversity (i.e. API), which accounts for the national dissimilarities between the partners and firm financial performance. They demonstrated how, as the degree of foreignness of the partners (i.e. API) increases, the firm that collaborates with them, experiences, at the beginning, declining performance because of unnoticed, yet critical national differences, which prevent the firm adaptation to nationally different partners. At a later stage, as the degree of foreignness of the partners (i.e. API) increases, the firm is more likely to understand its partners' background, adjust its collaborative routines accordingly as well as access to the partners' networks and markets. However, at high levels of the degree of foreignness of the partners (i.e. API) the firm's collaborative routines are no more efficient in the successful adaptation process to nationally distant partners. Therefore, over-internationalization determines a negative effect on firm performance.

Finally, Duysters et al. (2012) recognized a u-shaped effect of alliance portfolio diversity (APD) on alliance portfolio performance (APP). APD is a multidimensional measure, which includes different alliance and partners' attributes (i.e. type of activity, organizational form, number and types of partners), whereas the APP measures the alliance portfolio success rate by looking at the percentage of alliances in which the initial goals were realized. The authors suggest that, at low levels of APD, the performance benefits of the portfolio alliance diversity, extensively explored above, are likely to occur. These are mainly related to the access to a variety of knowledge resources and capabilities. However, as the APD increases, not only learning becomes more difficult and leakage or knowledge spillovers may occur, but also coordination of resources and attention towards the partners becomes more difficult. Thus, at higher levels of APD the effect on APP becomes negative.

Thus, the wide variety concerning the effects of the APD measure on performance is mostly justified by the differences in the operationalizations of the APD and performance measures, that have been so far used.

However, with one notable exception (Lavie & Miller, 2008), the way in which previous research has operationalized APD neglects the cultural differences between the partners. Goerzen & Beamish (2005) considered only two dimensions of diversity, namely partner and industry diversity. Jiang et al. (2010) established a more comprehensive construct of APD by incorporating functional diversity (the value chain activities for which the firm uses alliances), governance diversity (the organizing structures for organizing and managing alliances) and partner diversity (the variety of partners in the alliances). Despite this, they only focus on the national dissimilarities between the partners of the alliance portfolio without accounting for their cultural distance. More recently, Duysters et al. (2012) have defined their alliance diversity in terms of types of activity, organizational form, number and types of partners. In contrast, Lavie & Miller (2008) accounted for national cultural dissimilarities between the partners by introducing the alliance portfolio internationalization (API) indicator. More specifically, they developed the API indicator by taking into account the cultural, geographical, institutional and economic national differences between the focal firm and its partners. Although these authors made a remarkable progress in the alliance portfolio research, they do not conceive national cultural differences to have an influence on the performance of the overall alliance portfolio and limit their analysis to the impact on the firm's financial performance. Moreover, the API indicator computed the cultural distance of the alliance portfolio as the average cultural distance between the country of origin of the focal firm and its partners'. In an effort to have a more accurate measure of APD based on the cultural distance of the portfolio of alliances, which would serve as a more accurate predictor of the alliance portfolio performance of SMEs, we intend to capture the dispersion among the countries of origin of the firm's partners. In this way, we will also account for the different effort a firm puts in dealing with a portfolio of partners, which is more, or, less dispersed. We envisage, in fact, that it is more difficult to deal with a portfolio of alliances where only a few countries of origin of the partners are culturally very far from the home country of the focal firm, but the majority are close, than a portfolio where the countries of origin of the partners are culturally quite close to the home country of the focal firm. Therefore, our index will include not only the cultural distance between the country of origin of the focal firm and the country of origin of the firm's partners, but also the cultural distance among the countries of origin of the firm's partners.

Cultural distance between the firm's partners

Nevertheless, cultural distance between alliance partners has been shown to have important effects, both on the choice of the form of interorganizational collaborations (IOCs)

(Anderson & Coughlan, 1987; Gatignon & Anderson, 1988; Kogut & Singh, 1988) and on the performance of collaborations (Knoben & Oerlemans, 2006; Lavie & Miller, 2008; Sarkar, Aulakh & Cavusgil, 1998). As suggested by Kogut & Singh (1988), the higher the cultural distance between the country of origin and the foreign country the better is to choose a mode of entry that minimizes the perceived costs and uncertainties. In contrast with acquisitions, collaborations with local partners, such as JVs, represent a preferred entry mode when cultural distance with the target country is high. Even though a JV involves the costs of sharing ownership and control, it allows lowering the costs of managing the labor costs and the relationships with the stakeholders by assigning the management tasks to local partners (Kogut & Singh, 1988). This concept is reinforced by a recurrent argument in the export literature, according to which firms are more likely to collaborate with local firms than to exert operating control in countries culturally distant from the country of origin (Anderson & Coughlan, 1987). In other words, the more distant is the foreign market from the home market the more the exporting firm will choose to collaborate with foreign partners (i.e. JV partners, commission agents, distributors). Not only do socio-cultural differences reduce ownership level, but they also encourage lower commitment entry modes (Gatignon & Anderson, 1988). For instance, this suggests that firms are better off in partnering with commission agents than setting up a JV when cultural distance is high. Compared with commission agents, JVs are, in fact, higher commitment modes of entry due to the shared control and ownership of proprietary assets.

Cultural distance may also affect the performance of the inter-organizational collaboration (IOC). Sarkar et al. (1998) demonstrate that the cultural compatibility of the partnering firms enhances the performance of the collaboration by ensuring relationship stability and higher tolerance levels, namely higher relational bonding. Knoben & Oerlemans (2006) further stress how cultural proximity between the partners of the collaboration means easier interactions leading to better results. Sometimes, despite cultural differences, alliances may be successful when the managers, being aware of such differences, put more effort to make the alliance work. In this sense, national cultural differences between the partners could lead to a better communication and collaboration (Park & Ungson, 1997; Shenkar & Zeira, 1992). These benefits could, in turn, positively affect the performance of the firm (Lavie & Miller, 2008).

However, collaborations with foreign partners typically reduce effective communication, trust and knowledge sharing (Sirmon & Lane, 2004). Due to the increased communication difficulties that come with national differences, the performance of these

alliances could be weakened (Lane, Salk & Lyles, 2001). In particular, Lavie & Miller (2008) cautioned against the "psychic distance paradox", highlighting how a firm collaborating with proximate foreign partners may experience declining performance because of unnoticed yet critical national differences. According to the authors, the performance peak shows up at moderate levels of cultural distance between the partners of the intercultural collaboration.

Alliance portfolio diversity (APD) and Alliance portfolio performance (APP)

Ambivalent results are found as regards the impact of the diversity of a portfolio of alliances on the alliance performance. Not only does a portfolio of alliances between the firm and multiple foreign partners create opportunities for accessing new resources, information and capabilities, but it may also bring challenges by adding additional complexity to the management of the portfolio of alliances (Wassmer, 2010). These challenges are derived from the lack of shared norms and values (Park & Ungson, 1997). In particular, Goerzen & Beamish (2005) hypothesize a negative influence of the alliance network diversity on the enterprise performance according to the transaction cost view, whereas an inverted u-shaped relationship is suggested when looking at the network theory. However, their results reveal that the majority of the firms in the sample experience a negative impact of the network diversity on the performance of the firm, the costs of the alliance diversity being more prominent than the potential benefits.

Other authors found non-linear patterns for the APD-APP relationship. The mixed results found by Jiang et al. (2010) suggest a complex relationship between alliance portfolio diversity and firm performance. This ambivalence depends on which dimension of the portfolio diversity is considered: functional, governance or partner diversity. These results highlight a trade-off between alliance portfolio benefits in terms of search, resources and learning, on the one hand, and costs, on the other (Jiang et al., 2010). Lavie & Miller (2008) introduce, in their API measure, the national dissimilarities between a firm and its partners. They demonstrate that a sigmoid pattern exists between the national distance between the partners' countries of origin (API) and firm performance. Interestingly, Jiang et al. (2010) found no significant relationship between the national diversity of the alliance portfolio partners and firm performance. More recently, Duysters et al. (2012) have argue that as APD increases, performance, first, increases, then decreases, suggesting an inverted U-shaped effect of APD on APP. Beyond a certain point, high levels of diversity make learning and coordination more difficult leading to a negative effect on performance (Duysters et al., 2012).

Despite the variety of APD dimensions, whose effect on APP has been extensively investigated by prior research, cultural differences represent an underestimated, yet crucial APD dimension influencing firm's performance (Lavie & Miller, 2008). Leaders have been recognized as having different skills to manage these cultural differences (Groves & Feyerherm, 2011; Mannor, 2008; Rockstuhl, Seiler, Ang Van Dyne & Annen, 2011). In the current context, leaders' cross-cultural capabilities are particularly important (Groves & Feyerman, 2011). These cross-cultural abilities are mostly captured by cultural intelligence (CQ).

The CQ literature

By cultural intelligence we refer to "an individual's capability to function and manage effectively in culturally diverse settings" (Ang & Inkpen, 2008: 341). Therefore, cultural intelligence involves a person's capability to function effectively in interacting across culturally different groups (Herrmann, Call, Hernández-Lloreda, Hare & Tomasello, 2007). Contrary to social or emotional intelligence (EQ) and cognitive intelligence (IQ), cultural intelligence (CQ) is a form of intelligence that helps individuals in coping with diversity, by adjusting and interacting in cross-cultural settings (Ang & Inkpen, 2008). According to Ang & Inkpen (2008), since intercultural contacts between firms are sharply increasing in international business, only those firms equipped with cultural intelligence may function effectively in culturally diverse environments. In addition, "firms with capabilities to manage intercultural contacts (i.e. culturally intelligent firms)" have been recognized to outperform those that are "less intelligent" (Ang & Inkpen, 2008: 337).

CQ has been operationalized as a model based on four dimensions: metacognitive, cognitive, motivational and behavioral (Ang et al., 2007). In particular, metacognitive CQ represents the mental skill which enables the individual to acquire and understand cultural knowledge. Cognitive CQ refers to the "knowledge of norms, practices and conventions in different cultures" (Ang & Inkpen, 2008: 344). Motivational CQ refers to "the capability to direct attention and learning about situations characterized by cultural differences" (Ang & Inkpen, 2008: 345). Behavioral CQ is the capability to properly use verbal and nonverbal actions when interacting with people coming from different cultures (Ang and Inkpen, 2008).

The moderating role of CQ

Even though empirical findings on the relationship between APD and APP have been mixed, some studies tried to look at moderating variables mitigating the potential challenges of high levels of diversity. Some authors (Duysters et al., 2012) hypothesize a positive moderation in the APD-APP relationship by alliance experience. The higher the experience in

managing diverse alliance portfolios the more the managers are likely to properly apply previous experience and assess the causes of superior performance. However, being experienced might not be enough for managing a portfolio of alliances (Heimeriks, 2009). Alliance capabilities have been recognized as an additional supporting factor essential to deal with multiple alliances and optimize APP (Heimeriks, Duysters and Vanhaverbeke, 2007; Kale, Dyer and Singh, 2002). Alliance capabilities have been measured by examining the mechanisms that facilitate the transfer and sharing of relevant knowledge attained through participation in alliances (Heimeriks & Duysters, 2007). Specifically, Heimeriks & Duysters (2007) identified four mechanisms: functions, tools, control and management processes, and external parties. Overall, Duysters et al. (2012) found that alliance capabilities positively moderate the effect of APD on performance, but only at high levels of alliance capabilities. In other words, managers equipped with high levels of alliance management skills lead the firm to achieve better alliance performance. However, the authors do not stress the need for any specific alliance capabilities aimed at managing the cross-cultural differences between the partners of the firm's alliance portfolio. As far as cross-cultural alliances are concerned, Heimeriks et al. (2007), within their learning mechanisms, account for knowledge about national cultural differences as well as training programs in order to achieve alliance management skills.

However, as recognized by the cognitive theory, in addition to culture-specific knowledge and its learning mechanisms, cognitive structures that drive behavior are salient (Hong, Morris, Chiu & Benet-Martinez, 2000). In line with Thomas et al. (2015: 2) "a more general development of cognitive structures and processes might occur that influence intercultural effectiveness" and its impact on performance. In order to understand how culture influences business operations, it is, in fact, important to assess "the capability of individuals to function across cultural contexts and with culturally different others" (Thomas et al., 2015: 1). CQ as "the person's capability to adapt effectively to new cultural contexts" (Earley, 2002: 274) embodies this notion (Thomas et al., 2015). Cultural intelligence is recognized as the ability of some individuals to interact effectively across cultural settings and with culturally different others.

Specifically, metacognitive CQ, which is a relevant CQ dimension, refers to "the mental processes that individuals use to acquire and understand cultural knowledge" and "relevant capabilities including planning, monitoring and revising mental models of cultural norms for countries or groups of people" (Magnusson, Westjohn, Semenov, Randrianasolo & Zdravkovic, 2013: 47). In other words, the metacognitive facet of CQ refers to the knowledge

of and control over one's thoughts and learning processes as well as cognitive and affective states and the ability to regulate them so as to meet some goals and objectives (Thomas et al., 2015). Individuals with high metacognitive CQ understand processes and conduct business transactions more effectively because they track their progression, identify potential cultural misunderstandings and modify their behavior according to the cultural setting (Elenkov & Pimentel, 2008). Lee & Sukoco (2010) reveal a positive moderation by cultural adjustment and cultural effectiveness in the CQ-expatriate performance relationship. The authors also demonstrate that cultural effectiveness of expatriates has a positive effect on expatriate performance. According to Holopainen & Bjorkam (2005), cultural effectiveness has both relational and communicational abilities. The relational ability refers to the capacity to interact effectively with different others and establish close relationships, whereas communicational ability refers to the ability to interact with strangers, communicate with them, being able to manage communication misunderstandings.

In a similar vein, we suggest that the extent to which the cultural differences of the portfolio of alliances positively or negatively influence the APP depends on the manager's cultural capability at recognizing, understanding and managing cross-cultural interactions (i.e. CQ). Therefore, managers require CQ in order to achieve intercultural effectiveness in intercultural collaborations with foreign partners so as to take advantage of the partners' cultural diversity and turn it into enhanced alliance portfolio performance (APP). In other words, the cultural diversity of the portfolio of alliances is more likely to translate into superior performance if the managers of the firm are equipped with high levels of cultural intelligence (CQ).

Hypothesis 1: Cultural intelligence (CQ) will positively moderate the relationship between APD based on cultural differences and APP so that higher levels of CQ will increase the portfolio diversity level that maximizes APP.

In the literature, CQ has been conceptualized at a very general level, but just as Leonidou et al. (1998) distinguish between general and specific managerial attributes, depending whether they are specifically related to export activities or not, we also introduce a more specific type of CQ, specifically targeted to the export business. Based on previous literature on CQ, we propose that the CQ exists at two levels: general and task-specific. CQ at the general level is by definition of a nonspecific nature and thus may influence not specifically export-related activities, but also, or mostly, other corporate activities. By general

CQ we refer to the capability of the individual "to grasp, reason and behave effectively in situations characterized by cultural diversity" (Ang et al., 2007). Although, as pointed out by Ang et al., (2007), this is a form of intelligence which focuses on a specific domain (i.e. intercultural settings), it is not specific to the task performed by the individual. We contend that different types of cultural intelligence may be needed depending on the task the individual is assigned. Therefore, there is a need to look at the task-specific level of CQ, which reflects the abilities of the individual in functioning and managing effectively in intercultural settings while performing a specific task. In other words, when predicting the outcome of a particular intercultural task, we should consider the task-specific level of CQ of the individual, rather than his or her general CQ. This latter might not correctly reflect the characteristics of a narrower and practice-oriented form of intelligence, which is concretely used by the individual for the specific task at hand. Thus, we envisage that the task-specific level of CQ is more predictive in that it might have a greater positive influence on APP than a general level of CQ. Therefore, we hypothesize that the cultural diversity of the portfolio of alliances is more likely to translate into superior performance if the managers of the firm are equipped with high levels of task-specific CQ, its influence on APP being stronger than the impact of a general form of CQ.

Hypothesis 2: Task-specific CQ will positively moderate the relationship between APD based on cultural differences and APP so that higher levels of CQ will increase the portfolio diversity level that maximizes APP.

Although prior works have stressed the importance of the multiple dimensions of CQ for effective relationships in international work contexts (Earley, 2002), the study by Chua, Morris & Mor (2012) suggested that different dimensions of CQ may have a specific influence on the cross-cultural interaction between individuals. Thus, it is important to specify which dimension of CQ is responsible for its predicted effects (Chua, Morris & Mor, 2012). Among the different dimension of CQ, metacognitive CQ occupies a central position (Thomas et al., 2008). CQ is conceived as a system of interacting knowledge and abilities, which are developed in a specific cross-cultural context, but whose effectiveness depends on cultural metacognition. Therefore, cultural metacognition represents the linking mechanism, that allows the emergence of cultural intelligence (Thomas et al., 2008). According to Van Dyne et al. (2012), it includes three sub-dimensions: planning, awareness and checking.

Planning refers to "strategizing before a culturally diverse encounter" (Van Dyne et al., 2012: 299). Planning means developing action plans before the cross-cultural interaction. It also refers to thinking about the others' action to achieve their own objectives.

Awareness refers to an individual's level of awareness of how culture influences their mental processes and behaviors, the mental processes and behaviors of the counterparts in the intercultural relationship and the intercultural situation (Mor, Morris & Joh, 2013; Van Dyne et al, 2012).

Checking refers to adjusting one's assumptions and mental maps to the specific cultural situation (Van Dyne et al., 2012). Checking involves comparing expectations and actual situations and adjusting knowledge structures accordingly.

In other words, cultural metacognition involves: monitoring and regulation (Thomas et al., 2008). Cultural monitoring is the ability to monitor the knowledge, behavior and skills of oneself and culturally different others. Cultural regulation (or metacognitive strategies) allows regulating cognitive activities towards an objective.

Although the construct of metacognition is relatively new in the management field, past research in other domains has emphasized the importance of self-awareness and ability to adjust to new cultural contexts (Mendenhall & Oddou, 1985). Similarly, cognitive psychologists emphasized the monitoring and regulative aspects of metacognition (Flavell, 1979).

More recent research (Klafehn, Banerjee & Chiu, 2008) argued that cultural metacognition improves the performance in diverse cultural settings by enhancing contextualized thinking (i.e. awareness that the cultural context shapes individuals' motivations and behaviors) and cognitive flexibility (i.e. the capability to adjust to the different cultural expectations in the specific intercultural situations). Chua, Morris & Mor (2012) found that higher cultural metacognition improves affective closeness and creative collaborations in intercultural relationships. Other scholars have also stressed the role of concepts evoking cultural metacognition in intercultural collaborations. Johnson et al. (1996) stressed how self-awareness and awareness of others' actions is crucial for international collaborative alliances. In a similar vein, LaBach & Harich (1997) emphasized the role of cultural sensitivity in international collaborations.

The importance of cultural metacognition in intercultural collaborations is mostly due to enhanced communication quality and intercultural trust (Chua, Morris & Mor, 2012). Beyond the knowledge of traditional practices of another culture, metacognitive CQ is needed in order to make the work with the other culture collaborative. As stressed by Ang et

al. (2007), metacognitive CQ enables individuals to adjust one's behavior to the specific cultural context, enhance communication and build trust during the intercultural interaction. Moreover, the ability to adjust and learn during intercultural interactions leads to enhanced mutual understanding, respect and trust (Gertsen & Søderberg, 2011).

Therefore, we surmise that the metacognitive facet of CQ, by increasing the communication and trust in intercultural collaborations, may help managers in enhancing the performance of cross-cultural alliances. We pose that the extent to which the cultural differences in the portfolio of alliances positively or negatively influence the alliance portfolio performance (i.e. APP) depends, more specifically, on the metacognitive facet of CQ. Metacognitive CQ, in fact, by increasing the communication and trust of partners in cross-cultural alliances, may help managers in turning cultural differences in enhanced alliance portfolio performance (i.e. APP).

Hypothesis 3: Metacognitive CQ will positively moderate the relationship between APD based on on cultural differences and APP so that higher levels of Metacognitive CQ will increase the portfolio diversity level that maximizes APP.

Methods

Data collection and variables

We collected data in Italy through a large-scale online survey. The questionnaire was developed in English after an extensive review of the relevant literature on factors influencing export performance and CQ. It was subjected to a round of pilot testing with Italian practicing managers, the aim of which was to assess the clarity and coherence of the questionnaire in its Italian translation. The final questionnaire was in Italian and had a total of 51 questions, divided in three sections: information about the manager and the firm, the export activities of the firm and the firm's export alliances.

The questionnaire was sent to 77.012 leaders of Italian SMEs through the *Qualtrics online software*. It was sent in one wave to six different panels between November 2015 and January 2016. In January 2016, we sent a reminder to those who started filling out the survey without finishing it. The sample was drawn from the *Kompass Database* and included only Italian SMEs. Therefore, following the European Union definition, we included all the Italian firms with fewer than 250 employees.

Of the 77.012 emails sent, 1.154 usable questionnaires were returned (leaving out duplicates, bounced and failed emails). However, the email addresses were three years old at

the time of the survey and only 9.970 respondents opened the received email invitation. Of the firms excluded through this process, a few could not be contacted because of old or incorrect email addresses, others shut down their activity, or moved without leaving a forwarding address. Another percentage of these respondents died, changed firm, or refused to take part to the survey. Therefore, by excluding those respondents, who did not even open the email invitation, the final response rate was 8% (1,5% of total initial sample).

Dependent variable: Alliance Portfolio Performance (APP). As in previous studies (Duysters et al., 2012; Heimeriks & Duysters, 2007), we used subjective indicators to measure our dependent variable: *alliance portfolio performance (APP).* The dependent variable represents the satisfaction of the managers with the performance of the firm's portfolio of alliances (Duysters et al., 2012). Respondents were asked to estimate the percentage of export alliances in the firm's portfolio (0-20%, 21-40%, 41-60%, 61-80%, 81-100%) where the initial goals were realized.

Independent variable: Alliance Portfolio Diversity (APD) based on cultural differences in the alliance portfolio. The first independent variable is APD based on *cultural distance,* which accounted for the cultural differences in the alliance portfolio, by including information on the cultural distance between the partners' country of origin and Italy. Cultural distance was computed using multiple sources. First of all, given its popularity, we used the Hofstede's five dimensions of cultural distance (Hofstede, 1991): individualism, masculinity, uncertainty avoidance, power distance and long-term orientation. By using the composite index by Kogut & Singh (1988), we computed the deviation along each of the five dimensions of each country from Italy. Algebraically:

$$CD_j = \sum_{i=1}^{5} \frac{(I_{ij-}I_{iI})/V_i}{5}$$

where I_{ij} is the index of the i_{th} cultural practices dimension and j_{th} country, I_{iu} is the index of the i_{th} cultural practices dimension of Italy, V_t is the variance of index of the i_{th} cultural practices dimension, and $CD_j$is the cultural distance of the j_{th} country from Italy.

First of all, in line with Lavie & Miller (2008), we computed the cultural distance of the alliance portfolio as the average cultural distance of firm i's partners in 2015. However, in order to further strengthen our APD measure and incorporate the dispersion among the firm's partners' countries, we included the average in a more sophisticated index of dispersion (i.e. average X variance of the cultural distances between Italy and the countries of origin of the firm's partners weighted by their importance in the alliance portfolio). Then, we

took the squared term of this measure so as to reduce these values for our regressions. Unlike the average alone, this index of dispersion accounts for the differences in dealing with a portfolio of partners more dispersed (i.e. where a few countries are culturally far from Italy, but the majority are close), than a portfolio of partners with little dispersion (i.e. where all the partners are culturally quite close to Italy).

In addition, given increasing concerns regarding the relevance of Hofstede's measures of culture, given their age, reliance on single company data, non-exhaustiveness and imperfect psychometric characteristics (McSweeney, 2002; Ng, Lee & Soutar, 2007; Shenkar, 2001; Smith, Peter B., Mark F. Peterson & Shalom H. Schwartz, 2002), we also employed two other objective measures of CD in the robustness tests. These two measures of cultural distance were also calculated by using the Kogut and Singh index, but rely on the scores of Schwartz's (1994) and the GLOBE project (House, Hanges, Javidan, Dorfman & Gupta, 2004).

Moderating variable – Cultural Intelligence. We measured the *Cultural Intelligence (CQ)* at three different levels.

The first general measure for CQ was taken from Ang et al. (2007). Respondents were asked to answer to 20 items, on a 7-point Likert scale: Metacognitive CQ (α=0,7704), Cognitive CQ (α=0,8848), Motivational CQ (α=0,8639), Behavioral CQ (α=0,8854).

Secondly, we measured the CQ relating specifically to the export business. This measure was based on a reduced 10-item CQ scale on a 5-point Likert scale by Thomas et al. (2015), including three dimensions of CQ: cultural knowledge (α=0,8588), cultural skills (α=0,8333) and cultural metacognition (α=0,8168).

By using the PREDICT command in STATA 14.0 we created our independent variable CQ (CQ full scale and reduced scale). The PREDICT command in STATA allows to predict the value of the latent variables after the SEM (structural equation model) analysis where the items of the latent variable (i.e. CQ) are subjected to CFA (confirmatory factor analysis).

Third, we measured the metacognitive dimension of CQ. Respondents were asked to rate their cultural metacognition using a four-item metacognitive CQ scale developed by Ang et al. (2007). These items tap (a) awareness of the cultural knowledge (e.g., "I am aware of the cultural knowledge I use"); (b) adjustment during intercultural interactions ("I adjust my cultural knowledge accordingly"); (c) awareness of the cultural habits (e.g., "I am aware of my cultural habits") and (d) accuracy of the cultural knowledge (e.g. "I check the match between my cultural knowledge and the cultural context").

Control variables. We included several control variables that have been linked to the propensity of the firm to form alliances in previous research. Therefore, we included variables traditionally used as controls in studies on portfolio of alliances. In line with the European definition of micro, small and medium-sized firms, *firm size* was operationalized as a categorical variable (0-9, 10-49, 50-249, >250). The last category was included in order to control for potential expansion of the SMEs in our sample between 2012 (when data and contacts of SMEs in our sample were extracted from the Kompass database) and 2015 (when the survey was conducted). For each of these five categories we created a dummy variable. A value of 1 means the firm belongs to that size category, while a value of 0 indicates the firm is not in that size category.

According to Heimeriks & Duysters (2007), Lavie & Miller (2008), Sarkar, Aulakh & Madhok (2009), we also controlled for the *alliance experience*, which was computed as the total number of alliances that the firm has formed with foreign partners: (1) 1; (2) 2-5; (3) 5-10; (4) 11-15; (5) 16-20; (6) more than 20. For each of these categories, we created a dummy variable, which takes a value of 1 if the firm is in that category and 0 otherwise. We also considered a measure of *export alliance experience* by asking, more specifically, the number of export alliances that the firm has been involved in: (1) 1; (2) 2-5; (3) 5-10; (4) 11-15; (5) 16-20; (6) more than 20. We lumped together categories 1 and 2, 3 and 4, 5 and 6 (i.e. (1) 1-5; (2) 5-15; (3) >16) so as to have a more synthetic and predictive measure for the alliance experience of the firm in the export business. For each of these categories, we created a dummy variable, which takes a value of 1 if the firm is in that category and 0 otherwise. In order to control for the experience of the firm in its most important export alliance, we also controlled for the *experience in the most important export alliance* as the number of years since when the firm has formed the most important export alliance.

We also controlled for the *Industry:* Service, Manufacturing and Other. For each of these categories, we created a dummy variable, which takes a value of 1 if the firm is in that category and 0 otherwise.

Results

We assessed the validity and reliability of the constructs with confirmatory factor analysis (CFA). In this first stage, measurement models were tested to assess the convergent and discriminant validity.

Analysis

In order to assess the convergent validity of the measures, the constructs were subjected to Confirmatory Factor Analysis (CFA) using full-information maximum

likelihood procedure with missing values in STATA 14.0. Confirmatory Factor Analysis (CFA) is a multivariate statistical procedure that is used to test how well the measured variables (latent variables) explain the number of constructs (items).

We subjected to CFA all the latent variables in our models. Therefore, we subjected to CFA the independent variable (CQ) by using the SEM (structural equation model). We subjected to CFA a higher-order model with one second-order factor (CQ) and four first-order factors, which are the dimensions of CQ (Metacognitive CQ, Cognitive CQ, Motivational CQ and Behavioral CQ). A graphic representation of the model is shown in the figure below.

Figure 12 about here

A good model fit is suggested by a non-significant χ^2 test. However, since χ^2 is sensitive to a large sample size, we also considered other recommended model fit indices. A good model fit is indicated by SRMR lower than 0.08, RMSEA lower than 0.06 and other indices higher than 0.95 (Hu & Bentler, 1998, 1999). The second-order factor structure yielded good model fit with χ^2=548.196, 164 d.f., p<0.00, RMSEA=0.052, CFI=0.954, TLI=0.947, CD=0.811.

Then, we subjected to CFA a higher-order model with one second-order factor (task specific CQ) and three first-order factors, which are the dimensions of the task-specific CQ (Cultural knowledge, Cultural skills, Cultural Metacognition). A graphic representation of the model is shown in the figure below.

The second-order factor structure yielded good model fit with χ^2=77.135, 29 d.f., p<0.00, RMSEA=0.056, CFI=0.982, TLI=0.941, CD=0.889.

Figure 13 about here

Both models yielded good fit as shown in the table below.

Table 18 about here

Thus, convergent validity has been established through the CFA. Further, we checked for convergent validity by using the CONDISC command in STATA 14.0. In this way, we

assessed that the average variance extracted (AVE) for all of the constructs was equal to or higher than 0.5, which is the cut-off for establishing the convergent validity of the constructs.

Discriminant validity has been established by using the CONDISC command in STATA 14.0, which allows comparing squared correlation (SC) among the latent variables with the average variance extracted (AVE) by latent variable. We assessed the discriminant validity among the main latent variable of our models (general CQ). Evidence of discriminant validity was revealed by the fact that the shared variance among any two latent variables (squared correlation) was less than the average variance (AVE) explained in the items by the latent variables (Fornell & Larcker, 1981; MacKenzie, Podsakoff, & Rich, 2001), thereby proving discriminant validity of the constructs (Table 19).

To check internal consistency, Cronbach's alpha has been used as it is the indicator of the reliability of constructs (Cronbach, 1951). α values equal to or greater than 0.70 indicate good reliability (Nunually, 1970; O'Leary-Kelly and Vokurka, 1998). In the present study α values for all constructs are greater than 0.70 (Table 19).

Table 19 about here

Once convergent and discriminant validity have been established, we predicted the value of the latent variables by using the PREDICT command in STATA 14.0 as a post-estimation tool after SEM. Therefore, by using the predicted values of the variables, as if they were observed variables, we could move to regression models to test our hypotheses.

Table 20 provides descriptive statistics, including the mean, standard deviation and correlations between the variables.

Table 20 about here

The moderating role of Cultural Intelligence

Table 21 shows the five regression models we created to explore our hypotheses, concerning alliance portfolio performance and the moderation by cultural intelligence (CQ). As our dependent variable (APP) is categorical, we decided to run ordered logistic regression models (ologit).

Table 21 about here

First, we assessed a model with only the control variables. Then, we added the independent variable APD and the moderating variable CQ.

In particular, we introduced a layered hierarchical view of the CQ by measuring our moderating measure (CQ) at three different levels: general CQ, task-specific CQ and its metacognitive dimension (Metacognitive CQ).

Model 1 in Table 21 is our base model because it includes only the control variables. It was significant at 99% ($p<0.01$). In Model 2 we added our independent variables Alliance Portfolio Diversity (APD). Model 2 was significant ($p<0.05$), but the effect of Alliance Portfolio Diversity (APD) on Alliance Portfolio Performance (APP) was not ($p>0.1$). Model 3 looks at the moderating influence of the general measure of cultural intelligence (CQ) on the relationship between Alliance Portfolio Diversity (APD) and Alliance Portfolio Performance (APP). In order to measure Alliance Portfolio Diversity (APD), Model 3 used the Kogut & Singh (1988) formula based on the Hofstede's five dimensions of cultural distance, which are: individualism, masculinity, uncertainty avoidance, power distance and long-term orientation. Our results show that, although the model was significant at 99% ($p<0.01$), the moderation by CQ general was not significant ($p>0.1$). Thus, Hypothesis 1 is not supported. Model 4 used Alliance Portfolio Diversity (APD), as independent variable and the task-specific measure of CQ related to the export business (i.e. CQ export), as moderating variable. The model was significant at 95% ($p<0.05$). The effect of CQ export on Alliance Portfolio Performance (APP) was not significant ($p>0.1$). The model shows that the moderation by CQ export was not significant ($p>0.1$) either, thus, not supporting Hypothesis 2. Finally, Model 5 contains Alliance Portfolio Diversity (APD), as independent variable and the metacognitive dimension of CQ, as moderating variable. In Model 5, which is significant at 99% ($p<0.01$), the negative and significant effect ($p<0.05$) of Alliance Portfolio Diversity (APD) on Alliance Portfolio Performance (APP) is significantly ($p<0.05$) and positively moderated by metacognitive CQ. Thus, Hypothesis 3 is supported. These results indicate that, as suggested in Hypothesis 3, if export managers have high levels of metacognitive CQ, they would be better at managing the cross-cultural differences in the export alliances so as to achieve superior alliance portfolio performance.

Table 22 about here

Given the increasing concerns regarding the relevance of Hofstede's measures, we replicated the regression models above by using a different operationalization of the Alliance Portfolio Diversity (APD) independent variable (Table 22). Table 22 used, in fact, the Schwartz's (1994) six dimensions of national culture: harmony, embeddedness, hierarchy, mastery, affective autonomy, intellectual autonomy, egalitarianism. Model 1 in Table 22 is our base model because it includes only the control variables. It was significant at 99% ($p<0.01$). In Model 2 we added our independent variables Alliance Portfolio Diversity (APD) and CQ. Model 2 was significant ($p<0.05$), but the effect of Alliance Portfolio Diversity (APD) on Alliance Portfolio Performance (APP) was not ($p>0.1$). Together with the findings from Table 21, this result strengthens the idea that the Alliance Portfolio Diversity (APD) alone does not explain any change in the Alliance Portfolio Performance (APP). Model 3 looks at the moderating influence of the general measure of cultural intelligence (CQ) on the relationship between Alliance Portfolio Diversity (APD) and Alliance Portfolio Performance (APP). Our results show that the moderation by CQ was significant ($p<0.1$) and positive, thereby confirming our Hypothesis 1. Model 4 includes our moderating variable CQ export. The model, which was significant at 95% ($p<0.05$), showed that the moderation by CQ export was significant ($p<0.1$) and positive. Finally, Model 5 contains Alliance Portfolio Diversity (APD), as independent variable and the metacognitive dimension of CQ, as moderating variable. In the model, which is significant at 99% ($p<0.01$), the negative and significant effect of Alliance Portfolio Diversity (APD) on Alliance Portfolio Performance (APP) is significantly ($p<0.05$) and positively moderated by metacognitive CQ, providing support for Hypothesis 3. The above results are generally consistent with our hypotheses. According to Hypothesis 1, the results indicate a positive influence of the CQ of the managers on the relationship between Alliance Portfolio Diversity (APD) and the firm's Alliance Portfolio Performance (APP). Thus, our findings indicate that the higher is the CQ of the managers in dealing with alliances aimed at exporting, the more the firm is able to translate the cultural differences between the exporting firm and its export partners as well as between the export partners of the alliance portfolio into superior alliance portfolio performance. In other words, the more the managers of the firm are able to efficiently deal with intercultural export alliances, the more the firm might benefit from the cultural differences between the export

partners. Conversely, our findings do not provide support for Hypothesis 2, which suggests a stronger moderating effect by the task-specific measure of CQ (i.e. CQ export).

In contrast, our results are consistent (Table 21), or, even stronger (Table 22) if we consider the metacognitive dimension of CQ, instead of the general or task-specific CQ (Hypothesis 3 supported). This suggests that a dimension of the CQ, which is closer to the specific cultural context (i.e. metacognitive CQ), in that it allows the CQ to turn into action, matters more for the fulfillment of a specific task, like alliance portfolio management, than the general cross-cultural capabilities identified by the multiple dimensions of the general or task-specific CQ.

Discussion, Limitations and Conclusion

In this article, we extend existing research on the factors leading to a successful alliance portfolio strategy. In particular, we investigated the role of Cultural Intelligence (CQ) as a relevant, yet under-estimated factor leading to enhanced alliance portfolio performance in the presence of cross-cultural alliances (Alliance Portfolio Diversity, or APD).

In light of the mixed empirical findings on the relationship between Alliance Portfolio Diversity and Alliance Portfolio Performance (Duysters et al., 2012; Goerzen & Beamish, 2005; Jiang et al., 2010; Lavie & Miller, 2008), some studies investigated the role of moderating variables at mitigating the potential challenges determined by high levels of diversity (Duysters et al., 2012; Heimeriks et al., 2007; Kale et al., 2002). Building on this, we theorize and test the notion that CQ may indirectly influence Alliance Portfolio Performance by enabling export leaders to effectively manage cross-cultural relationships. Drawing on a sample of Italian SMEs, we find that the managers and their CQ play a key role in turning cultural differences in alliance portfolios in alliance performance improvements.

Our study makes four important contributions.

First, we make an important contribution to the alliance portfolio literature by stressing the importance of the managers and their capabilities (i.e. CQ) in managing effectively culturally different partners (i.e. APD) and experiencing, in turn, enhanced alliance portfolio performance (i.e. APP).

Second, our research explains the paradoxical findings in the APD-APP relationship, which has so far characterized prior research on the topic (Duysters et al., 2012; Goerzen & Beamish, 2005; Jiang et al., 2010; Lavie & Miller, 2008). In the present study, cultural intelligence is conceived as a moderating factor, which can turn cultural differences among the export partners (i.e. APD) into higher alliance portfolio performance (APP). This means that the higher the cultural distance between the firm's home country and the partners' home

countries as well as between the countries of origin of the export partners, the more the firm needs managers with a high level of CQ to improve its alliance portfolio performance.

Another interesting contribution relates to the three different levels at which we measured our independent variable CQ: general, task-specific and metacognitive. In particular, we found that the CQ dimension, which is closer to the specific situation, in that it allows the CQ to turn into action (i.e. metacognitive CQ), explains more. In line with previous studies on the topic, we used a general level of CQ and we complemented this with a measure more specific to the cross-cultural situation (i.e. metacognitive CQ). Our findings suggest that a measure of the CQ, which specifically captures the metacognitive dimension of CQ, is more informative of the implications on the firm's alliance portfolio performance. In details, we provide evidence that a measure of the CQ (metacognitive CQ) of the export managers, that specifically measures the managers' awareness of their own and the others' CQ, their ability to adjust the cultural knowledge according to the specific situation and develop action plans towards an objective, matters more than general capabilities (general CQ) in explaining the managers' skills in cross-cultural collaborations (i.e. alliance portfolio management) and alliance performance improvements.

Finally, we made an interesting empirical contribution by operationalizing the APD (Alliance Portfolio Diversity) measure, as based on the cultural distance of the portfolio of alliances and accounting not only for the cultural diversity between the country of origin of the focal firm and the country of origin of its partners (Lavie & Miller, 2008), but also the dispersion among the countries of origin of the firm's foreign partners. In this way, we were able to further strengthen the APD measure by considering the fact that it is more difficult to deal with a portfolio of partners where only a few are culturally very distant from the home country of the focal firm, but the majority is close, than a portfolio where all the countries are culturally quite close to the home country of the focal firm.

All in all, this paper represents an important study, which stresses the importance of looking at individual level variables, such as the managers' CQ, in explaining improvements in the performance of cross-cultural alliances. Furthermore, our study helps improve managerial understanding of the importance for firms to hire managers with high levels of CQ or train managers to acquire those skills, in order to ensure a proper management of cultural differences in their portfolio of alliances and, in turn, high levels of alliance portfolio performance.

Limitations and Conclusions

In this paper, we note a few limitations, which represent interesting opportunities for future research.

First of all, we collected data only from Italian exporting firms. Thus, our results might not be generalizable to firms from other countries.

Second, the majority of the firms in our sample belongs to the manufacturing sector. Although we expected this result, as manufacturing firms represent the biggest percentage of Italian SMEs, a promising avenue for future research would be to complement these empirical findings with further data on firms from other sectors in order to add generalizability and thus, consistency, to our results. These additional data could be collected through interviews or case studies so as to have a multi-method approach, which may help to deal with the issue in more details.

Third, we employed data from a single informant, although the questionnaire allowed to select carefully the main expert in export activities. Future studies could use a multi-informant approach in order to verify the accuracy of our findings.

Moreover, we used cross-sectional data. Even though cross-sectional data are appropriate to study a phenomenon at a specific time, they do not allow following the possible dynamic process through which managers acquire and develop the CQ. Future research may use longitudinal data also to understand how this CQ learning process affects alliance portfolio performance over time.

In addition, despite the focus on CQ, we did not consider other resources and competences of the firm that, together with CQ, could have an influence on alliance portfolio performance. Future research may consider other resources and skills, which, combined with CQ, could create value in export alliances.

In summary, our study provides important extensions to research in alliance portfolio and CQ literature by exploring the moderating role of CQ on alliance portfolio performance. We found evidence for the importance of managers and their CQ in managing cross-cultural alliances and turn the challenges of a culturally diverse portfolio of alliances into higher alliance performance. Therefore, our article suggests a unique explanation to the equivocal findings in the APD-APP relationship by providing evidence of how CQ and APD interactively influence APP.

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Appendix A - Figures and Tables

Figure 12 - Second order factor model - CQ

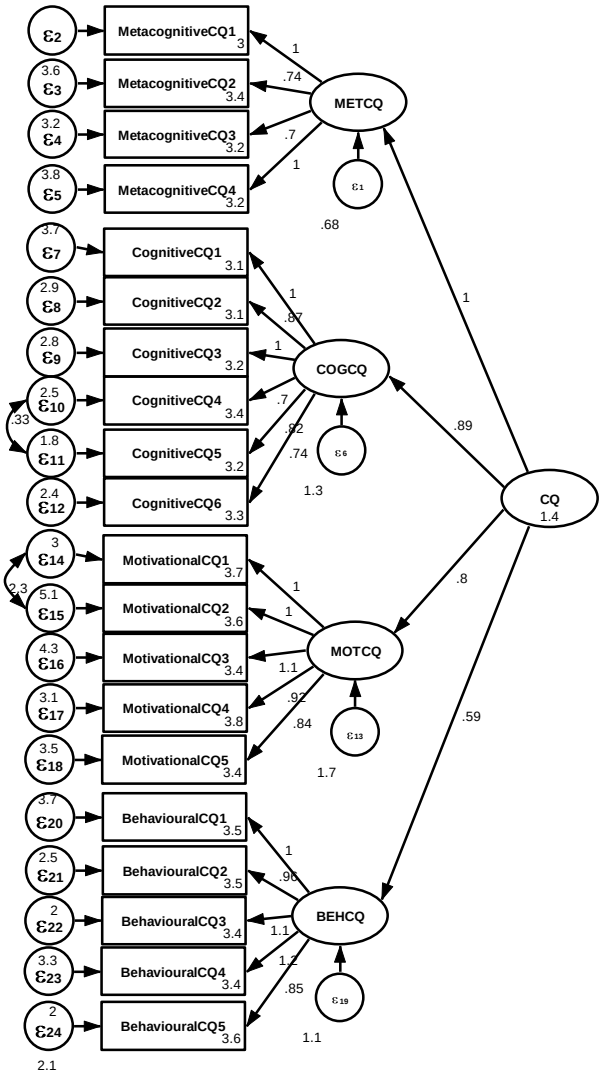

Figure 13 - Second order factor model – CQ export

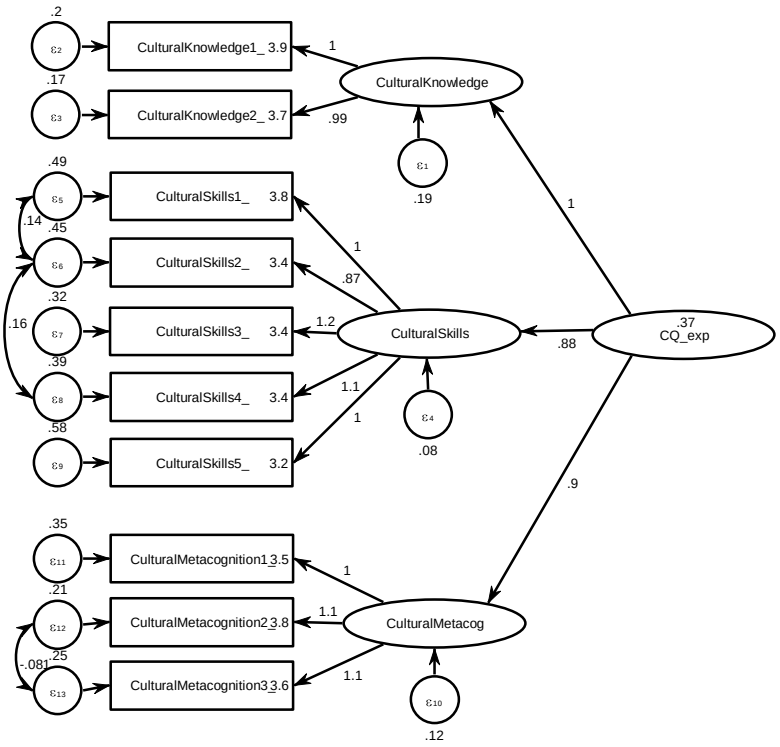

Table 18 - Model summary of fit indices

	χ^2/df	RMSEA	CFI	TLI	CD
CQ	548196/164	0.052	0.954	0.947	0.811
CQ export	77135/29	0.056	0.982	0.941	0.889

Table 19 - Reliability and validity analysis

Construct	Average variance extracted (AVE)	Squared correlations	Cronbach α
Cultural Intelligence			
Metacognitive	0.462	0.000 (with COGCQ, MOTCQ, BEHCQ)	0.770
Cognitive	0.554	0.000 (with COGCQ, MOTCQ, BEHCQ)	0.885
Motivational	0.532	0.000 (with COGCQ, MOTCQ, BEHCQ)	0.864
Behavioral	0.609	0.000 (with COGCQ, MOTCQ, BEHCQ)	0.885

Table 20 - Means, Standard Deviations and Correlations

Construct	Mean	S.D.	1	2	3	4	5	6	7
1 APP	2.72	1.26	1.00						
2 APD (Schwartz)	27.52	26.86	-0.02	1.00					
3 APD (Hofstede)	8.46	9.08	-0.05	0.63***	1.00				
4 APD (Globe Values)	9.16	10.25	-0.08	0.65***	0.75***	1.00			
5 APD (Globe Practices)	10.92	8.29	-0.05	-0.14***	0.07	0.27***	1.00		
6 CQ (full scale)	0.00	0.39	0.17***	0.11**	0.05	0.03	-0.02	1.00	
7 CQ export (reduced scale)	0.00	0.33	0.08	0.08	0.01	0.05	0.03	0.49***	1.00
8 MetaCQ	0.00	0.52	0.09	0.06	0.00	-0.02	-0.02	0.83***	0.40***
9 size: 0-9	0.26	0.44	-0.16***	-0.05	-0.03	0.06	0.06	-0.07	-0.07
10 size: 10-49	0.57	0.50	0.03	0.04	-0.01	-0.04	-0.01	0.04	0.05
11 size: 50-250	0.16	0.37	0.11*	0.00	0.05	0.01	-0.05	0.01	0.00
12 size: >250	0.01	0.09	0.05	0.00	-0.05	-0.05	-0.02	0.08*	0.07*
13 export alliance experience: 1-5	0.57	0.50	-0.10	-0.07	-0.01	0.01	0.13*	-0.01	0.00
14 export alliance experience: 5-15	0.28	0.45	-0.03	-0.04	-0.03	-0.08	-0.13*	-0.07	-0.07
15 export alliance experience: >16	0.15	0.36	0.17***	0.16**	0.05	0.10	-0.01	0.10*	0.09
16 alliance experience: 1	0.29	0.46	-0.18***	0.03	0.06	0.06	0.05	-0.07	-0.14***
17 alliance experience: 2-5	0.43	0.50	0.01	-0.08	-0.06	-0.11**	0.01	0.00	0.03
18 alliance experience: 5-10	0.13	0.34	0.03	-0.01	-0.02	0.00	-0.02	0.10**	0.08*
19 alliance experience: 11-15	0.06	0.23	0.03	0.02	0.08	0.02	-0.10*	-0.01	0.01
20 alliance experience: 16-20	0.02	0.14	0.13**	0.08	0.01	0.04	0.04	0.07	0.11**
21 alliance experience: >20	0.06	0.24	0.03	0.07	-0.04	0.06	0.00	-0.05	0.00
22 experience most important export alliance	12.12	10.21	0.08	0.11*	-0.03	-0.04	-0.05	0.11*	0.07
23 Industry: Service	0.21	0.41	-0.01	0.09*	0.06	0.10**	0.01	-0.02	0.03
24 Industry: Manufacture	0.58	0.50	-0.05	-0.03	-0.04	-0.10*	-0.04	0.03	-0.02
25 Industry: Other	0.21	0.41	0.06	-0.04	-0.01	0.03	0.04	-0.02	0.00

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 20 (cont'd)

	Construct	8	9	10	11	12	13	14	15
8	MetaCQ	1.00							
9	size: 0-9	-0.07*	1.00						
10	size: 10-49	0.05	-0.69***	1.00					
11	size: 50-250	0.01	-0.26***	-0.5***	1.00				
12	size: >250	0.07*	-0.05	-0.10**	-0.04	1.00			
13	export alliance experience: 1-5	-0.04	0.09	0.04	-0.12**	-0.12**	1.00		
14	export alliance experience: 5-15	-0.08	-0.05	-0.03	0.06	0.09	-0.72***	1.00	
15	export alliance experience: >16	0.16***	-0.06	-0.03	0.09	0.06	-0.48***	-0.26***	1.00
16	alliance experience: 1	-0.08	0.00	0.07	-0.08	-0.06	0.25***	-0.18***	-0.11*
17	alliance experience: 2-5	0.01	0.14***	-0.07	-0.08	0.01	0.34***	-0.20***	-0.23***
18	alliance experience: 5-10	0.06	-0.09*	0.02	0.09*	-0.04	-0.27***	0.39***	-0.12**
19	alliance experience: 11-15	0.03	-0.04	-0.09*	0.14***	0.08*	-0.30***	0.18***	0.19***
20	alliance experience: 16-20	0.12**	-0.04	0.01	0.04	-0.01	-0.20***	-0.06	0.35***
21	alliance experience: >20	-0.06	-0.11**	0.07	0.02	0.07	-0.20***	-0.04	0.33***
22	experience most important export alliance	0.09	-0.01	-0.02	0.03	0.01	-0.37***	0.07	0.44***
23	Industry: Service	-0.06*	0.08*	-0.06	-0.01	-0.03	-0.16***	0.14**	0.05
24	Industry: Manufacture	0.03	-0.20***	0.13***	0.05	0.05	0.08	-0.08	-0.01
25	Industry: Other	0.01	0.17***	-0.11***	-0.05	-0.04	0.03	-0.02	-0.02

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 20 (cont'd)

	Construct	16	17	18	19	20	21	22	23	24	25
16	alliance experience: 1	1.00									
17	alliance experience: 2-5	-0.57***	1.00								
18	alliance experience: 5-10	-0.25***	-0.34***	1.00							
19	alliance experience: 11-15	-0.16***	-0.22***	-0.10**	1.00						
20	alliance experience: 16-20	-0.09**	-0.13***	-0.06	-0.04	1.00					
21	alliance experience: >20	-0.17***	-0.23***	-0.10**	-0.06	-0.04	1.00				
22	experience most important export alliance	-0.13**	-0.09	0.01	0.08	0.30***	0.06	1.00			
23	Industry: Service	-0.06	-0.10**	0.11**	0.12***	0.06	0.01	0.03	1.00		
24	Industry: Manufacture	0.06	0.07	-0.07	-0.11**	-0.05	-0.03	-0.03	-0.61***	1.00	
25	Industry: Other	-0.02	-0.01	-0.01	0.03	0.01	0.02	0.02	-0.26***	-0.60***	1.00

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 21 - Regression Analysis of Alliance Portfolio Performance (APP) – baseline model

	Model1	Model2	Model3	Model4	Model5
Predictor variables					
APD (Hofstede)		0.00254	-0.00111	0.00236	-0.228**
		(0.0134)	(0.0144)	(0.0134)	(0.115)
CQ (general)			0.476		
			(0.504)		
CQ export (task-specific)				-0.175	
				(0.405)	
MetaCQ					-0.253
					(0.242)
Control variables					
Size: 0-9	-1.502	-1.454	-1.075	-1.518	-1.596
	(0.966)	(0.996)	(1.034)	(1.019)	(1.035)
Size: 10-49	-0.674	-0.690	-0.373	-0.772	-0.844
	(0.929)	(0.958)	(0.991)	(0.976)	(0.989)
Size: 50-250	-0.497	-0.375	-0.0911	-0.455	-0.536
	(0.958)	(0.988)	(1.017)	(1.005)	(1.019)
Size: >250	-	-	-	-	-
Numb Export Alliances: 1-5	-0.732	-0.663	-0.572	-0.648	-0.612
	(0.457)	(0.501)	(0.501)	(0.503)	(0.506)
Numb Export Alliances: 5-15	-0.781*	-0.826*	-0.709	-0.825*	-0.853*
	(0.411)	(0.450)	(0.456)	(0.454)	(0.457)
Numb Export Alliances: >15	-	-	-	-	-
Alliances Numb: 1	-0.571	-0.524	-0.591	-0.503	-0.544
	(0.596)	(0.625)	(0.630)	(0.627)	(0.627)
Alliances Numb: 2-5	0.385	0.270	0.159	0.272	0.239
	(0.481)	(0.514)	(0.519)	(0.516)	(0.520)
Alliances Numb: 5-10	0.637	0.591	0.418	0.606	0.571
	(0.534)	(0.559)	(0.572)	(0.562)	(0.563)
Alliances Numb: 11-15	0.326	0.399	0.394	0.384	0.371
	(0.566)	(0.614)	(0.614)	(0.614)	(0.608)
Alliances Numb: 16-20	1.781**	2.036**	2.226**	2.068**	2.129**
	(0.828)	(0.917)	(0.940)	(0.922)	(0.923)
Alliances Numb: >20	-	-	-	-	-
Experience in most important export alliance	0.00107	0.0130	0.0114	0.0131	0.0134
	(0.0135)	(0.0145)	(0.0146)	(0.0145)	(0.0145)
Industry: Service	-0.554	-0.660	-0.677	-0.640	-0.684
	(0.500)	(0.549)	(0.553)	(0.550)	(0.545)
Industry: Manufacture	-0.434	-0.426	-0.343	-0.417	-0.407
	(0.337)	(0.357)	(0.360)	(0.358)	(0.360)
Industry: Other	-	-	-	-	-
Interactions					
CQ(general)#APD(Hofstede)			0.0252		
			(0.0390)		
CQ(task-specific)#APD(Hofstede)				0.0187	
				(0.0322)	
MetaCQ#APD(Hofstede)					0.0421**
					(0.0208)
Constant cut1	-3.038***	-2.914***	-2.561**	-2.972***	-4.492**
	(1.075)	(1.109)	(1.141)	(1.129)	(1.949)
Constant cut2	-1.607	-1.504	-1.132	-1.560	-3.055
	(1.060)	(1.094)	(1.127)	(1.114)	(1.933)
Constant cut3	-0.597	-0.468	-0.0785	-0.522	-2.002
	(1.054)	(1.087)	(1.122)	(1.107)	(1.927)
Constant cut4	1016	1.381	1794	1328	-0.138
	-1069	(1.108)	-1147	-1128	-1936
Observations	227	200	200	200	200

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 22 - Regression Analysis of Alliance Portfolio Performance (APP) – APD Schwartz

	Model1	Model2	Model3	Model4	Model5
Predictor variables					
APD (Schwartz)		-0.00134	-0.00722	-0.00262	-0.0800**
		(0.00479)	(0.00549)	(0.00493)	(0.0396)
CQ (general)			0.229		
			(0.519)		
CQ export (task-specific)				-0.512	
				(0.450)	
MetaCQ					-0.213
					(0.266)
Control variables					
Size: 0-9	-1.502	-1.854	-1.267	-1.884	-1.639
	(0.966)	(1.224)	(1.293)	(1.245)	(1.249)
Size: 10-49	-0.674	-1.133	-0.556	-1.204	-0.915
	(0.929)	(1.194)	(1.265)	(1.209)	(1.215)
Size: 50-250	-0.497	-0.825	-0.333	-0.949	-0.609
	(0.958)	(1.222)	(1.289)	(1.239)	(1.243)
Size: >250	-	-	-	-	-
Numb Export Alliances: 1-5	-0.732	-0.357	-0.205	-0.242	-0.184
	(0.457)	(0.521)	(0.522)	(0.524)	(0.528)
Numb Export Alliances: 5-15	-0.781*	-0.668	-0.496	-0.642	-0.512
	(0.411)	(0.471)	(0.476)	(0.473)	(0.481)
Numb Export Alliances: >15	-	-	-	-	-
Alliances Numb: 1	-0.571	-0.898	-0.913	-0.803	-0.978
	(0.596)	(0.636)	(0.640)	(0.641)	(0.640)
Alliances Numb: 2-5	0.385	-0.0998	-0.256	-0.0522	-0.168
	(0.481)	(0.532)	(0.534)	(0.533)	(0.536)
Alliances Numb: 5-10	0.637	0.243	0.0511	0.340	0.133
	(0.534)	(0.577)	(0.583)	(0.581)	(0.583)
Alliances Numb: 11-15	0.326	0.132	0.189	0.198	0.0837
	(0.566)	(0.628)	(0.628)	(0.626)	(0.623)
Alliances Numb: 16-20	1.781**	2.340*	2.521*	2.440*	2.344*
	(0.828)	(1.313)	(1.377)	(1.324)	(1.329)
Alliances Numb: >20	-	-	-	-	-
Experience in most important export alliance	0.00107	0.0197	0.0193	0.0211	0.0218
	(0.0135)	(0.0151)	(0.0152)	(0.0151)	(0.0152)
Industry: Service	-0.554	-0.621	-0.713	-0.665	-0.616
	(0.500)	(0.587)	(0.599)	(0.587)	(0.594)
Industry: Manufacture	-0.434	-0.476	-0.417	-0.473	-0.451
	(0.337)	(0.390)	(0.389)	(0.386)	(0.390)
Industry: Other	-	-	-	-	-
Interactions					
CQ(general)#APD(Schwartz)			0.0257*		
			(0.0144)		
CQ(task-specific)#APD(Schwartz)				0.0219*	
				(0.0119)	
MetaCQ#APD(Schwartz)					0.0143**
					(0.00714)
Constant cut1	-3.038***	-3.498**	-3.009**	-3.459**	-4.369**
	(1.075)	(1.436)	(1.494)	(1.449)	(2.191)
Constant cut2	-1.607	-2.025	-1.488	-1.961	-2.863
	(1.060)	(1.422)	(1.482)	(1.434)	(2.176)
Constant cut3	-0.597	-1.011	-0.438	-0.930	-1.829
	(1.054)	(1.413)	(1.475)	(1.425)	(2.171)
Constant cut4	1.016	0.793	1.407	0.885	-0.000707
	(1.069)	(1.426)	(1.492)	(1.438)	(2.180)
Observations	227	183	183	183	183

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 23 - Regression Analysis of Alliance Portfolio Performance (APP) – APD Globe Values

	Model1	Model2	Model3	Model4	Model5
Predictor variables					
APD (GlobeV)		-0.00164	0.000342	-0.000715	0.0174
		(0.0120)	(0.0135)	(0.0119)	(0.0930)
CQ (general)			1.091**		
			(0.506)		
CQ export (task-specific)				0.332	
				(0.384)	
MetaCQ					0.213
					(0.247)
Control variables					
Size: 0-9	-1.502	-1.851	-1.102	-1.639	-1.541
	(0.966)	(1.230)	(1.321)	(1.280)	(1.290)
Size: 10-49	-0.674	-1.204	-0.494	-1.004	-0.924
	(0.929)	(1.198)	(1.289)	(1.241)	(1.250)
Size: 50-250	-0.497	-0.867	-0.157	-0.651	-0.576
	(0.958)	(1.225)	(1.315)	(1.269)	(1.278)
Size: >250	-	-	-	-	-
Numb Export Alliances: 1-5	-0.732	-0.288	-0.177	-0.274	-0.190
	(0.457)	(0.524)	(0.525)	(0.524)	(0.533)
Numb Export Alliances: 5-15	-0.781*	-0.688	-0.493	-0.652	-0.573
	(0.411)	(0.473)	(0.482)	(0.476)	(0.487)
Numb Export Alliances: >15	-	-	-	-	-
Alliances Numb: 1	-0.571	-0.946	-1.059*	-0.962	-1.009
	(0.596)	(0.639)	(0.643)	(0.638)	(0.641)
Alliances Numb: 2-5	0.385	-0.138	-0.309	-0.144	-0.225
	(0.481)	(0.533)	(0.538)	(0.532)	(0.539)
Alliances Numb: 5-10	0.637	0.239	-0.0262	0.204	0.124
	(0.534)	(0.578)	(0.595)	(0.578)	(0.592)
Alliances Numb: 11-15	0.326	0.125	0.0936	0.127	0.0868
	(0.566)	(0.630)	(0.635)	(0.630)	(0.631)
Alliances Numb: 16-20	1.781**	2.314*	2.362*	2.284*	2.317*
	(0.828)	(1.314)	(1.355)	(1.316)	(1.321)
Alliances Numb: >20	-	-	-	-	-
Experience in most important export alliance	0.00107	0.0208	0.0183	0.0206	0.0211
	(0.0135)	(0.0153)	(0.0153)	(0.0153)	(0.0153)
Industry: Service	-0.554	-0.651	-0.751	-0.614	-0.642
	(0.500)	(0.588)	(0.600)	(0.595)	(0.599)
Industry: Manufacture	-0.434	-0.513	-0.462	-0.500	-0.484
	(0.337)	(0.387)	(0.389)	(0.387)	(0.389)
Industry: Other	-	-	-	-	-
Interactions					
CQ(general)#APD(GlobeV)			-0.0188		
			(0.0333)		
CQ(task-specific)#APD(GlobeV)				-0.0188	
				(0.0217)	
MetaCQ#APD(GlobeV)					-0.00323
					(0.0166)
Constant cut1	-3.038***	-3.590**	-2.857*	-3.363**	-2.073
	(1.075)	(1.433)	(1.514)	(1.471)	(2.266)
Constant cut2	-1.607	-2.047	-1.288	-1.817	-0.527
	(1.060)	(1.417)	(1.503)	(1.457)	(2.257)
Constant cut3	-0.597	-1.037	-0.256	-0.807	0.489
	(1.054)	(1.408)	(1.496)	(1.448)	(2.255)
Constant cut4	1.016	0.749	1.568	0.986	2.286
	(1.069)	(1.421)	(1.514)	(1.462)	(2.274)
Observations	227	180	180	180	180

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table 24 - Regression Analysis of Alliance Portfolio Performance (APP) – APD Globe Practices

	Model1	Model2	Model3	Model4	Model5
Predictor variables					
APD (GlobeP)		-0.00184	-0.00101	-0.00266	0.109
		(0.0197)	(0.0202)	(0.0201)	(0.126)
CQ (general)			1.600**		
			(0.645)		
CQ export (task-specific)				0.684	
				(0.541)	
MetaCQ					0.420
					(0.322)
Control variables					
Size: 0-9	-1.502	-1.863	-0.940	-1.588	-1.398
	(0.966)	(1.226)	(1.336)	(1.281)	(1.297)
Size: 10-49	-0.674	-1.213	-0.421	-1.023	-0.851
	(0.929)	(1.196)	(1.298)	(1.240)	(1.252)
Size: 50-250	-0.497	-0.877	-0.0343	-0.596	-0.467
	(0.958)	(1.223)	(1.326)	(1.273)	(1.283)
Size: >250	-	-	-	-	-
Numb Export Alliances: 1-5	-0.732	-0.284	-0.149	-0.237	-0.169
	(0.457)	(0.522)	(0.523)	(0.524)	(0.529)
Numb Export Alliances: 5-15	-0.781*	-0.684	-0.425	-0.622	-0.528
	(0.411)	(0.472)	(0.483)	(0.476)	(0.485)
Numb Export Alliances: >15	-	-	-	-	-
Alliances Numb: 1	-0.571	-0.952	-1.013	-0.873	-1.013
	(0.596)	(0.637)	(0.639)	(0.641)	(0.639)
Alliances Numb: 2-5	0.385	-0.137	-0.285	-0.0947	-0.231
	(0.481)	(0.534)	(0.539)	(0.537)	(0.539)
Alliances Numb: 5-10	0.637	0.234	-0.0603	0.212	0.0758
	(0.534)	(0.578)	(0.592)	(0.580)	(0.591)
Alliances Numb: 11-15	0.326	0.118	0.112	0.162	0.0634
	(0.566)	(0.632)	(0.634)	(0.631)	(0.631)
Alliances Numb: 16-20	1.781**	2.322*	2.463*	2.377*	2.336*
	(0.828)	(1.315)	(1.361)	(1.319)	(1.323)
Alliances Numb: >20	-	-	-	-	-
Experience in most important export alliance	0.00107	0.0210	0.0205	0.0233	0.0233
	(0.0135)	(0.0152)	(0.0153)	(0.0154)	(0.0154)
Industry: Service	-0.554	-0.662	-0.856	-0.706	-0.668
	(0.500)	(0.584)	(0.596)	(0.586)	(0.585)
Industry: Manufacture	-0.434	-0.516	-0.461	-0.507	-0.478
	(0.337)	(0.386)	(0.388)	(0.384)	(0.387)
Industry: Other	-	-	-	-	-
Interactions					
CQ(general)#APD(GlobeP)			-0.0555		
			(0.0418)		
CQ(task-specific)#APD(GlobeP)				-0.0509	
				(0.0412)	
MetaCQ#APD(GlobeP)					-0.0204
					(0.0229)
Constant cut1	-3.038***	-3.601**	-2.685*	-3.288**	-0.840
	(1.075)	(1.449)	(1.547)	(1.497)	(2.552)
Constant cut2	-1.607	-2.058	-1.109	-1.737	0.712
	(1.060)	(1.434)	(1.537)	(1.483)	(2.552)
Constant cut3	-0.597	-1.048	-0.0747	-0.724	1.730
	(1.054)	(1.424)	(1.530)	(1.475)	(2.552)
Constant cut4	1.016	0.738	1.755	1.074	3.531
	(1.069)	(1.437)	(1.548)	(1.489)	(2.570)
Observations	227	180	180	180	180

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Appendix B - Robustness Tests

We conducted several auxiliary analyses to check the robustness of our findings by considering alternative measures for our independent variable (i.e. APD) and running alternative models.

Therefore, we considered alternative operationalization of our moderating variable CD always based on the Kogut & Singh formula, but relying this time on the cultural dimensions by the GLOBE project.

Table 22 about here

Table 23 about here

Table 24 about here

The GLOBE project identifies nine cultural dimensions. It asks respondents in 61 societies to gauge practices that assessed cultural qualities "as they are", and values that assessed cultural qualities "as they should be". For the sake of clarity, we used both practices and values scores to calculate the Cultural Distance Index based on the cultural dimensions from the GLOBE project.

Overall Conclusions and Implications

In this dissertation, I extend existing research on the factors facilitating a successful internationalization strategy of the firm. In particular, by adopting a managerial perspective, I explored the role of the managers' "cultural intelligence", as a relevant, yet under-estimated predictor of a successful export strategy.

This study makes several important contributions.

First, by reviewing the more recent literature on the determinants of export performance, I stressed the increasing importance of the relational and inter-cultural capabilities, such as cultural intelligence, in determining the export performance of the firm.

Second, I make an important contribution to the export literature and the alliance portfolio literature by recognizing the importance of the managers and their cross-cultural capabilities, such as cultural intelligence, in achieving performance improvements in the export activity of the firm (i.e. export performance) and in the firm's alliances aimed at exporting (i.e. alliance portfolio performance).

Third, this research provides an explanation to the opposite findings that have so far characterized research in the fields of cross-cultural studies and alliance portfolio. In this respect, the second paper puts forward an interesting explanation on the ambivalent findings in the cultural distance-performance relationship (Morosini et al., 1998; Luo and Peng, 1999; Palich and Gomez-Mejia, 1999). In the current dissertation, cultural distance is most fruitfully seen as a moderating factor, rather than a main variable in the relationship between cultural intelligence and export performance. This means that, the higher the cultural distance between the home country and the export country, the more the firm needs managers with a high level of cultural intelligence to improve the export performance of the firm. In a similar vein, the third paper explains the paradoxical findings in the relationship between "alliance portfolio diversity" and "alliance portfolio performance", which have so far characterized prior research on the topic (Duysters et al., 2012; Goerzen & Beamish, 2005; Jiang et al., 2010; Lavie & Miller, 2008). In the present study, cultural intelligence is conceived as a moderating factor, which can turn cultural differences between the exporting firm and its export partners as well as among the export partners into higher alliance portfolio performance. This means that the higher the cultural distance between the home country and the export country as well as between the export partners, the more the firm needs managers with a high level of cultural intelligence to improve the performance of its portfolio of alliances.

In the second paper, I also theorized how the importance of the managers' CQ differs between export channels. The study provided an interesting explanation for the non-significant moderation by export channels: the moderation might be moderated, in turn, by the cultural distance between the home country and the export country. Therefore, I detected a three-way moderation by export channels and cultural distance, which is highly significant ($p<0.1$) and theorized that collaborative export channels are mostly employed when the firm exports in countries different from the home country, in terms of socio-cultural and physical distance (Gatignon & Anderson, 1988; Goodnow & Hansz, 1972; Klein & Roth, 1990). In this situation, foreign intermediaries can effectively bridge these distances (Ahn, Khandelwal & Wei, 2011). Conversely, if the firm decides to export directly abroad, a gap between buyers and sellers is likely to arise. Therefore, managers' CQ may represent a key capability for the exporting firm to reduce this gap by increasing the effectiveness of intercultural relationships with the firm's buyers and enhance export performance.

Another interesting contribution relates to the different levels at which the independent variable (i.e. cultural intelligence) and moderating variable (i.e. cultural distance) are measured. In the second paper, the findings show that variables closest to the decision maker (i.e. task specific cultural intelligence and individual level cultural distance) explain more. In line with previous studies on the topic, I used a general level of cultural intelligence and cultural distance and complemented this with a measure more specific to the situation (i.e. task specific cultural intelligence and individual level cultural distance). This study's results suggest that measures of the variables closest to the specific situation (i.e. export management) are more informative of the implications on the export performance at the firm-level. In details, I provide evidence that a measure of the cultural intelligence (task-specific cultural intelligence), which specifically captures the cultural intelligence of the export managers during the export activities, matters more than general capabilities (general cultural intelligence) in the fulfillment of the export management activity and in explaining export performance improvements. Similarly, individual level measures of cultural distance (i.e. international experience of the manager and knowledge of the foreign language) better explain the cross-cultural issues encountered by managers in doing business across borders. Similarly, in the third paper I found that the CQ dimension, which is closer to the specific situation, in that it allows the CQ to turn into action (i.e. metacognitive CQ), explains more. In line with previous studies on the topic, I used a general level of CQ and complemented this with a measure more specific to the cross-cultural situation (i.e. metacognitive CQ). The overall findings of this research highlight that a measure of CQ, which specifically captures

its metacognitive dimension, is more informative of the implications on the firm's alliance portfolio performance. In details, I provide evidence that a measure of the CQ (metacognitive CQ) of the export managers, that specifically measures the managers' awareness of their own and the others' CQ, their ability to adjust the cultural knowledge according to the specific situation and develop action plans towards an objective, matters more than general capabilities (general CQ) in explaining the managers' skills in cross-cultural collaborations (i.e. alliance portfolio management) and alliance performance improvements.

Finally, this work made an interesting empirical contribution by operationalizing the APD (Alliance Portfolio Diversity) measure, as based on the cultural distance of the portfolio of alliances and accounting not only for the cultural diversity between the country of origin of the focal firm and the country of origin of its partners (Lavie & Miller, 2008), but also for the dispersion among the countries of origin of the firm's foreign partners. In this way, I was able to further strengthen the APD measure by considering the fact that it is more difficult to deal with a portfolio of partners where only a few are culturally very distant from the home country of the focal firm, but the majority is close, than a portfolio where all the countries are culturally quite close to the home country of the focal firm.

All in all, this dissertation puts forward important advancements in the international business and alliance portfolio research, by stressing the importance of bringing the individual manager back in. Not only do the managers and their capabilities represent crucial factors to successfully internationalize, but measures of the variables closest to the export managers and the cross-cultural situation are more informative of the firm's export performance and alliance portfolio performance. Furthermore, this study helps improve managerial understanding of the importance for firms to hire managers with cultural intelligence specific to the task (task-specific CQ) and the cross-cultural situation (metacognitive CQ), or, train managers to acquire those skills. This would ensure, in turn, a proper management of cultural differences in the process of exporting and managing export alliances and, in turn, high levels of export performance and alliance portfolio performance.

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