A Comparative Analysis of Global Strategic Management Approaches in Scope of "Biggest Companies List": Turkey's Position in Global Business

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Abstract   The "Biggest Companies List-BCL", is announced every year as an indicator of multiple dynamics for global commercial organizations. BCL is used to be consented as an important reference for researchers as it reflects company's point of view of global strategic management and environment analysis activities. "Strategic environment analysis" with an important role in strategy development, evaluates organization's general and specific environment's effects but can't provide enough support to top management for seeing the big picture in global managerial and organizational trends. In this study, the biggest organizations' strategic management trends are analysed not only with BCL, but also within three new strategic environment concepts, newly originated from navigation literature with a metaphoric approach as "flag", "slot" and "scarsa countries/regions". In that respect, it was tried to obtain implications on positioning of Turkish firms acting on the global scale in the global business.

Keywords   Strategic Management, International Management, Strategic Environment Analysis, Business, Big Companies List, Flag Country, Slot Country, Scarsa Country, Turkey

1. Introduction

"The biggest companies list" which is prepared within the size of global trade firms, can be used as an indicator similarly in economic bigness of countries with regard to having variety of results such as represented sectors development, strategies applied by firms that enlarge their market share, their organizational structure which affects their rank on the list and strategic analysis etc., as well as workers and profits.

According to Palmisona's (2006) description; "global integrated firms" or "global trade firms" have two structural options. One is "where to manufacture their products" and the other one is "whom to manufacture"[1]. Until recently, firms were inclined to manufacture their goods nearby market place. Owing to the fact that the market place spread across the global scale instead of regional scale, firms began to choose their production points near to support their marketing activities. Consequently, global trade firms have began to reform aiming at global scale with functional divisions, instead of conventional country (market) divisions in their organization structure. This improvement urged global trade firms to redefine their environments.

In general, international environmental factors are emerged from outside environmental factors, which affect organization indirectly, distinguishing themselves within or in international aspects. With recently emerged effect of the globalization, if appropriate cost, quality and assurance conditions are provided, products can be sold in anywhere regardless of the place it was manufactured. In this point, economic borders seem to pass over the geographic borders.

Conventionally, a management taking care of outsider effects that impact it directly or indirectly while executing its business is called "outside adaptation of management" It has been largely assumed that if firms can't provide that adaptation, they won't be able to survive[2]. This assumption describes a company in a passive position as its activities can only be adapted. With this point of view, "environment" is comprised out of management and factors that can't be controlled largely by management. These factors can be described as national environmental factors in one country. On the other hand, if firms operate out of the country, it is called as international environmental conditions. Consequently, the term "international environment" expressed within the issues related with at least two countries' dynamics.

"Strategic environment analysis" is performed in "strategy development" phase of strategic management process. In this paradigm, strategic environment analysis in a conventional approach is generally to asses economic, technologic, politic, social and legal environmental factors with

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methods such as SWOT analysis, brain storming, Delphi technique, scenario planning, inclination affect analysis, economic estimations etc. In these assessments, company, as a whole part, is assumed to be affected from environmental factors in the same direction and dosage. In other words, while company's production function is affected positively from the same factors, it's not stated that market function is affected negatively.

As meant in this article, global trade organizations are interrelated with "more than two geographic, cultural and cognitive sources". For this reason, it shouldn't be expected that one global organization's all functions are affected similarly from the same environmental factors. That is, globalization is a phenomenon which comprised of politic, social, cultural and economic factors[3]. And this phenomenon can affect one global trade organization's functions distinctly and differently.

With conventional aspect, it's possible to classify the environment. Thus, in 1977 Hall stressed that the interaction of company's general environment with its special environment is the source of opportunity-threat, which mention indirect effects of the technologic, legitimate, political, economic, social, demographic, ecological and cultural environment on organization[4].

Current study is based on the assumption that when global trade organizations' functions are affected, either firms or sector can't be senseless to affection whether stated directly or indirectly.

Within conventional aspect, products and services which form organization's pursuit, customer groups, market proportions, credit organizations, technology, competitors, and geographic regions all create a field of activity of the company[5]. The border of field of activity of a company is a dividing secret line which separates organization from general environment. Under these considerations, organization will have opportunity to describe its field of activity.

Contrary to this percipience, there are some difficulties to express sources as well as global activities' objectives. While it's getting harder to define global organization's partnership structures; rivals, financial organizations and speed of technological improvements gradually make firms less independent[6]. Even though global trade firms act in international arena; they have been limited by one or more than one countries' legal or social regulations from many aspects such as legal, political, cultural, cognitive etc.

In this context, conventional environment descriptions are also changing. By observing this change, global trade organizations have been redefined relative to their functions' effects in current study. In this study, functions of the global trade organizations, no matter what their sectors are, have been characterized by navigation literature with a metaphoric approach regarding to their "identifications - starting points (flag country), the place of production and processes - the place where processes take place (scarsa country) and the place of sale and presentation -the place where the process is concluded (slot country).

Under these considerations, countries defined relatively to the identifications of firms are called "flag countries", originated from navy literature in this study. The structures and activities of companies are mainly determined by flag countries. Economic, political, cultural and legal backgrounds of flag countries have vital roles particularly in decision making process of firms. In this way, it is possible think that management paradigms of firms are mainly formed in flag countries.

Within historical developments, notably dissemination process to global scale in the aftermath of the World Wars, firms are to develop strategies against the legal and economic structures of the countries in which they act in as well as the flag countries which they were affected in decision making process. In this development process firms' activities in point of presentation are affected by some other countries in presentation process. Marketing function gained importance essentially during that period. Countries, which have important roles in forming behaviors and preferences while they are presenting their goods, are called "slot countries", originated from navy literature. In slot countries, products or services meet with final customers which are described on account of the firm that is aiming profit.

While the world is changing with regard to economic, political, diplomatic and information systems, organizations' areas of interest have been enlarging to cover entire world in a way that has never happened before. Taken all together, it's conceivable that strategic management activities of the firms, acting on the global scale, are affected by the conditions in both flag and slot countries. Commercial, legal, cultural, economic and cognitive situations in both regions form fundamentals of the organizations' strategies.

Situations, where the multinational organization concept is described and where the partnerships from different counties are experienced, are sometimes deficient to understand global movements. In global movements of business, organizations' mutuality relatively has lost its importance; instead, visionary cooperation and affecting organizations' preferences relatively gained importance. Consequently, global structured organizations were emerged, that manufacture their goods in different countries with different processes.

Some of these organizations, supply their production components from different countries and manufacture non-standard goods differently and sale them other countries (for instance; producing coffee cups according to countries, big for USA or small for Turkey). Another part of others, manufacture and sale the same product in the global scale while taking into account the local dynamics in different countries (for instance; to adopt the same hamburger in accordance with markets; McGreece, McArabic, McTurkish etc). From these groupings, the first one represents globalization in production, while the second one expresses globalization in marketing.

The selection of these two mentioned strategies depends on both "characteristics of production" as well as flag and slot countries' own dynamics. Management characteristics

look like similar among the firms manufacturing same goods. For this reason, similarities in the same sector have been stated through the usual channels for along time at first sight. If it's the matter of similarities in the same sector, it's possible to mention about a set of strategies special for a sector. Currently, importance of the sectors of the firms, at least manufacturing same products, is notably required to be investigated.

In this instance, acting in the same field of activities and environmental conditions will be more useful than existence of the sectors in which the same point of strategic management models are valid in. The term "scarsa country" which is originated from navigation literature is used to describe this situation. While it's not required for organizations in scarsa to aim same slot country, it can be useful to be under similar conditions in the same period. For example, firms, aspiring to manufacture all or some parts of its productions in China, may have different approaches in marketing and diversification activities of their own. Even though these firms are the firms which are originated from different countries, producing in different countries and also their products will be consumed are to be different, it's likely that they share the same environment in their current processes. Under the circumstances; even though distinct financial constitutions are within the sectors and activities, these firms will be under the influence of China. Being commonly sensitive to possible fluctuations and cultural, social, economic impacts in China forces these companies having the same destiny of business. So, their scarsa environments will be the same.

A matrix can be created to determine "strategic management approaches" of the firms from the expressions defined above. The components and the dimensions of the matrix are as shown in Table-1. With reference to this, while "functions" indicate strategic environment analysis in conventional meaning, "variables" point out new concepts (flag, slot, scarsa) which are to bring new approaches to environment analysis.

Table 1. Description Matrix of the Organizations, Acting on Global Scale

Variables / Functions	Flag Country	Slot Country	Scarsa Country
Legal			
Managerial			
Cultural			
Marketing			
Production			
Strategic Decision			

Table-1 can also be used to examine whether the organizations, acting on the global arena, can be determined distinctly. In this instance, organizations, acting on the global scale, can be investigated more easily with regard to strategic management choices within "flag, slot and scarsa" countries. In this way, it will be more likely to describe the situations in which the strategic choices are put.

2. Inclinations in Choosing Strategic Environments of Global Firms

It's necessary to start with defining the roots of the firms to investigate the strategic management preferences and inclinations of the firms acting on the global scale. Short brief (for 2005 and 2007) about flag countries which these firms are tied is presented in Table-2. The Biggest Companies Lists also give typical clues in this scope.

Table 2. The Biggest 5 Flag Countries According to Number of the Firms Generated

Flag Countries	2005		2007	
	No	Number of Firms	No	Number of Firms
United States of America	1	181	1	179
Japan	2	81	2	52
England	5	34	3	35
France	3	39	4	33
Germany	4	36	5	23
Total		371		322
Percentage in First 500		72%		64%

Source: www.forbes.com

Table 3. Inclinations for the Flag Countries within the Biggest 500 Organizations

INCLINATIONS FOR THE FLAG COUNTRIES (Outgoing Countries)				
	Number of Firms in 2005	Number of Firms in 2007	Number of Changes	Percentage of Change (%)
Japan	81	52	-29	-35,80
Germany	36	23	-13	-36,11
France	39	33	-6	-15,38
Holland	17	13	-4	-23,53
South Korea	11	9	-2	18,18
USA	181	179	-2	-1,10
Malaysia	1	0	-1	-100
Sum of Outgoing Countries(7)	366	309	57	
INCLINATIONS FOR THE FLAG COUNTRIES (Incoming Countries)				
	Number of Firms in 2005	Number of Firms in 2007	Number of Changes	Percentage of Change (%)
Canada	13	20	7	53,85
Spain	8	14	6	75,00
Russia	3	8	5	166,67
Australia	6	11	5	83,33
Bermuda	0	4	4	400,00
Singapore	1	4	3	300,00
The Rep. of South Africa	0	3	3	300,00
Brazil	3	6	3	100,00
Ireland	1	4	3	200,00
Austria	0	2	2	200,00
Portugal	0	2	2	200,00
Norway	2	4	2	100,00
Taiwan	2	4	2	100,00
Sweden	7	9	2	28,57
Saudi Arabia	1	2	1	100,00
The Czech Republic	0	1	1	100,00
Greece	0	1	1	100,00
Panama	0	1	1	100,00
Mexico	2	3	1	50,00
Finland	3	4	1	33,33
Italy	8	9	1	12,50
China	16	17	1	6,25
Sum of Incoming Countries(22)	76	133	57	

Source: www.fortune.com

As expressed in Table-2, flag countries, which have the biggest five, explains 72,2 % (371 firms) of the activity volumes of firms in the biggest 500 list in 2005, while this ratio is decreased to 64,4 % (322 firms) in 2007. In this context, quantity of outgoing firms (from these countries), acting on the global scale, is decreased in the last three years period.

The inclinations in flag countries of the global firms are shown in Table-3. As seen in the table-3, inclinations for flag countries of the global firms become distant largely from the biggest 5 slot countries (especially from Japan and Germany). Instead of this, if quantity of incoming firms is taken into account, there can be seen outstanding focusing. In the biggest 500 firms list, 57 outgoing firms are from 7 countries (54 firms from the first five flag countries), whereas only 27 of incoming firms are from the same first five countries. Additionally, 57 outgoing firms can be compensated by 22 countries' incoming firms.

Taken together, 6 new flag countries (Panama, Greece, Czech Republic, Portugal, Austria, South Africa Republic and Bermuda) were represented in the list for last three years period. At the end of this period, Malaysia was extracted from the list while it was being represented by one firm. This situation expresses the increasing number of flag countries or "increasing number of variations with regard to flag countries", "distributions relatively getting normal" and "generally manufacture's heading from USA to Asia."

3. Inclinations in Global Trade and Strategic Trends

While the world trade is getting larger volumetrically as general trend, firms undertake important roles between main regions and within regions also. If the trade flow is classified as "regional" and "interregional", Europe can be described as a continent where the most intense trade activities happen (31,4 %) while following regions are Asia (14,11 %) and North America (7,8 %). When Commonwealth of Independent States (0,7 %) and Middle East Countries (0,6 %) are added, Asia's portion increase to 15,4 %. The least proportion in regional trade occurs in South America (1,0 %) and Africa (0,3 %). While propor-

tion of regional trade in international trade forms a total volume of 55,7 % (slot countries), remaining 44,3 % of volume occurs between regions (scarsa counties).

According to World Trade Organization's records, Asia's increasing rate of exports is 13% on interregions trade in 2006 and 2007, this rate is higher than the out region imports at 7% percentage. With the exception of Asia, Europe is the only region whose exports developed more than imports. Apart from these two regions, imports and exports are almost equal to each other in Middle and South America. North America, Middle East, Africa and Commonwealth of Independent States have more imports than others(Table-4).

As shown in Table-4, international trade volume (for goods, commodities) on the global scale is about 11.783 billion dollars. With regard to imports, its 43,4 % is from Europe, 24,1 % is from Asia and 20 % is from North America. Unlike Asia, all the regions primarily supply their needs from inside on the regional scale as they have the ability. Necessities in Asia are mainly fulfilled from Middle East. In other regions, necessities are primarily fulfilled in their own regions by far better.

In accordance with the trade trends, it's possible to state that most of international export and import activities are formed in north hemisphere. North America, Asia and Europe account for about 75,5 % of the entire international trade volume. If pacific countries are added to this volume, 98,4 % of the international trade is described. Not taking into account trade trends inside its region, Asia which has the specialties of scarsa country is the most exporting region estimating out-region trends. Exports from Asia to Europe and America are about 1312,10 billion dollars. These forms 50,03 % of the Asia's whole trade volume. For European region, quantities are 796,70 billion dollars and 16,05 %. For North America, they are 593,40 billion dollars and 35,36 %. In this aspect, it's possible to state that the biggest trade volume among the regions is realized by Asia region. This explains 45% of the inter-regions trade. Additionally, Europe makes %25 of it and North America makes 18% of it. If it's thought that remaining interregional trade is done from the south hemisphere as raw materials, it's likely that quantities increase. The classification of trade products are shown at Table-5.

Table 4. Trends in Goods Trade in Inter-regions (2006)

Source	Target Regions														Total
	North America		South America		Europe		Commonwealth of Independent States (CIS)		Africa		Middle East		Asia		
	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar	(%)	Billion Dollar
World	2355	20,0	378	3,2	5118	43,4	290	2,5	283	2,4	381	3,2	2839	24,1	11783,0
N. America	905,3	53,9	107,3	6,4	279,3	16,6	8,3	0,5	21,7	1,3	42,1	2,5	314,1	18,7	1678,3
S.America	135,0	31,4	111,5	25,9	86,4	20,1	6,1	1,4	11,3	2,6	7,9	1,8	61,8	14,4	429,9
Europe	430,3	8,7	66,6	1,3	3651,5	73,6	141,6	2,9	120,2	2,4	128,9	2,6	366,4	7,4	4963,0
CIS	24,2	5,7	7,6	1,8	246,5	57,9	80,3	18,9	5,7	1,3	13,3	3,1	45,6	10,7	425,6
Africa	79,8	22,0	11,3	3,1	148,1	40,8	1,4	0,4	32,8	9,0	6,3	1,7	72,6	20,0	363,3
Middle East	72,3	11,2	4,4	0,7	102,8	15,9	3,0	0,5	20,9	3,2	71,6	11,1	339,6	52,6	645,5
Asia	708,3	21,6	69,5	2,1	603,8	18,4	49,7	1,5	69,9	2,1	111,4	3,4	1638,5	50,0	3277,8

Source: International Trade Statistics 2007, www.wto.org

Table 5. Goods' Proportions in Regions' Exports (2006)

	Agriculture (%) (not including managerial functions)	Mine and Petroleum (%) (not including managerial functions)	Production (%) (including managerial functions)
Asia	6	10	84
Europe	9	11	80
North America	9	14	77
Middle and South America	24	43	32
CIS	7	67	28
Middle East	2	76	22
Africa	9	71	20

Source: www.intracen.org

Table 6. The Biggest 10 Countries in Goods' Trade in the World (2007)

No	Exporting Countries	Volume	Share in 2005	Share in 2007	Change	No	Importing Countries	Volume	Share in 2005	Share in 2007	Change
1	Germany	1112,0	10,0	9,2	-0,76	1	USA	1919,4	16,1	15,5	-0,60
2	USA	1038,3	8,9	8,6	-0,35	2	Germany	908,6	7,6	7,3	-0,23
3	China	968,9	6,5	8,0	1,54	3	China	791,5	5,9	6,4	0,47
4	Japan	649,9	6,2	5,4	-0,80	4	England	619,4	4,9	5,0	0,11
5	France	490,4	4,9	4,1	-0,84	5	Japan	579,6	4,8	4,7	-0,12
6	Holland	462,4	3,9	3,8	-0,09	6	France	534,9	4,9	4,3	-0,59
7	England	448,3	3,8	3,7	-0,08	7	Italy	437,4	3,7	3,5	-0,17
8	Italy	410,6	3,8	3,4	-0,42	8	Holland	416,4	3,4	3,4	-0,01
9	Canada	389,5	3,5	3,2	-0,23	9	Canada	357,7	2,9	2,9	-0,07
10	Belgium	369,2	3,3	3,1	-0,29	10	Belgium	353,7	3,0	2,9	-0,16

Source: www.intracen.org

Table 7. The Biggest 10 Countries in the World Service Trade (2007)

No	Exporting Countries	Export Volume	Share in 2005	Share in 2007	Change	No	Importing Countries	Import Volume	Share in 2005	Share in 2007	Change
1	USA	388,8	15,0	14,1	-0,90	1	USA	307,8	12,4	11,6	-0,80
2	England	227,5	8,1	8,3	0,20	2	Germany	219,1	9,2	8,3	-0,90
3	Germany	168,8	6,3	6,1	-0,20	3	England	172,0	6,5	6,5	0,00
4	Japan	122,5	4,5	4,4	-0,10	4	Japan	144,0	6,0	5,4	-1,00
5	France	114,5	5,1	4,2	-0,90	5	France	108,8	4,6	4,1	-0,50
6	Spain	105,5	4,0	3,8	-0,20	6	China	100,3	3,4	3,8	0,40
7	Italy	97,5	3,9	3,5	-0,40	7	Italy	98,4	3,8	3,7	-0,10
8	China	91,4	2,9	3,3	0,40	8	Ireland	78,4	2,8	3,0	0,20
9	Holland	82,5	3,4	3,0	-0,40	9	Holland	78,1	3,5	2,9	-0,60
10	India	73,8	1,9	2,7	0,80	10	Spain	77,9	2,6	2,9	0,30

Source: www.intracen.org

In this instance, there is a certain line between regions which focus their commercial efforts on raw materials like mine and petroleum (not including managerial functions) and production (including managerial functions). Taken together, the geographic distinction of the world can be seen easily. South regions mainly export raw materials, while north regions mostly export industrial goods. This distinction indicates in which subjects firms may have knowledge and expertise. Firms, acting on the south regions, are expected to have experiences on goods like mines and petroleum. Whereas, firms, acting on the north regions, are anticipated to have great knowledge about manufacturing and management processes.

If taken a look at countries in the regions at Table-6,

which compose main part of world trade in goods, it can be seen that the shares of Europe and North American countries in trade volume are decreasing. With regard to export quantities, it can be seen that only China improved its trade volume and shares weighted from Europe and North America are decreased. In point of imports, England was the only exceptional country (Table-6).

To conclude trade issues, in addition to goods table, mentioned above, it's necessary to research on service trade. The 10 biggest countries of world service trade are mainly European and North American countries. But, their volumes are declining gradually at the present time. In this instance, only China, India and England, existing on the list, increased their export volume. (Table-7).

Table 8a. The Most Developing Countries in Goods Trade

	Export						Import				
No	Exporting Countries	Volume	Share in 2005	Share in 2007	Change	No	Importing Countries	Volume	Share in 2005	Share in 2007	Change
3	China	968,9	6,5	8,0	1,54	3	China	791,5	5,9	6,4	0,47
13	Russia	304,5	2,0	2,5	0,52	17	India	174,8	1,0	1,4	0,38
17	Saudi Arabian	209,5	1,4	1,7	0,36	18	Russia	163,9	1,0	1,3	0,31
49	Kazakhstan	40,5	-	0,3	0,34	27	UAE	97,8	0,5	0,8	0,29
14	Singapore	271,8	2,0	2,2	0,29	49	Venezuela	33,6	-	0,3	0,27
23	UAE	139,4	0,9	1,2	0,25	50	Pakistan	29,8	-	0,2	0,24
28	India	120,3	0,8	1,0	0,17	15	Singapore	238,7	1,7	1,9	0,20
38	Venezuela	65,2	0,4	0,5	0,17	13	North Korea	309,4	2,4	2,5	0,13
41	Kuwait	55,7	0,3	0,5	0,15	4	England	619,4	4,9	5,0	0,11
40	Chile	58,1	0,4	0,5	0,13	22	Turkey	138,3	1,0	1,1	0,09

Source: www.wto.org

Table 8b. The Most Developing Countries in Service Trade According to Change in Proportions

	Export						Import				
No	Exporting Countries	Volume	Share in 2005	Share in 2007	Change	No	Importing Countries	Volume	Share in 2005	Share in 2007	Change
10	India	73,8	1,9	2,7	0,80	14	Singapore	60,8	1,7	2,3	0,60
16	Singapore	57,3	1,7	2,1	0,40	39	Portugal	11,3		0,4	0,40
38	Lebanon	12,3		0,4	0,40	13	India	63,7	2,0	2,4	0,40
8	China	91,4	2,9	3,3	0,40	6	China	100,3	3,4	3,8	0,40
12	Ireland	68,0	2,2	2,5	0,30	10	Spain	77,9	2,6	2,9	0,30
18	Luxemburg	51,1	1,6	1,9	0,30	8	Ireland	78,4	2,8	3,0	0,20
2	England	227,5	8,1	8,3	0,20	12	Korea	69,8	2,4	2,6	0,20
25	Russia	30,1	0,9	1,1	0,20	32	Saudi Arabian	18,1	0,5	0,7	0,2
17	Denmark	51,7	1,7	1,9	0,20	27	Brazil	26,9	0,8	1,0	0,2
32	Brazil	17,9	0,5	0,7	0,20	26	Switzerland	28,8	1,0	1,1	0,10

Source: www.wto.org

The biggest flag countries of global trade mainly emerge from North America and Europe. Nevertheless, this intenseness has seen to be balanced by Asia gradually. Even though, it's not perceived particularly in service sector, it's easy to define it in trade in goods sector. Thus, taking a look at the most developing countries of trade in goods, there are countries from Asia in both exporting and importing, while the leading country is China. (Table-8a).

Table, emerging from service trade, develops slower than the trade in goods. The most developing countries of service sector are also from Asia. In addition to this, countries, out of region such as Ireland and Brazil, also make significant improvements (Table-8b).

4. Organizational and Managerial Meanings of Current Developments

The actual data about world trade expresses gradually developing trade volume at least after the World Wars. Development rate of the trade in goods changes between 14 and 15% for ten years period of time. This trade is performed notably by European and North American firms.

For this reason, management culture experienced up till now, generally has taken advantage of these regions' experiences. Especially, this can be one of the reasons of protest on management cultures' dominance in management.

Countries' which have the largest proportions in world trade is decreasing at present time. If taken look at the most developing countries in world trade, it can be seen that these countries are mainly from Asia. In this instance, it's possible to consider some differences seem to appear in the regions where the world trade performed. Especially condensation in Asia with the exception of Japan is the indicator of this situation.

At present time, increasing number of flag countries is attracting attention. It means that, cultures and laws and experiences, of which the globally acting firms take the advantage, are diversifying. On the other hand, it indicates that managerial and commercial culture is disseminating whole world and there is an inclination to globally mutual culture.

In older times, cultural difference was forming an important difference and the periods, in which communal mobility and meditative representations were not at this level, it

was possible for communal culture to survive with its specialties and differences. In the current era, in spite of the opposite claims, some writers stress that we are gradually in a historical evolution that is to form unique acculturation which is the central result of globalization[7].

The main point in the current study is North America's mainly forming a flag country while Asian region is to be described as scarsa region. Owing to the fact that Asian region has great proportion in interregions trade; it is scarsa region that can be part of the activities of the all global firms.

Some 43,3 % of the international trade volume is concluded in the Europe continent. This point is 16 points more than Asia and 23 points more than North America. In the view of global business administration, Europe is openly a slot region. Thus, it's possible to claim that global business administration; has a structure that has North American values, applies Asian operations styles and manufactures at European standards.

5. Turkey's and Turkish Firms' Positions in Global Business

Under these circumstances, Turkey is located in "Europe general slot environment". It's possible to understand the real situation of organizations with Turkish flag only if the local dynamics are taken into account and when they are compared with other trends. On the global scale, it can be compared with American data because of the accuracy of the data and its facilities to be described for entire hemisphere.

The most important local dynamics for Turkey, mentioned above is the difference between public and private sectors. Even though they are in the same field of activity, having different profit rates with regard to their sectors is one of the indicators of these differences. Although means of profits are 7,6% in public sector and 12,2% in private sector between 1984 and 2004, these ratios were respectively 11,6% and 7,7% in 2004[8].

While public organizations are large at scale, under general management perspectives they are indisputely "under governmental protection against risks" compared to private sectors, which are considered to be extracted from the data collected. As the private sectors extracted, the first 50 firms in the rank, with 10% neglectfulness level, are considered, dating back the year 1968. In this study data regarding Turkey is collected from Istanbul Chamber of Industry and Capital magazine[9], while US data are collected from Fortune Magazine[10].

In this comparative analysis, 8 firms (Boeing, Chrysler, Exxon Mobil, Ford Motor, General Electric, General Motors, Intl. Business Machines, Procter & Gamble, and United Technologies) are found to be in the first 50 firms list consistently, with 10% neglectfulness, while there is not even a firm in the same list from Turkey. In other words, among the biggest 50 private firms in Turkey, there is no

consistent firms in the list.

If the same research is done with 20% neglectfulness, while six more firms are added to US list (Amoco, Chevron-Texaco, Conoco, Phillips, DuPont, Mobil, Texaco), only Arcelik and OYAK Renault are added to Turkish list. This can be result of Turkish firms' being in the stage of establishment and development as well as being an indicator of firm's fragility against economic fluctuations. To sum up, while the number of American firms, permanently in the list, is 14 (28%), number of the Turkish firms is 2 (4%). The relative instability, experienced by private firms with Turkish flag, can be perceived as the biggest obstacle, preventing achievements in the global scale. Besides, big firms, globally perceived as general tendency, especially decreasing in large economies, disseminate and move on relatively small economies. Thus, big firms with Turkish flag, acting on the global scale, are expected to be higher in number.

However, unique and different Turkish firms in the biggest global 500 firms list in 2005 and 2007 are the reflection of the relative instability. Thus, Germany, the biggest economy of Europe, developing export balance positively, appears with less firms in the biggest 500 firms annually. This is the confirmation of the theory mentioned above. Under these circumstances, one of the biggest problems that were experienced by the firms with Turkish flags experienced is stable development problem. On occasion, in which general tendency is increasing number of flag countries and big firms, are increasing notably in Europe and Asia by growing up, it can be imprinted that firms with Turkish flag relatively aren't taking the advantage of this tendency.

Turkey's original position between leading regions, Europe and Asia, requires special study about the reasons of tendencies. If taken a look at Turkey's proportions in world trade (table-9); it can be seen that exports develop at 24% and imports develop at 29% percentages between 2002 and 2006. These quantities are bigger than world scores (means), which are 17% for export and 19% for import rates. Besides, if means of global firms, %17 for export rates and 19% for import rates, are taken into account, Turkey's export performance is equal to world means while it's far larger than world means with 19% in import performance. This situation in Table-9 has a contradiction with regional table expressed in previous parts. In this scope, Turkey, when global economic regions are taken into account, has an import developing tendency although it's between the export developing regions (Asia and Europe).

Taking into consideration the difference in proportions of Turkey's import volume (2006 numbers) with respect to first two countries which are Russia (139 billion dollars) and Germany (18 billion dollars), it is distinguishable that Turkey is firstly dependent to Asia and Europe in the scope of imports and Europe (Germany, UK, Italy) in the scope of exports. This situation is compatible with the attitude of trading with near environment that is to general tendency in global scale.

Furthermore, Turkish exported materials are mostly confection and manufacture goods for the first two in ranks. This situation is also compatible with Asia and Europe's general tendency. Thus, it's possible to infer that firms with Turkish flag are experienced in production.

On account of service trade, while Turkey is the 28th country in exporting countries' list, it is not in the first 40 in importing countries' list. Even though this indicates that Turkey's growth is bottomed on exporting, it creates the suspicion of this tendencies' changeability because Turkey has the second increasing importing rate in Europe. In service sector, Turkey has an intense volume in exports with the exception of Germany and is compatible with Europe. Asian countries, having positive export rates such as China, having the intense import rates, give clues about global trades' cognitive experiences and improvements.

To sum up, Turkey has a special geographic advantage between Asia and Europe that have the biggest external trade volume. Turkey structurally conducts European style attitudes. Moreover, moving away from large economies and getting closer with relatively small economies, it isn't represented sufficiently in the biggest firm construction. One of the results of this state is difficulties of firms with Turkish flag in strategic preferences while reflecting global tendencies.

6. Conclusions

At present time, permanently changing face of environment, either source and energy dependence or obligations in satisfying the needs of environment force managements to change. Changes and developments in environment can produce a set of opportunities and possibilities as well as being source of dangers and difficulties. Consequently, while it's necessary for managers to control what is happening in internal environment, external environment is also to be analyzed systematically.

At present time, there are hundreds of management techniques and solutions and also new ones are also added to them day by day. Although there are opinions that "internationalization and globalization forms common and universal management culture", what products and services mean for people are more important than what they are and where they are? In fact, while the "physical issues" of culture are slowly getting similar to each other, while "spiritual issues", which are difficult to detect, keep their differences still. This issue points out that there is no unique and the best organization and management style in the business world[11].

A management, which is formed in a specific environment and culture, may remain in the restrictions of that environment. To obtain more effective management processes, they take into account the different cultures, which they deal and which they are affected, more than past. In other words, they try to apply the proverb "If you are in Roma, do as Romans do". In this internationalization process, countries and managements, which can continue blending international and national culture and use "multiculturalism" and "national culture" properly, are likely to be more successful[12].

Within organizational and cultural harmony, Emery and Trist (1965)[13], who revive strategic position of environment for organizations and develop open system approach, which asserts that organizations are affected mutually from the systems in which they are, mentioned about organization type's compatible with environment. Then, in the research of Lawrence and Lorsch, it's stressed that different environmental conditions requires different organizational principles as well. These authors claim that units, inside organizations, can make contact with different environmental units, can perceive their environments differently and organizations make contacts with different environments. Data, obtained from researches, indicates the activities of designing organizational structure cannot be isolated from culture[14].

It's necessary for a management to determine its source capacity, to define strong and weak aspects, and to analyze external environment in details to specify its realizable goals and alternative strategies. It's certain that every manager has an information and intuition about the strength/weakness and capacity of their company. However, this kind of information and intuition is not adequate for the managers, which have quite complex structure at present. As the organizations get larger and more complex, it's difficult to have complete and valid knowledge. Regardless, even the organizations were small; it would be more fair management attitude to use systematic analysis instead of based habits and experiences.

Table 9. Turkey's Position in the World Trade

Export	Commercial Indicators				
	2006 Export Volume (USD Bln)	2006 Trade Balance (USD Bln)	Annual Growth Rate 2002-2006(%)	Annual Growth Rate 2005-2006 (%)	Share in the World Export (%)
World	11,987,170,000	-233,175,000	17	16	100
Turkey	85,525,960	-53,054,820	24	16	0.71
Import	2006 Import Volume (USD Bln)	2006 Trade Balance (USD Bln)	Annual Growth Rate 2002-2006(%)	Annual Growth Rate 2005-2006 (%)	Share in the World Import (%)
World	12,220,340,000	-233,175,000	17	15	100
Turkey	138,580,800	-53,054,820	29	19	1.13

Source: www.intracen.org

"Strategic environment analysis" is conducted at strategy development stage of strategic management. Top managers should systematically investigate the opportunities and threats coming from outside as they affect the operation's strategy and goals. "Environment analysis", studying subjects such as discovering the sources of these opportunities and threats, determining which of them will affect operation and identifying their characteristics, is the process of researching observing and interpreting opportunities and threats which are produced by internal business environment and general external environment[15]. By means of this kind of analysis, organizations, having and researching knowledge about technological developments, social improvements, changes in producer goods and energy market, goods' situation and image, are able to define opportunities and threats, which they face. In this way, organizations can be more capable of developing future plans to adapt environment.

Within current strategic management approach, to identify the activities and distinguish current situation and condition of environment are inadequate. At the same time, predicting possible changes in the future, which are to happen internationally and nationally, is also important. Thus, operations unlikely face with unexpected situations and are ready for new situations.

Under these considerations mentioned above, it can be put forward that organizations, acting on global scale, are affected by three new concepts. First of these is called as a "flag" country/region which is tied to function of operation's management. Management functions of this organization take the advantage of cultural, economic and cognitive infrastructure of the flag region. Consequently, strategic decisions about the development of global activities also formed under the effect of these concepts.

The second issue from which operations are affected is countries or regions from which production functions are affected. These countries are called as "scarsa" in this study. In this way, even though they are in different sectors, operations acting on the global scale are gradually having the same conditions of production environment. The ambiance of scarsa can be described as the most suitable environment in the world in point of manufacture.

Another type of environment, from which operations are affected, is called "slot country" which affects marketing functions closely. Decisions, made in slot region, are not only affected by the biggest markets on the global scale but also consumption standards and culture.

In point of global operations, describing external environment in three new types make easier to understand activities of large operations. Even though these three types have different characteristics in politics, legal, economics, culture and cognitive, each of them are so global that can affect all the operations. Fluctuations, experienced in these environments, will closely affect the strategic decisions in the global scale.

In older times, USA was the only source of manufacture, and was the unique country in which processes and results experienced. In other words, substantial amount of management culture, manufacture and marketing styles were being affected by USA. Hereby, a USA originated understanding was dominating all the organizations in the world. In the past, while there were only main continents in world trade which limited circulations, circulations' role is also important at present time. In this instance, companies, acting on the global scale, are affected from North America in decision making and strategy definition process and from Asia (China, India) in manufacture functions and from Europe in sales and marketing functions.

Consequently, the management structure and culture, that was only limited with USA in past, now requires taking into account all the "flag, slot and scarsa environments" mentioned above. While the source of capital is globalizing in collaboration with increasing number of flag countries, which form source points of the international firms; management functions and processes are also globalizing in collaboration with slot and scarsa descriptions. Finally, environment descriptions in international arena require to be studied more carefully and in details.

If moved on to the companies with Turkish flag, it has similar environment description with European organizations. The biggest organizations with Turkish flag, acting on the global scale, generally use Asia region as scarsa, and similar with the rest of countries, Europe is regarded as slot region. In this instance, while Europe is less manufacturing, two third of world consumption is realized in this region where has the influence of defining standards of the goods and services. In That respect, today's management culture is not only shaped by US but also by Europe defining marketing and by Asia defining production functions.

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