

ACADEMIC STUDIES IN SOCIAL, HUMAN  
AND ADMINISTRATIVE SCIENCES-2019/2

ACADEMIC STUDIES  
IN SOCIAL, HUMAN  
AND ADMINISTRATIVE  
SCIENCES-2019/2

EDITORS

*Prof. Dr. Zafer GÖLEN*

*Assoc. Prof. Dr. Abidin TEMİZER*



**ACADEMIC STUDIES**  
**IN SOCIAL, HUMAN AND ADMINISTRATIVE**  
**SCIENCES-2019/2**

**Editors**

Prof. Dr. Zafer GÖLEN

Assoc. Prof. Dr. Abidin TEMİZER

Cetinje 2019



## **Editors**

Prof. Dr. Zafer GÖLEN

Assoc. Prof. Dr. Abidin TEMİZER

**First Edition** • © September 2019 /Cetinje-Montenegro

**ISBN • 978-9940-540-96-8**

© copyright

**All Rights Reserved**

**Ivpe**

**web:** [www.ivpe.me](http://www.ivpe.me)

**Tel.** +382 41 234 709

**e-mail:** [office@ivpe.me](mailto:office@ivpe.me)



**Print**

Ivpe

Cetinje, Montenegro

## CONTENTS

PREFACE .....	IV
REFeree BOARD.....	VI
▪ EUROPEAN UNION .....	1
BUILDING OF EUROPEAN FOREIGN POLICY IN COLD WAR ERA: EUROPEAN POLITICAL COOPERATION.....	2
▪ FINANCE.....	19
THE CAUSAL NEXUS OF MAJOR and EXOTIC CURRENCIES .....	20
▪ PUBLIC RELATIONS .....	32
CREATING CORPORATE IMAGE THROUGH CUSTOMER RELATIONSHIP MANAGEMENT .....	33
▪ ECONOMIC THOUGHT .....	54
THE KNOWLEDGE ECONOMY AND ITS DIMENSIONS .....	55
▪ THEOLOGY .....	71
EXEGESIS STUDIES IN THE PERIOD THE GHAZNAVIDS STATE: SOME GHAZNAVID EXEGETES AND THEIR BOOKS OF TAFSĪR .....	72
▪ COMMUNICATION.....	94
NEWS DISCOURSE IN POLITICS AND IDEOLOGY PARADOX: AN EVALUATION ON NEWSPAPER NEWS BEFORE THE ELECTION .....	95
▪ PUBLIC ADMINISTRATION .....	112
E-GOVERNANCE COMPARATIVELY IN THE UNITED STATES (USA) AND RUSSIA .....	113
▪ MACRO ECONOMICS .....	126
FOUNDATIONS OF POST-KEYNESIAN ECONOMICS: ITS BIRTH, DEVELOPMENT AND CURRENT STATE.....	127
▪ PUBLIC FINANCE .....	147
THEORETICAL FRAMEWORK OF DECENTRALISATION IN INTERGOVERNMENTAL FISCAL RELATION .....	148
TAX WHISTLEBLOWING MECHANISM IN TURKEY AND USA.....	168
▪ MEDIA AND COMMUNICATION .....	181



CRITICAL DEBATES ON GLOBALIZATION AND MEDIA.....	182
▪ MICRO FINANCE .....	192
DETERMINANTS OF CHILDHOOD OBESITY: EVIDENCE FROM TURKEY.....	193
▪ MARKETING.....	208
CURRENT AND EFFECTIVE LEADERSHIP MODEL: ENTREPRENEUR LEADERSHIP .....	209
THE ADVANTAGES AND DISADVANTAGES OF QR CODE AS A MARKETING TOOL .....	229
▪ POLITICAL LIFE AND INSTITUTIONS .....	241
INFORMATIONS ON THE PROCESS OF SENDING OF MUSTAFA KEMAL PASHA TO SAMSUN IN ALI FUAT CEBESOY'S MEMOIRS .....	242
▪ TOURISM .....	249
EVENT PARTICIPATION MOTIVES OF VOLUNTEERS AND DIFFERENCES BY DEMOGRAPHIC FACTORS: KOÇFEST EXAMPLE .....	250
▪ PRODUCTION AND OPERATION MANAGEMENT .....	261
SIX THINKING HATS AND INNOVATIVE MINDSET AS A COMPETITIVE ADVANTAGE FOR AN ORGANIZATION .....	262
▪ INTERNATIONAL RELATIONSS .....	273
CORRELATION VALUE OF THE CONNECTION BETWEEN TURKEY'S MIGRATION GOVERNANCE AND PUBLIC DIPLOMACY .....	274
▪ MANAGEMENT AND STRATEGY .....	303
DO CAREER DECIDEDNESS AND CAREER DECISION-MAKING SELF-EFFICACY INCREASE LIFE SATISFACTION?.....	304
ENSURING CORPORATE SUSTAINABILITY BY INNOVATION	326
IT IS NOT TIME MANAGEMENT, IT IS <i>MANAGEMENT</i> <i>ACCORDING TO TIME</i> .....	351
EVALUATION OF BRAND AUTHENTICITY AND CUSTOMER SATISFACTION - CASE OF TORKU FROM LOCAL TO NATIONAL BRAND.....	381



## PREFACE

The new millennium was entered with slogan of new world order and great hopes. Humanity witnessed scenarios of excitement, expectation and apocalypse as it did every thousand years. Soon, both humane and environmental disasters began to give clues about what awaits people in the century. However, although humanity was in its phase of “civilized” and technologically advanced period, it could not prevent the undesired events. Humanity began to be shaken with another disaster every day. Never-ending wars, political strife, and unpredictable natural disasters despite all technical progress continued to lead humanity into a terrible black hole. United Nations reports have almost turned into doomsday scenarios. Education, rapidly increasing population, poverty, migration, famine, drought, epidemics, violence, global warming, tsunamis, shortage of access to clean water resources, environmental and marine pollution, rapid melting of glaciers, air pollution, hurricanes, extinction of animal and plant species, the spread of political radicalism, the global increase in terrorism, religion and sectarian wars, the gap in income distribution, unplanned urbanization, the horrendous increase in divorces, the increase in suicide rates, digital pollution and thousands of other problems await solutions.

If it is noticed, the majority of the events that lead to this depression are caused by human beings. Therefore, if people know what to do and how to behave, these are preventable events. Yes, humanity is desperate in the face of earthquakes or hurricanes, yet the prevention of violence and terror can easily intercept dozens of problems, such as haphazard urbanization or political radicalism. The main objective of social sciences and humanities is to find solutions to the problems of humanity. Perhaps the world's population has already exceeded eight billion. This means eight billion problems, but also eight billion solutions. Is it possible to produce a solution in the face of such a complete and difference? The answer is undoubtedly no. Positivist scientists of 19<sup>th</sup> century contemplated that some determinist principles were valid for humanity. But when it comes to humanity, theory collapsed in practice. It is not possible to speak of a hundred percent valid understanding even for two people. In other words, humanity does not develop on the basis of a predetermined law, such as the laws of physics. His/her language, surroundings, religion, in short, everything affects his/her development. Then how will be the solution to the problems of humanity? Probably won't be found. Well, then what to do? Efforts will be made to minimize existing problems. This is where researchers from all fields of social sciences will come in. First problems will be identified, then solutions will be brought. Experience, i.e. how humanity has overcome its problems in the past will be considered.

On this issue, Turkey, though not appreciated its true value enough, is a country with considerable knowledge. We, as the members of a nation with a long history and a prominent tradition of establishing new states and producing ideas, are working hard to carry this accumulation into the future. This academic work is a concrete indicator and strong evidence of well-trained manpower of the Republic of Turkey. Indeed, this work, which was prepared with the support and contribution of dozens of researchers in a short period such as a year, is full of valuable research that will shed light on the problems of our country and the problems of humanity. These studies, which are valuable in almost every field of social sciences, will undoubtedly make an important contribution to the production of Turkish science and ideas.

Herewith we would like to thank all the researchers for their contributions and tolerance. Thanks to their contributions, this work has emerged to be proud of. As the Great Leader Mustafa Kemal said, “We only need one thing, to be working. Welfare and prosperity, which is the result of its wealth, are purely and simply the right of hardworking people”.

We would like to express our deepest respect and wishes for future works like this.

Editors

Prof. Dr. Zafer Gölen-

Assoc. Prof. Dr. Abidin Temizer

## REFeree BOARD

- Prof. Dr. Abdullah Soykan, Balıkesir University, Turkey
- Prof. Dr. Aleksandar Kadijević, Belgrad University, Serbia
- Prof. Dr. Ema Milković, Belgrad University, Serbia
- Prof. Dr. Mehmet Yavuz Erler, Ondokuz Mayıs University, Turkey
- Prof. Dr. Metin Ayışığı, Van Yüzüncü Yıl University, Turkey
- Prof. Dr. Redzep Skrijelj, Novi Pazar State University, Serbia
- Prof. Dr. Rıza Karagöz, Ondokuz Mayıs University, Turkey
- Prof. Dr. Timuçin Kodaman, Süleyman Demirel University, Turkey
- Prof. Dr. Türkan Erdoğan, Pamukkale University
- Prof. Dr. Veli Atmaca, Burdur Mehmet Akif Ersoy University, Turkey
- Prof. Dr. Yıldırım Atayeter, Süleyman Demirel University, Turkey
- Assoc. Prof. Dr. Bülent C. Tanrıtanır, Van Yüzüncü Yıl University, Turkey
- Assoc. Prof. Dr. Harun Şahin, Akdeniz University, Turkey
- Assoc. Prof. Dr. İbrahim Serbestoğlu, Ondokuz Mayıs University, Turkey
- Assoc. Prof. Dr. İsmail Avcı, Balıkesir University, Turkey
- Assoc. Prof. Dr. Meriç Eraslan, Akdeniz University, Turkey
- Assoc. Prof. Dr. Ruhi İnan, Balıkesir University, Turkey
- Assoc. Prof. Dr. Barış Erdem, Kyrgyzstan -Turkey Manas University, Kyrgyzstan
- Assoc. Prof. Dr. Fariz Ahmedov, Azerbaijan State Economics University (UNEC), Azerbaijan
- Assoc. Prof. Dr. Geray Musayev, Azerbaijan State Economics University (UNEC), Azerbaijan
- Assoc. Prof. Dr. Nihada Delibegovic DZANIC, Tuzla University, Bosnia ad Herzegovina
- Assoc. Prof. Dr. Tohid Melikzade, Urmiye Azad University, Iran
- Assoc. Prof. Dr. Yüksel Akay Unvan, Yıldırım Beyazıt University, Turkey
- Asst. Prof. Dr. Eman Hayajneh, Jordan University, Jordan
- Asst. Prof. Dr. Okay Pekşen, Ondokuz Mayıs University, Turkey
- Asst. Prof. Dr. Marijan Premović, Montenegro University, Montenegro

Dr. Aqil Memmedov, Azerbaijan State Economics University (UNEC), Azerbaijan

Dr. Nurhoca Akbulayev, Azerbaijan State Economics University (UNEC), Azerbaijan

Dr. Oqtay Guliyev, Azerbaijan State Economics University (UNEC), Azerbaijan

Dr. Şahin Ekberov, Azerbaijan State Economics University (UNEC), Azerbaijan

- **EUROPEAN UNION**

# **BUILDING OF EUROPEAN FOREIGN POLICY IN COLD WAR ERA: EUROPEAN POLITICAL COOPERATION**

Omer UGUR<sup>1</sup>

## **Introduction**

Right towards the end of 20<sup>th</sup> century, a great deal of political scientists and academicians of international relations, who were conducting studies on European integration, came to an agreement that the European Union (EU) shall be acknowledged as a new and quite a different actor as well in international relations with EU's distinctive values, economic model and diplomatic approaches. Nevertheless, whether the EU would be an effective actor in international relations or not was constituting a question mark, which academicians have been running after for quite a long time. Within this context, the issue of EU's actor(ness) in international relations was originating from the facts that the EU was not concentrating on integration in economic field and that member states were not in agreement on the subject of political integration in one way or another. Although steps have been taken towards political integration in 1950's, this initiative (these initiatives) was (were) failed and not a lot of ground was covered until 1990's. Nonetheless, the EU transformed into an actor, which other actors within international system cannot ignore, due to the facts that as a consequence of EU's successful transformation it started to constitute one of the greatest economic powers in the world, and it even started to possess a significant military power and also with her population accounting to 550 millions.

The EU and member states have been conducting studies for quite a long time on the subject of making common foreign and security policies in order to use this capacity (these capacities) effectively within international system. They made vigorous efforts to add fields of foreign policy and security to the process of economic cooperation and institutionalization that particularly started in Europe after the Second World War. However, member states' not wanting to give up their national sovereignties even partially, and their attempts to constitute European Defense Community (EDC) and European Political Union (EPU) in 1950's. Within this context, foreign policy and security policy could not become an agenda topic of the European Communities (EC) (and European Union thereafter) until Maastricht Treaty on European Union was signed in the year of 1991. Nevertheless, this does not mean that the EC had no foreign relations or did not develop them in any way. Constitution of common commercial policy among member states during European integration process and therefore increase in the relations, which were started with developing countries, every passing day necessitated the

---

<sup>1</sup>Asst. Prof. PhD. Gumushane University, Turkey,, E-Mail: omerugur@gumushane. edu.tr



development of policies with regards to foreign policies at the level of the EC. Within this context, cooperation initiatives in the field of foreign policies of the EU in Cold War Period will be handled and European Political Cooperation (EPC) process, which is one of the most significant trivets of building of European foreign policy in this period. While doing this, it will be presented how and in what way EPC, which is considered as the first step of institutionalization of foreign policy coordination of EC member states, assisted the EC playing a more active role in international arena without having a status of agreement but by familiarizing different foreign policy actions of member states by means of reciprocal cooperation and solidarity.

### **1. Origins of European Foreign Policy**

A dream of a common foreign policy for whole Europe or more precisely, foreign policy dreams within the body of a federal structure that is qualified as 'United States of Europe' started to be discussed frequently by political and intellectual environments after the second half of 1940's. Supra-national structure that these environments thought of had the qualifications of an answer to the security problems experienced in Europe after the Second World War in a sense. In accordance with this, "a federal state – that will be established at the level of Europe – would pursue a common foreign policy goal by its definition and therefore, no reason for (European states) to make a war among themselves" (H. Smith, 2002: 8). However, it started to become clear that this considered supra-national structure would not come true during European Conference held in Hague in the year of 1948 just before the establishment of European Coal and Steel Community (ECSC). In fact, particularly Great Britain's declaring that it would not join a supra-national structure that might harm Great Britain's national sovereignty, clearly demonstrated that European states were not ready yet for this type of supra-national structure.

Nevertheless, "the expectation that integration attempts in Europe shall be started not from political level but with functional cooperation at economic level and that it would be more appropriate to carry this to other stages of integration in time, initiated the period of the European Communities" (Dedeoğlu, 2003: 48). Thus, states that integrated around the European Communities succeeded to resolve the problems, which they were trying to solve by means of wars, significantly in consequence of development of cooperation started out at economic level. On the other hand, although the security problem within Europe was solved along with establishment of ECSC, start of the cold war and the threat generated by Soviet Union caused the security of Western Europe to come into prominence once more. Thus, "either the blockade on Berlin in the summer months of the year of 1948 or the start of Korean War in June 1950, revealed how weak the security was in Europe" (Özdal, 2013: 74). In

consequence of these developments, it was observed that it was not possible for Western Europe, who has lost its qualification to dominate world politics, to provide the security of Europe against the threat of Soviets and new initiatives were started intended to establish a new protection community.

In this context, as a consequence of initiatives that predicted cooperation in the field of defense, suggestions of European Defense Community (EDC) and European Political Union (EPU) arose. EDC proposal developed by France – that is also known as Pleven Plan – predicted the establishment of an ‘European Army’ that would be at a common command where the states, which would be a party to the agreement against the threat coming from the Soviet Union and which also included Western Germany (Cameron, 2012: 24). The major objective that dominated this initiative originated from the protests of USA against the demand of rearmament of Germany within NATO. Up against this request of USA, European states – particularly France – objected to rearmament of Germany within NATO and instead of this they supported the establishment Army Europe that would be operating in complete cooperation with USA and Canada. Thus, while Western Europe would be prohibited from rearmament under the roof of national command on one hand, it would also be possible to take an important step for starting the political integration process by including the fields of defense and security to the process of European integration on the other hand.

Founding agreement of EDC revealed a serious authority problem due to the fact that it did not propose/predict a mechanism, which would evoke ‘Army Europe’ that would ensure security of Europe. Therefore, “works were started intended to the establishment of ‘European Political Union (EPU)’ upon the suggestion of France in order for the common security system to have a strong political dimension” (Özdal, 2013: 76). In this context, EPU project was “originating a Political Union that may constitute a real European federation, which its own government, council and common foreign policy” (Soutou, 2014: 314). In other words, it was aimed to establish a political union, which was independent from national benefits of member states, which was constituted with supra-national qualifications, which had an institutionalized organizational structure and in this sense which comprised the issues of foreign policy, defense, security and social integration. However, the fact that European states – and particularly France once again – did not want to give up their national sovereignties even partially restrained this project to be actualized and it also led the states to act with deliberation within political integration initiatives that are tried to be established until today.

The fact that both EDC and EPU failed to succeed right at the beginning of 1950’s prevented the security of foreign policy and security policy to be

brought to agenda within the organization that will be established – in other words, European Economic Community (EEC) – along with Rome agreement signed in the year of 1957 (Karen Smith, 2014: 24). Despite the fact that Christian Fouchet, who was Copenhagen Ambassador of France, tried to motivate EEC at the beginning 1960's in order to determine the principles of cooperation in foreign policy of Europe in the year of 1961, this plan also failed since member states preferred to prioritize economic cooperation. Indeed, EEC and member states preferred to focus more on economic field and to act more deliberately in political integration processes. In other words, "integration process was maintained by putting more emphasis not on defense or political union subjects, which touched political points that were too sensitive regarding national sovereignty, but on economic subjects" (Soutou, 2014: 315). Therefore, during Cold War security of Western Europe was built on reciprocal deterrence and balance of power of USA and Soviet Unions, which were two superpowers, who divided European continents into two zones of influence between themselves or two competing confederacies. Thus, economic integration process, which started with ECSC since 1950's, was expanded and deepened in time under the umbrella of security ensured by NATO. As a matter of fact, during the Cold War period, European states did not pay attention to security and defense policies – and they even limited the debate these subjects – and they started to expend all their energies on economic integration.

All these developments, or in other words cold war period and umbrella of security ensured by NATO, called forth the development of limited thought with regards to following 'a common foreign policy' among the EU states throughout the cold war (Tonra ve Christiansen 2004; Cameron 2012; Miskimmon 2007; Bindi 2010; Bretherton ve Vogler, 2006). However, both the increase in the relationships developed with developing countries every passing day and also the negative consequences brought to the integration process due to member states' maintaining clearly contradictory attitudes in Arab-Israel was in the year of 1967 constituted a significant milestone in the start of new process with regards to European foreign policy. Thus, after two unsuccessful attempts called Pleven and Fouchet Plans having the purpose of generating a union in Europe, along with lessons taken by these plans and experiences gained, initiatives were taken within the EC in order to develop a political cooperation at the beginning of 1970's. (Bretherton ve Vogler 2006: 160; Francia ve Abellan: 2006: 125; M. E. Smith 2004: 65). As different from the previous attempts, these initiatives kept defense and security policies out of political cooperation. Thus and so, reservations with regards to national sovereignty, which were presented by EC member states on the subject of defense and security, were assured and the way to generate a platform, where information was shared among member states, where perspectives

were aligned and where even potential common foreign policies would be resolved, was cleared (Hazel Smith, 2002: 64).

## **2. Institutionalization Process of European Political Cooperation and Foreign Policy Coordination**

Member states of the EC reached a settlement just at the beginning of 1970 to start a process of foreign policy cooperation due to the necessities arisen in 1960's – and particularly the negative effects of the lack of coordination regarding international subjects on European Integration. However, it might be observed that there were still important differences on the subject of the structure and scope of this cooperation. Actually, these differences were present from the beginning and were natural consequences of the reflection the thesis of states, which desired foreign policy cooperation to be qualified as supra-national, and of states, which desired to be qualified as intergovernmental (Nuttall, 1992: 2; K. Smith 2014: 24; Holland 1995: 556; White 2001: 75-77). Therefore, this directly affected both the boundaries, the subjects and also the institutional structure of foreign policy cooperation twice at European level. As a matter of fact, each member state had some priorities that were hard to change on the subject of the structure of the foreign policy cooperation that would be established and thus, this fact necessitated this cooperation process to be established by considering each member states' priorities.

In this sense, France and Great Britain argued that foreign policy process should be designed in accordance with intergovernmental qualities instead of a supra-national organization such as the EC in order not to compromise from their national sovereignties. Nonetheless, Holland, Belgium, Luxemburg and Italy requested foreign policy cooperation should have supra-national quality and should be established in relationship with the EC (Keukeleire ve Delreux 2014). Leading cause of this was the concern of member states that France, Germany and Great Britain might manipulate foreign policy easily on their advantage in time and the perception of member states that keeping foreign policy cooperation out of the EC treaties would be a threat that would lead to weakening of the EC (M. E. Smith, 2004: 67). In addition to this, there were disagreements among member states particularly regarding whether subjects of defense and security should be involved within the scope of foreign policy cooperation. In fact, while France was arguing that European integration would be deficient without defense dimension of foreign policy cooperation, other member states under the leadership of Great Britain were not leaning towards including defense and security subjects in this process (Tank 1998: 14).

Foreign policy cooperation process at European level was able to come in sight as concerns of member states were taken into consideration in the

year of 1970 and as sensitive subjects, which were blocking the process in the past, not brought up for further discussion. In this context, EPC, which was established within the framework of Luxemburg Report (that is also referred to as Davignon Report) in the year of 1970, started to function as a platform, where information was shared among member states' foreign ministries, perspectives were aligned and where even possible common foreign policy activities might be resolved (Hazel Smith, 2002: 64). This platform was offering a weak institutional structure to member states where they could discuss foreign policy issues – excluding subjects of defense and security - smoothly without making binding commitments (Bretherton ve Vogler 2006: 160; Keukeleire ve Delreux, 2014: 44). Therefore, while sovereignty concerns of states such as France and Great Britain assured regarding EPC being out of European Communities and as an intergovernmental process, on the other hand it was also enabled for other member countries under the leadership of Holland to support European foreign policy process along with the establishment of a cooperation and solidarity-based weak institutional structure without having an agreement status.

After the EC member states came to an agreement that they will be in solidarity about all the subjects regarding foreign policy without making a binding commitment with Luxemburg Report, the process of design, maintenance and development of EPC procedures was started. Although Luxemburg report laid the foundations of the cooperation regarding foreign policy in Europe, it was not able to establish any institution(s) during the establishment stage since it left the control of EPC completely to the hands of national officials who act only on behalf of their own governments (Stein, 1993: 51). However, this shall not mean that EPC did not have any organizational structure. Thus, alongside Luxemburg Report, meetings, where Foreign Affairs Ministries gather semi-annually in order to achieve the objectives determined within the framework of EPC, were organized and a number of processes and organizational structures, which would prepare the decisions to be taken by Foreign Affairs Ministers and which would perform aforementioned such as Political Committee, were established in these meetings. Thus and so, European Community member states started to cooperate by using tools such as dialogue and embargo in their relationships with third party states alongside publishing declarations based on common positions acknowledged in EPC meetings with regards to principal international political issues (Hazel Smith, 2002; Keukeleire ve Delreux, 2014).

Although EPC process, which was established in this manner, gathered regularly for some time and although some decisions were taken, it in a short span of time that it lacked such activities. In this context, Ministries of Foreign Affairs of member states aimed at increasing the efficiency of

EPC process by preparing a new report in order to increase the efficiency of cooperation among the member states at Paris Summit in the year of 1972. In accordance with this, the principle stating that states may exhibit attitudes without conferring with each other was acknowledged at Paris Summit in order to deepen the process of EPC's foreign policy cooperation. In order to put this principle into practice, it was decided that Foreign Affairs Ministers should meet more often, accordingly that the number of meetings of Political Committees should be increased. Alongside this development, it may also be observed that a set of steps were taken in order to act in unison and in coordination with the EC – although this approach was casted away at the establishment stage of EPC. Situations such as informing European Parliament in the field of political cooperation annually and in case of a subject at stake within the field of the EC founding treaties, participation of Commission representatives to meetings of Political Committee or Foreign Affairs Ministers were included in aforementioned steps (Özdal, 2013: 92). Thereby, informing European Communities organs by the processes established and decisions taken within the framework of EPC started to be discussed. One year after this summit, new road maps regarding how EPC will function were presented at the Copenhagen Summit held in the year of 1973. What attracted the attention with regards to this road map was that new structures were started to be established within the scope of institutionalization process of EPC, which was established as a *talk shop* platform and it might also be observed that initiatives, which brought EPC closer to EC, were included. From the viewpoint of displaying the convergence to the EC, it was decided that EPC works would be managed by Community Council term president from now on and that a secretariat would help in preparation and application of works with regards to EPC in this process. Moreover, the Group of European Correspondents was established to monitor EPC in every member state and therefore EPC's institutional structure was enabled to be intensified. (Efe, 2008; Özdal, 2013; Nuttall, 1992; Holland 1995; White 2001).

The relations, which were established between EPC and the EC by means of Copenhagen Summit, were intensified even more with Paris Summit established in the year of 1974. Presidents of States and Governments, Foreign Affairs Ministers and President of Commission, who got together to discuss various problems that Europe are facing, succeeded at this summit to take decisions that would strengthen EPC's institutional structure of EPC and that would create integrity to the foreign policy agenda of the EC and EPC. The most important one of these decisions was to enable the Presidents of States and Governments, who opted out of this process before – because EPC used to be considered as a platform where foreign affairs ministers got together at certain intervals, shared their information and aligned their perspectives - to come together

within the framework of this summit. “The fact that this summit”, where Presidents of States and Governments would participate, “which would gain an institutional structure under the name of ‘European Council’, and that foreign affairs ministers started to meet with Presidents of States and Governments at least three times a year as Communities Council under this roof and within the framework of EPC formalized the relationship between the EC and EPC” (Efe, 2008: 69). Thus, by means of this decision taken at this summit, European Council, which was the highest decision making body of the EC, was also made the highest level decision making body of EPC mechanism.

At Paris Summit, the interaction and information sharing among the national foreign policy elites at EPC level increased and coordination mechanisms were established, and this accelerated the establishment processes of common understanding, procedures and policies that were necessary for development of European foreign policy (M.E. Smith, 2004). Indeed, by these means the ones, who stood for further level of European integration, started to bring the subjects of deepening the building of European foreign affairs and integration of common actions in the field of foreign affairs. As a matter of fact, Foreign Affairs Minister Leo Tindemans, who was one of the defenders of this opinion, started to emphasize the necessity of a common foreign policy that would now contain the subjects of defense on the report he prepared in 1976. On this report, which is known as Tindemans Report, it was stated that the role of Council and Commission specific to common foreign policy should be increased in order for the EC to be an effective actor in international system and that member states should carry out reciprocal communions in order to execute the common actions with regards to defense of Europe (Özdal, 2013: 92-93). Certainly, this situation was not approved by member states back then since member states were considered as a renunciation of national sovereignty, it guided further discussions on the subject.

EPC’s influencing capacity on member states’ foreign policies increased even more during the years between 1977 and 1987 (Bindi, 2010; Keukeleire ve Delreux, 2014; H. Smith, 2002). Particularly the improvements made on EPC’s structure as not to necessitate supra-national qualities during the period, which started with 1981 London Report and continued with Single European Act (SEA) enabled further norms, values and standards regarding foreign policy at European level to be established. On these dates, both consultation mechanisms were developed against crises and emergencies and also a stronger political will was presented in order to establish a common European foreign policy between members and aforementioned matters assisted the development and intensification of cooperation at European level (M. E. Smith, 2004: 125). Thus, this situation made association to the EC in order to enhance the activity of

EPC against crises and emergencies by means of 1981 London Report and enabled member states to make more commitments for ‘speak with one voice’. Actually, by means of this report political dimensions of security subjects such as terrorism, and arms control started to be brought to agenda, and the obligation of member states to consult to each other and to the Commission before taking a stand with regards to foreign policy affecting member states was accepted (Efe, 2008; Özdal, 2013; M. E. Smith, 2004). Moreover, it was decided that particularly EC’s economic tool should be started to be used in order to increase enforcement of decisions taken at EPC level. Thus, despite the fact that many reservations that were apparent during EPC’s establishment stage decreased in time and that there still was not a mandatory mechanism on the foreign policies followed regarding various matters to be more transparent and predictable, meeting on further common points were made possible.

Soon after aforementioned report, a report was presented by Germany Foreign Affairs Minister Genscher and Italy Foreign Affairs Minister Colombo in the year of 1981 to the Council aiming to broaden the scope of political cooperation at EC level. In one sense, this report more similar qualifications with the provisions of Maastricht Treaty that would be accepted in the year of 1992. Actually, “Genscher-Colombo Report, predicted further activation of the European Communities in order for the establishment of an ‘European Union’, increase in political cooperation and development of a common European foreign policy among member states, enhancement of economic cooperation fields and making arrangements on the subjects of security” (Efe, 2010: 52). Despite the fact that Ireland and Benelux states argued strongly against the suggestions on the report on account of the fact that the suggestions evoke federative associations, with this plan defense subjects found the opportunity to be thoroughly discussed within the framework of EPC. The subject of increasing the development opportunities, which was brought up for discussion with Genscher-Colombo Report, came into existence as regeneration of Western European Union with Rome Declaration in 1984, and the subjects of defense and security, which were the most problematic ones for ‘common foreign policy’, might be brought up for discussion. Thus, at European Council Stuttgart Declaration held in the year of 1983, it was emphasized that a Europe expressing itself solitarily in foreign policy might make significant contributions to world peace, and therefore, subjects of security and defense should be included for encouragement of developing actions and attitudes in foreign policy field. Nevertheless, member states desired to keep foreign policy and security policies within their own sovereignty areas and this situation prohibited the building of a comprehensible foreign policy at EC level.



During the period until mid-1980's, many developments regarding foreign policy and security were experienced within the framework of building of a foreign policy. Although a limited success was achieved in accordance with these developments, they did not go beyond being a consultation process and conciliation mechanism, which lacked juridical foundation with only a political dimension, until Single European Act (SEA). The main reason of this certainly was that EPC had an intergovernmental quality, it did not have a juridical cohesiveness and emerged as a structure completely independent from the EC. This condition was only started to change along with 1987 Single European Act. Single European Act formalized EPC's intergovernmental cooperation without changing EPC's structure and functioning methods and ensured a juridical foundation for EPC. Furthermore, a secretariat was established under the authority of Presidency and duties and scopes of the Group of European Correspondents were expanded in order to strengthen EPC's institutional structure. More importantly, the relation that was strived to be established between EPC and the EC since 1972 Paris Summit made official with SEA. Thus, EC institutions were enabled to participate in EPC mechanisms and therefore, there was only one step left for building of foreign policy at EC level, which used to be considered as taboo. Actually, 1992 Maastricht Treaty, which would bring significant changes both within economic and also political integration process just after 1987 SEA, would enable addressing foreign policy building at European Union level. Even though EPC and member states –the term 'high contracting parties' was used instead of member states in treaty – determined that they would endeavor for carrying out and executing European foreign policy-making together, the military dimension was still kept out of foreign policy process. In this sense, SEA made the relation of European foreign policy building, which was started out within the framework of EPC in 1970, with the EC, associated building of foreign policy, which arose as a completely independent structure from EC and even initiated first steps of 'a common policy' at EC level.

### **3. Factors Affecting the Period of Change in Building of European Foreign Policy at EPC Level**

By courtesy of EPC, the process of establishment of foreign policy at European level, which was considered as a taboo from the very beginning of European integration and which was a topic that member states could come to terms for long years, was started (Miskimmon, 2007; Peterson ve Sjursen, 1998; Nuttall, 1992). This formation process has gone evolved from being an intergovernmental platform to governance process during the process from establishment of EPC to Maastricht Treaty. In other words, EPC started out as being an unofficial treaty between member states in the field of foreign policy, and became a legally obligatory policy-

making process that might produce common positions and actions by means of aforementioned summits and a series of progressive reforms and by adding many institutional factors on the old ones. Thereby, at this point a structure, which succeeded to create more norms at European level, to pass from unofficial traditional rules to formal rules and to include EC rules and EC organizations in the process, was generated (M. Smith, 2004: 39).

In this context, establishment of EPC, and establishment of political structures, policies and norms at European level and applying these in practice were put into practice in accordance with expansion of the scope of cooperation within a process (Stein, 1993; Tulli, 2017; K. Smith, 2014; Sijrsen, 2001). Certainly, the first step of this process was the establishment of *talk shop* platform at the first stage of a process, which comprises unofficial flexible, which was under control of member states and most importantly, which was set apart from the EC. Such a platform is significant from the point of the fact that it called forth a process, where foreign policy matters were discussed and information was shared among member states during a period when member states did not want to give up their sovereignty even partially. Because by courtesy of information sharing actualized 'confidence building' among member states that was the next step. Certainly, the fact that political elites, who were partaking in Political Committee, the Group of European Correspondents and Working Groups comprising of personnel employed in foreign affairs ministries of member states that carried out all the works and coordination, did not consider EPC as a bargaining platform during the first years of EPC has a significant role in this confidence building. During EPC process these elites prioritized working based on reciprocal confidence and problem solving instead of compromise and threat, which were frequently observed in bargaining stage of EC policy-making. By courtesy of this structuring, communication and information sharing capacities of these elites increased and encouraging opportunities for common actions, which would steer the discussion involving world politics (H. Smith, 2002: 68).

Associated with confidence building among EC member states, it was enabled to establish a communication network that allowed information exchange at every level and enabled member countries to share more information regarding international problems. Foreign policy elites, who were constantly in interaction with each other, decreased risk of member states to be caught unprepared regarding each other's foreign policies since they knew the positions of the member states against international problems. Secondly, information sharing made it easier to determine which field is problematical and which field is fitted for cooperation with regards to European foreign policy (M. E. Smith, 2004: 105). Forasmuch as foreign policy elites learned in time which activities and subjects might be and

which might not be discussed at EPC or which ones were nation-based and therefore had the opportunity to guide their own national decision makers.

In accordance with the boundaries that national foreign policy elites learned by means of information sharing, formation of norms comprising 'common point of views' with regards to European foreign policy, also constituted a significant building block in building of European Foreign Policy (M. E. Smith, 2004: 106). Certainly emergence of this was related not with bargaining process of EPC but with the perception that it was a "common gain" platform that was based on problem solving. Emergence of such norms started with the decisions taken at Copenhagen Summit held in the year of 1973. In accordance with this, member states of EC acknowledged a rule, which projected the information exchange with other member states before making a decision at national level on the subjects of significant foreign policies of member states by agreeing in principle to determine common positions and activities within the framework of EPC (Özdal, 2013: 93). Political approaches, which prioritized to actualize their own national benefits before, started to change as it was recognized that "common benefit" laid in supporting each other and acting in unison and previous political understanding was abandoned and the norm, which states that member states communicate with each other before taking action within international system was arisen. Thus, member states did not assess EPC only as a mechanism where they discuss international matters and shared information, but they also generated common positions at EPC level and thereby converted it to a collective European cooperation process. As a matter of fact, member states who wanted to see EPC as an information exchange platform, abandoned this attitude at Israel-Arab War in 1973 and presented their wills as to consider it as a mechanism where they resolved the common attitudes and activities within the framework of EPC.

Another elements assisting institutionalization of foreign policy at national level during EPC period were the *draw lessons* taken from the crises and failures and *learning by doing* processes (Nuttall, 1992; Miskimmon, 2007; Keukeleire ve Delreux, 2014; White, 2001). Socialization of national foreign policy elites at European level played a significant role in development of European foreign policy. Thus, during the period that started with 1972 Paris Summit up to particularly 1981 London Report, subjects that did not seem quite possible before such as political cooperation being enhanced and a common European foreign policy being developed between member states, a new arrangement was made on the subject of security and development of communication with Community bodies started to be discussed within the scope of EPC. Although European foreign policy entered into the process of development in this way and norms and values started to be generated on the subjects

that were not possible to be discussed before, it was observed that information sharing remained incapable within the framework of these networks against unexpected situations. The main reason was that EPC was only capable of enabling limited level of cooperation. And this caused foreign policy elites to be involved in foreign policy cooperation in a certain field and to act accordingly. Therefore, any interaction and accordingly socialization against any international problem that is not discussed within the scope of EPC came into question. Therefore, by means of foreign policy elites, it might be possible for member states participating in European foreign policy to be more willing on the subject of expansion of EPC's structure particularly as of 1980's in order for cooperation to be more effective (M. E. Smith, 2004: 106). EC member states took important steps in the matter of development and revision of foreign policy system by means of positive/negative feedback obtained from foreign policy elites.

In this context, experiences and lessons taken from these trial and error experiences during this foreign policy building that started with EPC, made changes in foreign policy beliefs of EC member states or brought together processes that enabled new belief, skill and procedures to develop (or to be established). EC member states recognized the importance of development of EPC's institutional structure in order to maintain their own national benefits more efficiently against uncertainties and this ensured that new matters are added to the foreign policy process at European level (Nuttall, 1992; M. E. Smith, 2004; H. Smith, 2002). Actually, it was started to be observed at the end of 1970's that it was not possible for foreign policy cooperation at EC level to respond in an efficient and consistent way against the problems EC and member states confront in international system. At the end of 1970's, it was observed that 'information sharing' was more common among EC states considered to information sharing and aligning point of views, and that EPC's influence is limited against crises and emergencies although a structure where 'the confidence was built among themselves' and many 'norms' were produced for cooperation (Nuttall, 1992; Murphy, 1985; Tulli, 2017). Thus, the EC did not react to Soviet Union's occupying Afghanistan in time, it remained doubtful about the sanctions that should be applied during the hostage crises experienced after Iranian Revolution in the same year or rather EPC did not have necessary tools to apply such a decision and all these stated above demonstrated the inefficacy of capacity and capability of EPC's political cooperation. Under such circumstances opinion of member states regarding association of EPC with the EC were changed, the way to enable EPC to use the EC's tools was cleared with 1981 London Report and the relationship between the EC and EPC was officially acknowledged. Within this framework, association of EPC with the EC was catalyzed in order to improve EPC against crises and emergencies and enabled member states

to make more commitments for 'speak with one voice'. The basis of why member states started to in such manner was that they started to consider that actualizing their national benefits, which they could not succeed to achieve by themselves, was more probable by means of foreign policy processes at EPC level. In other words, they regarded EPC process as a significant opportunity to actualize their own national foreign policies. In order to achieve this, they did not hesitate to improve institutional structure of EPC on one hand and put EC's opportunities into service of EPC. Thus, EPC's starting to use particularly EC's economic tools became a matter of discussion (M. E. Smith, 2004: 112-113). EPC's intervention to crises during 1981-1982 Poland Crises and 1982 Falkland War by means of economic enforcements by EPC at EC level, cleared the way for EPC decisions to produce an effect on member states and opened the door for transformation of European foreign policy. Thus, in the year of 1986 these processes ended up with a process that would comprise a basis for Common Foreign and Security Policy that would be initiated in 1990's. Now, member states cast away their reservations they had in 1970's, associated EPC with the EC, and actualized a foreign policy building process, which would be about starting new processes that will enable speak with one voice in foreign policy but which still be under their control. Consequently, EPC, which was a platform that would enable constant interaction between member states without any central authority and consistent bureaucratic structure in accordance by the mentality of EPC's establishment, compromised the basis of building of European foreign policy.

These interactions brought along confidence building between member states that will enable more steps to be taken regarding foreign policy in time. Thereby, it initiated the expansion and development of foreign policy cooperation at European level. In this period, socialization of foreign policy elites at European level and therefore adopting common norms and values might be discussed. In European foreign policy, aforementioned types of developments and particularly efforts of member states to compensate their deficiencies arising from failures of previous crises had significant contributions. Thus, it may be stated that development of EPC took shape as mentioned above within context of decisions taken in direction of 'trial and error' and 'case by case'. Likewise, it is an indicator of this that EPC was reorganized many times by EC member states in a span of twenty years instead of being built within a comprehensive institutional structure.

#### **4. Conclusion**

It is quite hard to state that EPC, which was established in the year of 1970, experienced a development as high as economic and social policies at EC level. Most certainly the most important reason of this condition is

related with the fact that EPC is intergovernmental, that EPC does not have any juridical commitment and EPC was established as a structure completely independent of the EC. This condition necessarily generated a process that is based on horizontal interaction processes and volunteering instead of vertical hierarchical relations that are observed in EC policies. And this made it difficult to interiorize norms and values generated at European level in a fast and smooth manner and for member states to accommodate themselves to this. Normally, values and norms would be determined in advance and member states were expected to comply with these. In EPC process, this compliance came forward as socialization of foreign policy elites at European level and their internalization learning by doing and trial and error. EPC's functioning was tried to be realized not by 'harsh' mechanisms used in economic and social policies applied at the EC, but by softer mechanisms such as persuasion and imitation and this caused the speed and development of the process to slow down.

The fact that the founding objective of EPC was the improvement of consultation and cooperation between member states instead of producing any foreign policy action lead development of European foreign policy to be arranged within the framework of problem encountered during the process. Particularly, EC's not allowing EPC within her body and in this sense getting away from the influence of Brussels prevented EPC to use EC's economic tools as a foreign political tool in international policy until the beginning of 1980's. Depriving EPC, which was established in accordance with a weak institutional structure, of EC's support came to mean that she would not be able to make her presence known in the field of foreign policy. And EPC's depriving of necessary capacity and capability for foreign political cooperation caused it not to contribute to actorness of EC within international relations during Cold War era. However, regarding EPC not as a policy making at European level at axis particularly of international problems, but as a platform of talk shop removed the reservations of member states on the subject of national sovereignty. Because, member states established a relationship in making in accordance with confidence building and problem solving without being involved any foreign policy based on consensus. Such a relationship catalyzed 'confidence building' among member states in time and contributed to the establishment of common perceptions, procedures, usages and norms that are necessary for the development of European foreign policy. Confidence building among EU member states brought along communication networks that enable all levels of information exchange. Thus, member states who moved their level of interaction one step further found the opportunity cooperate more against international problems. Member states knowing which subjects may or may not discuss by means of these interactions and information sharing at European level

and which subjects are particular to national level, paved the way for the development of foreign policy cooperation at European level.

## References

- Bindi, F. (2010). *The foreign policy of the European Union: assessing Europe's role in the world*. Washington DC: Brookings Institution Press.
- Bretherton, C. & Vogler, J. (2006). *The European Union as a Global Actor*. Oxon: Routledge.
- Cameron, F. (2012). *An introduction to European foreign policy*. Oxon: Routledge.
- Dedeoğlu, B., (2003). *Dünden Bugüne Avrupa Birliği*. İstanbul: Boyut Kitapları.
- Efe, H. (2010). “Soğuk Savaş Döneminde Avrupa’da Ortak Dış Politika Oluşturma Çabaları”. Ankara Avrupa Çalışmaları Dergisi. Cilt 9 Sayı 1. Pp. 37-62.
- Efe, H., (2008). “Avrupa Birliği’nin Ortak Dış ve Güvenlik Politikası”. *Gaziantep Üniversitesi Sosyal Bilimler Dergisi* 7(1). pp. 66-78.
- Francia, R. & Abellan, M. A. M. (2006). Striving for a Common Foreign Policy: A Brief History. İçinde, D. Mahncke, A. Ambos & C. Reynolds (Eds), *European Foreign Policy: From Rhetoric to Reality* (117-164). Brüksel: P.I.E. Peter Lang S. A.
- Holland, M. (1995). Bridging the Capability-Expectations Gap: A Case Study of the CFSP Joint Action on South Africa. *JCMS: Journal of Common Market Studies*, 33(4), 555-572.
- Keukeleire, S. & Delreux, T. (2014). *The Foreign Policy of the European Union*. 2nd ed., Basingstoke: Palgrave Macmillan.
- Miskimmon, A. (2007). *Germany and the common foreign and security policy of the European Union: between Europeanisation and national adaptation*. Basingstoke: Palgrave Macmillan.
- Murphy, D. T., (1989). *European Political Cooperation After the Single European Act: The Future of Foreign Affairs in the European Communities*, 12 B.C. Int'l & Comp. L. Rev. 335
- Nuttall, S. J. (1992). *European political co-operation*. Oxford: Oxford University Press.
- Özdal, B. (2013). *Avrupa Birliği Siyasi Bir Cüce, Askeri Bir Solucan mı?*, Bursa: Dora Yayıncılık.

- Peterson, J. & Sjursen, H. (1998). *A Common Foreign Policy for Europe? Competing Visions of the CFSP*. London: Routledge.
- Sjursen, H. (2001). The Common Foreign and Security Policy: Limits of Intergovernmentalism and Search for a Global Role. İçinde, S. Andersen & K. Eliassen (Eds). *Making Policy in Europe* (ss. 187-205). London: Sage Publication.
- Smith, H. K. (2002). *European Union foreign policy: what it is and what it does*. London: Pluto Press.
- Smith, K. E. (2014). *European Union Foreign Policy In A Changing World*. 3rd ed., London: Polity Press.
- Smith, M. E. (2004). *Europe's Foreign And Security Policy: The Institutionalization Of Cooperation*. Cambridge: Cambridge University Press.
- Soutou, H. G. (2014). *Avrupa Birliği Tarihi: 1815'ten Günümüze*. İstanbul: Bilgi Kültür Sanat.
- Stein, E., (1983). European Political Cooperation (EPC) as a Component of the European Foreign Affairs System. [https://www.zaoerv.de/43\\_1983/43\\_1983\\_1\\_a\\_49\\_69.pdf](https://www.zaoerv.de/43_1983/43_1983_1_a_49_69.pdf).
- Tank, P. (1998). The CFSP and Nation States. İçinde, Eliassen, K. A. (Ed.). *Foreign and security policy in the European Union* (ss. 9-21). London: Sage Publication.
- Tonra, B. & Christiansen, T. (2004). *Rethinking European Union Foreign Policy*. Manchester: Manchester University Press.
- Tulli, U. (2017). 'Challenging Intergovernmentalism and EPC. The European Parliament and its Actions in International Relations, 1970-1979', *Journal of Contemporary European Research*. 13(2), 1076-1089.
- White, B. (2001). *Understanding European Foreign Policy*. Houndmills, NY: Palgrave.



- **FINANCE**

# THE CAUSAL NEXUS OF MAJOR and EXOTIC CURRENCIES

Dr. Hakan YILDIRIM\*-Dr. Andrew Adewale ALOLA\*

**JEL: F31, G150, G170**

## 1. INTRODUCTION

The effective market hypothesis emphasizes that new information introduced to the market could lead to rapid pricing and volatility in markets. This volatility can continue until the equilibrium price occurs and may cause upward or downward movements in the exchange rate. Numerous studies on the relationship between macroeconomic indicators and the assets subject to investment can be reached in the financial literature. The relationship between indices, stocks, precious metals and exchange rates and macroeconomic variables is the most important issue of corporate and individual investors. The actors of financial markets are developing rapidly and will continue to develop amidst global currency diversification (Choi & Park, 2019; Yamani, 2019).

Investors in financial markets take investment decisions by considering various explanations and periods. In particular, the explanations of countries with developed economies and financial markets cause significant volatility in the market and also affect the investment decisions of the investors. The explanations in the American economic calendar, the explanations on interest rates, the Central Bank statements and political developments may cause the US Dollar to be valued against other currencies or vice versa.

In the economic calendar; While the inflation rate, non-agricultural employment change, employment demands, unemployment rate, gross domestic product, core retail sales, interest rates and other important explanations of the central bank, political developments are out of those mentioned in the economic calendar. The explanations that should be carefully followed by the investors cause a serious volatility in prices that are close to the disclosure and after the disclosure, and may return to the investor as a risk. Therefore, investors should give importance to the explanations in the economic calendar when they invest in the foreign exchange rates they intend to invest in and they should make an investment decision within these explanations.

---

\* Istanbul Gelişim University, Faculty of Economics, Administrative and Social Sciences, International Logistics and Transportation, [hayildirim@gelisim.edu.tr](mailto:hayildirim@gelisim.edu.tr)

\* Istanbul Gelişim University, Faculty of Economics, Administrative and Social Sciences, Department of Economics and Finance. Corresponding: [aadewale@gelisim.edu.tr](mailto:aadewale@gelisim.edu.tr)

Many studies in the literature suggest that there is a significant relationship between macroeconomic variables and investment instruments in financial markets. However, the type of investment vehicle and the period differences tested can cause different effects and results in the statistical context. In this case, the relationship between macroeconomic variables and financial investment instruments leads to different perspectives. Macroeconomic variables and financial markets are not only important for investors but also for central banks, which are the implementers of countries' monetary policies.

In particular, macroeconomic explanations that may affect exchange rates are an important factor to consider in terms of the value of national currency against different currencies. In this study, the relationship between the price movements of exotic exchange rates with the highest exchange rate and major exchange rate and the higher level of risk compared to the major exchange rates were tested.

In this way, the impact of the US statements on the major and exotic exchange rates, which are important for financial markets and the economies of the country, have been tested. The novelty of the current study is in the application of code for the daily explanations of exchange rate movement which is implemented for the first time to the best of authors' knowledge. In further contributing to the literature, the study employs the Granger causality test and multiple regression analysis to examine the directional relationship among the examined currencies.

We apply the following structure to the succeeding sections. The highlight of the related literature is discussed in section 2. Data description and methodology are presented in section 3 while the findings are evaluation are presented in section 4. In section 5, further discussion and conclusion which incorporates the policy implications and recommendation for future study are presented.

## **2. LITERATURE OVERVIEW**

### **2.1 The dynamics of macroeconomic variables**

Rasiah (2010) tested the relationship between macroeconomic variables such as consumer price index, real exchange rate, industrial production index and money supply and Malaysia's stock index by using the data of 1980 - 2006 period using vector error correction model. As a result of the analysis, all the macroeconomic variables are subject to explaining the changes in the stock market. Also, Vortelinos (2015) examined the relationship between macroeconomic news and volatility and volatility in American financial markets using the January 2001-November 2011 data. It was found that macroeconomic news had a significant effect on the foreign exchange markets for the said period.

In addition, Sky and Yağcılar (2017) employed EGARCH (1,1) for the period 02.01.2009-30.09.2016 of United States calendar with ten news data belonging to Turkey 18 news data to implement the model and dollar / Turkish lira daily price movements measured. In the findings, Dollar / Turkish Lira that its direction is effective on dry of America's macroeconomic releases, the disclosures of Turkey that it is not effective. Also, the Diez (2014) conducted a study on the effects of the interest rate changes made by the FED on the financial markets of developing countries and as a result of the regulations on the macroeconomic variables of developing countries. In the macroeconomic regulations of developing countries, the regulations on the value of national money are included. This shows that the interest rate changes announced by the FED may have an effect on developing countries' currencies (Cihangir & Tanrıöven, 2016: 4).

Furthermore, Kim (2001) used the VAR model to measure the effects of the US monetary shocks on the six developed economies. As a result of the findings, monetary tightening in the USA has a significant effect on the interest rates of developed economies. Another similar study is Canova (2005). In this study, the effect of the shocks formed as a result of US monetary policies with the VAR model on the developing Latin American markets was measured and the effect was found to be fast and strong. Also, Evans and Lyons (2005) have tried to test the effects of macroeconomic statements on the foreign exchange markets with the USD / EUR data of 11.04.1993 to 30.07.1999. As a result of the findings, it was concluded that macroeconomic explanations had a significant effect on the Dollar / Euro and that the effect was permanent.

In the study of DeGennaro and Shrieves (1997) which employed the GARCH model, the study investigates the impact of market activities and news on the volatility of the Dollar / Yen exchange rate. In the aforementioned study, it was found that ten-minute Dollar / Yen dry price movements from 1992 to 1993 became volatile due to market activities and explanations, and unexpected explanations were found to have a positive and significant effect on Dollar / Yen exchange rate. Similarly, Kim (1998) focused on the impact of planned macroeconomic explanations of the US and Australia on Dollar / Australian Dollar prices, and the US Dollar / Australian Dollar between February 1985 and April 1995 and tested the daily prices and macroeconomic explanations using the EGARCH (1.1) model. The finding shows that the macroeconomic explanations of the US have limited effects on the Dollar / Australian Dollar exchange rate.

Moreover, Andersen et al. (2003) measured the effects of five different exchange rates indexed to the US Dollar from 1992 to 1998

on the five different exchange rate volatility by using five-minute price changes. The findings show that the negative direction explanations have a greater effect than the positive explanations. In Bauwens, Ben Omrane and Giot (2005) which is based on the five-minute Euro / Dollar price movements between May 2001 and November 2001, the study investigates whether the sudden statements that were planned with EGARCH method caused volatility on exchange rates and reached the finding that the volatility before the disclosure increased.

## **2.2 Macroeconomic-Stock market dynamics**

Macroeconomic explanations and news may not only have an effect on exchange rates, but may also lead to various changes on stock market indices. In addition to the studies investigating the relationship between macroeconomic explanation and exchange rates in the literature, the effects of macroeconomic explanations on indices, commodities and many financial instruments are also discussed.

Nikkinen and Sahlström (2001) tested the impact of macroeconomic explanations such as American Producer Price Index, Consumer Price Index and Employment Level on the uncertainty that might occur in foreign stock exchanges. Findings in the study on the US and Finnish markets suggest that the volatility in both markets increased before the macroeconomic explanation, and then decreased. In this case, the macroeconomic explanations of the United States indicate that it is reflected in foreign share markets. The macroeconomic explanation, which has the greatest impact on uncertainty, stands out as an explanation for employment.

Rosa (2011) measured the impact of FED's decisions and explanations on the volatility of designated indices such as VIX, S & P 500, NASDAQ 100 and Dow Jones Stock Exchange Industrial Index. The result is that the decisions and explanations taken have an economic and statistically significant effect on the asset indices. Rad (2011) tried to measure the relationship between three different macroeconomic variables determined by Tehran Stock Price Index (TSE) using VAR model. He used the monthly price movements from 2001 to 2007 and the result is that Tehran Stock Price Index shows a weak reaction to the shocks of three different macroeconomic variables. In this case, macroeconomic variables have a significant effect on Tehran Stock Price Index, though they are weak.

Additionally, Hosseini, Ahmad and Lai (2011) attempts to measure the relationship between India and China stock index and macro level indicators such as money supply, crude oil prices, inflation rate and industrial production. Using the data from 1999 to 2009, they used the VEC model and the Johansen-Juselius multivariate cointegration

model. The findings show that Indian and Chinese stock indices and macroeconomic variables are in short-term and long-term relationship. While the crude oil and money supply for the Chinese stock index has a long-term and positive relationship, the effect for the India stock index appears to be negative. Inflation rate has a positive relationship with both indexes. According to the short-term effect, crude oil has a negative relationship for the Indian index, while there is no significant relationship for the Chinese index. While the inflation rate is positively related to the Chinese index, it does not have a negative but significant relationship for the Indian index.

Furthermore, the study of Rajput and Thaker (2008) considered the measurement of the relationship between exchange rate and equity by using data between January 2000 and December 2005 and did not reach a long-term and positive relationship between the two variables except for 2002 and 2005.

Due and Sen (2006), 1993: Using the data between 2 and 2004: 1, they tested the relationship between the current surplus, capital flows, volatility and the monetary and fiscal policies implemented in India and the exchange rate. As a result of their findings, the variables are in co-integration with each other and there is mutual causality.

### **3. DATA AND METHOD**

In the study, the daily price movements of major exchange rates such as Euro / Dollar and Dollar / Japanese Yen were used. The daily macroeconomic data (Economic Calendar Data) of America was used between 03.01.2014 and 19.06.2018, while the relationship of each exchange rate with macroeconomic variables was tested separately. After one or more explanations were obtained which had a high degree of importance and could cause volatility, the daily price movements of each exchange were tested with the data set of 737 days in total. Since prices and macroeconomic data are daily, due to the lack of data that may affect volatility in some days, prices for that day are not included in the data set.

In the study, the daily exchange rates and the US daily explanations were applied to the Granger causality test and the effect of the EUR / USD and the most frequently traded EUR / USD in the global currency markets and the USD / MXN known as exotic exchange on the USD / TRY were measured by regression analysis. . The price movements of the exchange rates used in the analysis and the definitions and codes of US economic calendar data are given in Table 1.

**Table 1: Variables and Codes Used in Research**

<b>Variables</b>	<b>Code</b>	<b>Code Description</b>
<b>USD/TRY</b>	1	Daily Parity Price $\geq$ Monthly Average Price
	2	Daily Parity Price $<$ Monthly Average Price
<b>EUR/USD</b>	1	Daily Parity Price $\geq$ Monthly Average Price
	2	Daily Parity Price $<$ Monthly Average Price
<b>USD/JPY</b>	1	Daily Parity Price $\geq$ Monthly Average Price
	2	Daily Parity Price $<$ Monthly Average Price
<b>USD/MXN</b>	1	Daily Parity Price $\geq$ Monthly Average Price
	2	Daily Parity Price $<$ Monthly Average Price
<b>EXPLANATION</b>	1	Explanation or Explanations Are Neutral
	2	Explanation or Explanations at a Positive or Expected Level
	3	Explanation or Explanations Negative

There may be more than one explanation in the economic calendar during the day. Therefore, the days when the positive statements are weighted are positive and the negative statements are mostly negative. Table 2 shows the most common explanations of the USA.

**Table 2: Important Disclosures in the US Economic Calendar**

<b>Explanation Title in Economic Calendar</b>
Non-Farm Employment Change
Suspended Housing Sales
Conference Board (CB) Consumer Confidence
Core Durable Goods Orders
Core Retail Sales
Core Consumer Price Index (CPI)
Fed President Bernanke's Speech
Speech by Fed Chairman Janet Yellen
Federal Open Market Committee (FOMC) Statement
Federal Open Market Committee (FOMC) Economic Plans
Federal Open Market Committee (FOMC) Meeting Minutes
Speech by Federal Open Market Committee Member Powell
Federal Fund Target Ratio
FOMC Press Conference
Gross Domestic Product (GDP)

Crude Oil Stocks
ISM Non-Manufacturing Purchasing Managers Index (PMI)
ISM Manufacturing Purchasing Managers' Index (PMI)
Construction Permits
Job Opportunities and Staff Change Ratio
Unemployment rate
Current Home Sales
Retail Sales
Philadelphia Fed Manufacturing Index
Non-Farm Employment
Producer Price index
New Home Sales

#### 4. FINDINGS AND EVALUATION

In this section, causality and relationship tests will be included among the variables determined by using econometric models such as Granger causality test and regression analysis and the findings will be interpreted statistically. While the Granger causality test was applied to determine the causality between each of the selected variables, the effect of the EUR / USD exchange rate on the USD / MXN and USD / TRY was tested by the regression analysis of the price movements and the daily explanations of the US daily economic calendar.

**Table 3: Granger Causality Test Results**

	Df	F-Stat.	Prob.
USD/JPY --> EUR/USD	2	5.21164	0.0057*
EUR/USD --> USD/JPY	2	3.96620	0.0194*
USD/MXN --> EUR/USD	2	2.13661	0.1188
EUR/USD --> USD/MXN	2	1.53805	0.2155
USD/TRY --> EUR/USD	2	5.31408	0.0051*
EUR/USD --> USD/TRY	2	4.11913	0.0166*
Açıklamalar --> EUR/USD	2	0.18174	0.8339
EUR/USD --> Açıklamalar	2	0.34071	0.7114
USD/MXN --> USD/JPY	2	1.18437	0.3065
USD/JPY --> USD/MXN	2	1.69767	0.1838
USD/TRY --> USD/JPY	2	1.23823	0.2905
USD/JPY --> USD/TRY	2	0.22741	0.7967
Açıklamalar --> USD/JPY	2	0.65627	0.5191
USD/JPY --> Explanation	2	0.80451	0.4477
USD/TRY --> USD/MXN	2	1.47943	0.2285



USD/MXN --> USD/TRY	2	0.02237	0.9779
Explanation --> USD/MXN	2	4.30761	0.0138*
USD/MXN --> Açıklamalar	2	0.71941	0.4874
Explanation --> USD/TRY	2	0.27080	0.7628
USD/TRY --> Explanation	2	1.92893	0.1460

(\*) It indicates statistical significance at 0.05 level. The df section shows the lag length and the degree of freedom.

The results of the Granger causality test are shown in Table 3, and each exchange rate was interdependent with each other and with the US explanations. As a result of the findings, the US daily explanations only cause a significant increase in the Dollar / Mexican Peso rate ( $0,0138 < 0,05$ ), but not a significant reason for other exchange rates. When the causality of the exchange rates is tested, the Euro / Dollar and the Dollar / Yen, the Dollar / TL and the Euro / Dollar are mutually significant.

**Table 4: Regression Analysis Results**

The dependent variable: USD/TRY

Observation: 2014Q1 2018Q2

Variable	Coefficient	Std. Error	t-statistic	Probability
C	0.663318	0.064953	10.21222	0.0000*
EUR/USD	-0.202482	0.036078	-5.612339	0.0000*
Explanation	-0.038901	0.026462	-1.470050	0.1420
F-Statistic	16.78940			
Probability (F)	0.000000*			

(\*) It indicates statistical significance at 0.05 level.

As a result of the regression analysis, the Euro / Dollar had a significant effect on the dollar / Turkish lira exchange rate ( $p = 0.0000$ ), while the US daily disclosures had no significant effect ( $0.11420 > 0.05$ ). The significance of the model was accepted because the probability (F) value fulfilled the  $p < 0.05$  requirement.

**Table 5: Regression Analysis Results**

The dependent variable: USD/MXN

Observation: 2014Q1 2018Q2

Variable	Coefficient	Std. Error	t-statistic	Probability
C	0.479020	0.065367	7.328144	0.0000*
EUR/USD	-0.121661	0.036308	-3.350839	0.0008*
Explanation	0.006151	0.026631	0.230964	0.8174
F-Statistic	5.644689			
Probability (F)	0.003692*			

(\*)It indicates statistical significance at 0.05 level.

While the regression analysis showed that the Euro / Dollar exchange rate had a significant effect on the Dollar / Mexican Peso rate ( $0.0008 < 0.05$ ), it was found that the US daily disclosures had no significant effect ( $0.8174 > 0.05$ ). The significance of the model was accepted because the probability (F) value fulfilled the  $p < 0.05$  requirement.

## **5. DISCUSSION, CONCLUSION AND RECOMMENDATION**

The explanations in the US daily economic calendar are classified as positive and negative based on the expected, actual and previous figures. It is accepted as positive that the data is the same or better as the expected figure, while the deviation or low is expected to be negative. As a result of the positive and negative explanations, there may be an upward and downward movement in the dollar indexed exchange rate. The US, which has the most common currency in the international markets, has an important research topic as the economic data of the USA has completed its development and is a guide for the currencies of the developing countries.

In this study, the daily exchange rates and the US daily explanations were conducted using the Granger causality test and the EUR / USD traded most in the global currency markets and the US daily disclosures had a significant effect on USD / MXN and USD / TL was measured by regression analysis. Daily data for the period 03.01.2014 - 19.06.2018 were used in the analysis. The Granger causality test results US statements are the reason for only one of the selected exotic and major currencies (USD / Mexican Peso). On the other hand, when the causality of the exchange rates is tested, the Euro / Dollar and the Dollar / Yen, the Dollar / TL and the Euro / Dollar are mutually significant. The effects of the Euro / Dollar exchange rate on the Dollar / Turkish Lira and the Dollar / Mexican Peso were regressed by regression analysis. The regression analysis for the dollar / Turkish lira showed that the euro / dollar had a significant effect on the dollar / Turkish lira ( $p = 0,0000$ ), but the US statements did not have a significant effect ( $p = 0,1420$ ). For the dollar / Mexican peso Euro / Dollar had a significant effect ( $p = 0.0008$ ), but the US statements had no significant effect ( $p = 0.8174$ ).

When the regression analysis and Granger causality test are compared, the effect of US statements and Euro / Dollar exchange rate on the Dollar / TL exchange is in agreement, while there is disagreement in terms of Dollar / Mexican peso. In the Granger test, while the US statements are the cause of the Dollar / Mexican peso, the situation is different in the regression analysis. While this indicates that US statements do not have a direct effect on exotic exchange rates, the Dollar / Mexico peso shows that daily price movements can be predicted by considering US disclosures.

As the study focuses only on the economic calendar of the United States, these currencies could not be tested with the economic statements of countries with large-scale financial markets such as Australia, England and Japan. This situation can be expressed as the limit of the study.

## REFERENCES

- Andersen, T., Bollerslev, T., Diebold, F.X. and Vega, C. (2003). Micro Effects of Macro Announcements: Real-Time Price Discovery in Foreign Exchange. *American Economic Review*, 93, 38-62.
- Bauwens, L., Omrane, W.B., Giot, B. (2005). News Announcements, Market Activity and Volatility in The Euro/Dollar Foreign Exchange Market. *Journal of International Money and Finance*, 24, 1108-1125
- Canova, F. (2005). The Transmission of Us Shocks to Latin America. *Journal of Applied Econometrics*, 20 (2), 229–251. URL: <https://doi.org/10.1002/jae.837>
- Cihangir Ç.K, & Tanrıöven, C. (2016). ABD Devlet Tahvili Faiz Oranlarındaki Değişimin Kurlara Etkisi; Kırılgan Paralar, *Kırılgan Ekonomiler. İşletme Araştırmaları Dergisi*, 8(4), 1-14.
- Choi, Y. M., & Park, K. (2019). Does foreign currency-denominated debt affect dividend payout policy? Evidence from Korea. *Journal of Multinational Financial Management*.
- DeGennaro, R., Shrieves, R. (1997). Public Information Releases, Private Information Arrival and Volatility in The Foreign Exchange Market. *Journal of Empirical Finance*, vol. 4, p 295–315.
- Diez, F. J. (2014). The Emerging Market Economies in Times of Taper-Talk and Actual Tapering. Current Policy Perspectives No. 14-6, Federal Reserve Bank of Boston.
- Due, P., Sen, P. (2006). Capital flow Volatility and Exchange Rates: The Case of India. Central for Development Economics, Department of Economics, *Delhi School of Economics*. (Working Paper No. 144).
- Evans, M. D. D., & Lyons, R. K. (2005). Do currency markets absorb news quickly?. *Journal of International Money and Finance*, 24(2), 197-217.
- Gök, İ.B. & Yağcılar, G.G. (2017). USD/TL Döviz Kurunun Makroekonomik Sürprizlere Tepkisi. *Gazi Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi* 19(3), 868-891.
- Hosseini, S.M, Ahmad, Z. & Lai, Y.W (2011) “ The Role of Macroeconomic Variables on Stock Market Index in China and India” *International Journal of Economics and Finance*, Vol. 3, No. 6, pp 233-243. URL: <http://dx.doi.org/10.5539/ijef.v3n6p233>
- Kim, S., (2001). International Transmission of Us Monetary Policy Shocks: Evidence from Var's. *Journal of Monetary Economics*, 48 (2), 339–372.

- Kim, S.J. (1998) “Do Australian and the US Macroeconomic News Announcements Affect The USD/AUD Exchange Rate? Some Evidence From E-GARCH Estimations”. *Journal of Multinational Financial Management* vol. 8, p 233–248.
- Nikkinen, J., Sahlström P. (2001) Impact of Scheduled U.S. Macroeconomic News on Stock Market Uncertainty: A Multinational Perspecive. *Multinational Finance Journal*, vol. 5, no. 2, pp 1-20.
- Rad, A.A. (2011). Macroeconomic Variables And Stock Market: Evidence From Iran”. *International Journal of Economics And Finance Studies*, Vol 3, No 1, pp 1-10.
- Rasiah Ratneswary R. V. (2010), “Macroeconomic Activity and the Malaysian Stock Market: Empirical Evidence of Dynamic Relations”. *The International Journal of Business and Finance Research*, 4(2), pp. 59-69.
- Rosa, C. (2011). Words That Shake Traders: The Stock Market's Reaction to Central Bank Communication in Real Time. *Journal of Empirical Finance*, 18, pp 915–934.
- Singh A, Rajput and Thaker,K. (2008) “Exchange Rate, FII & Stock Index Relationship in India”, Vilakshan, XIMB. *Journal of Management*, pp. 43- 56.
- Vortelinos, D. I. (2015). The Effect of Macro News on Volatility And Jumps. *Annals Of Economics And Finance*, 16(2), 425-447.
- Yamani, E. (2019). Diversification role of currency momentum for carry trade: Evidence from financial crises. *Journal of Multinational Financial Management*.

- **PUBLIC RELATIONS**

# CREATING CORPORATE IMAGE THROUGH CUSTOMER RELATIONSHIP MANAGEMENT

Şeyhmus DOĞAN\*

## Introduction

In recent years, changes in the economic, social and cultural structure of the world have led to changes and differences in the wishes and needs of customers. This change and differentiation in the wishes and needs of customers emerges as important elements of competition between enterprises. In this competitive environment, in order to survive in the sector in which businesses operate; they have to fulfill the wishes and needs of the customers who are the determinants of quality with effective customer service practices and to develop measures to increase their satisfaction levels.

Until the end of the twentieth century, the concept of the customer had little or no significance for businesses and brands. No important management decision has taken seriously the customer. In the relevant period, it can be said that the world is simply a paradise of supply. Unilaterally, businesses decide what to produce, how to sell, and what the price of the product or service will be, and sometimes even customers are charged for the product in advance, waiting for months to obtain the product or service.

Today, the environment has turned into a receiver paradise. The number of competitors and the severity of competition has increased with globalization. New competitors are entering the market/area every year. As the alternatives in front of buyers increase, they become increasingly sensitive to price. Differentiation of products or services is becoming increasingly important (Kotler, 2015: 18). In today's conditions where the competitive race continues at the fastest pace, in addition to intensive efforts to make a difference or move one step further, customer satisfaction should be considered as the first rule.

It can be said that customer-oriented thinking emerges at this point. It means providing unconditional customer satisfaction. It involves satisfying and satisfying the customer, regardless of cost, both during and after shopping. Because it is possible to provide customer loyalty and have a good corporate image in this way (Kırım, 2009: 150). From the perspective of integrated marketing communication, what businesses and brands are doing to develop and maintain their relationships with their customers is a message to both the target audience and the business loyalists. In other words, companies that think customer-centric and organize their relations

---

\* (Assistant Professor); Niğde Ömer Halisdemir University Faculty of Communication, Niğde, Turkey. E-mail: seyhmusdogan@hotmail.com

and communications according to this understanding gain goodwill, sympathy, support and trust that will be formed in favor of the institution in today's knowledgeable and waiting for information and interest.

Nowadays, the way to survive and compete in terms of brands and organizations is through customer existence, long-term, mutual and integrated relations established with it. It is not possible for enterprises that do not understand the customer, do not recognize, develop quality and suitable products / services for him, cannot provide solutions to which they may be interested and benefit from their customers and do not establish long-term relationships following sales.

In this study, Customer Relationship Management (CRM) which covers the process mentioned above; importance in terms of corporate image. Starting from the importance of the concept of customer, whose power and influence has increased greatly in the lives of businesses and brands; In line with the structure / how the customer relationship management is established / maintained, its contribution to the corporate image (positive - negative) is tried to be explained. The contribution of customer-centered thinking to corporate image and its role in providing competitive advantage were emphasized. As a result summary; business or brands that have adopted contemporary management understanding; in order to achieve success, to gain superiority in competition and to make a difference in the eyes of its target audiences; It is concluded that the products they produce depend on the creation and protection of their employees and the organization together as an effective image as a whole. Although it has been accepted by all business circles that image is a very important factor for many years, it has been found that the image factor has become more important in today's superior competitive economy than before. When evaluated in terms of target audiences, it can be said that the most important element that distinguishes an organization, product and brand from others is the image formed in their minds related to that object/brand for many years.

## **1. Customer Concept, Changing Customer Profile and Changing Customer Understanding**

### **1.1. Customer Concept**

The customer is the person or organization that is produced for him, when he likes and prefers success. It is the person who determines the position and position of our products and / or services in the market and gives the most important support to the brand or business in achieving the targets. Although the concept of customer varies according to the individual, the job, the sector; The fact that the customer is in the position of purchasing, adopting, accepting and recommending makes it very valuable. The word Müşteri customer 'in Japanese means misafir



honorable guest (Kotler, 2005: 36). When the literature including international studies is examined; The concept of customer is defined/met with the words “customer, buyer, purchaser, client, patient and guest”.

Usually, the term customer means the end user or the end consumer, but this definition is a narrow definition. Customer; a particular business of a particular brand of goods, commercial or personal purposes can be defined as the person or organization that buys (Taşkın, 2000: 19). Retailers are consumers of food for their individual consumption. On the other hand, those who buy products/services for commercial purposes may be called “commercial customers (Odabaşı, 2000: 3).

The concept of customers includes customers with products and services, as well as colleagues and managers within the business. Even family members and friends are also included in the definition of customers. A general definition of products and services offered to customers external customers, colleagues and managers can be defined as internal customers (Barlow and Moller, 1998: 10-11). In this direction, the concept of customer is divided into two parts by further elaboration. These are called internal customers and external customers:

*Internal Customer:* Internal customers are the group of employees within the company as a concept. Starting from the suppliers to the end user of the product or service to the end user, all employees engaged in the process are called internal customers (Kalder, 2000, 11). In an organization, starting from suppliers to external customers, processes are called internal suppliers, and those receiving products and services are called internal customers. In other words, when we think of the production process in any organization, one of the groups of machines that give each other semi-finished products is the supplier and the customer of one. Again in the service sector, the relationship between a cook and a waitress is a customer supplier relationship. The concept of internal customer in another source (Yamak, 1998: 147): “All employees, from the highest level to the lowest level employee, who work in the same business, who organize the product to meet the expectations of the end user, are internal customers of each other if they are doing related work and tasks.”

*External Customer:* Although they are not members of the enterprise, they are the ones who are aware of the goods or services produced by the enterprise, who have the possibility to buy them and who are affected by the products produced (Juran, 1992: 8). An external customer is a person or organization that receives products or services from an organization (Tek, 1999: 25). In other words, the external customer is the person who ultimately uses the products or services produced by the enterprises (Acuner, 2001: 89). The concept of external customer; it can also be defined as all users in the chain that delivers the products and services of

the organization to the end user. The concept of external customer, which is also defined as the customer who buys the products and services provided and uses them for his/her personal purposes and ensures the payment of the employees' wages (Öçer and Bayuk, 2001: 26); prospective customer (prospective buyers who are likely to become customers of the entity in the future), regular customer (customers who are in constant contact with the enterprise, but who have an impartial attitude towards the enterprise), the supporting customer (satisfied, loyal, but passively against the other buyers) supporters), loyal customer (proposing the business to other buyers, constantly reflecting its positive attitude towards the environment, supportive customers), partner customer (customers who consider the interests of the business together with their interests and those who consider the business as their own partner) can be kept (Ersoy, 2002: 7).

## **1.2. Changing Customer Profile and Changing Customer Understanding**

In this period, where we started to experience 21st century, many changes have been experienced. Surprising developments in the changing world and changing economic order necessitate fundamental changes in the conceptual field. In the world where such rapid changes take place, traditional marketing communication and customer relations are also forced to change. Increasing competition, very similar products and services, the increasing difficulty of differentiation / differentiation, falling prices and decreasing profits make it the most important function of enterprises to question and constantly improve marketing communication processes and methods.

Today, organizational behaviors have become customer centric. Building long-term relationships with customers and turning them into loyalty has become the key to profitability with this new trend (Christorher CRM Overview, 2002).

The concept of “satisfaction çıkan, which can be explained as the difference between the customer expectations and the perceived quality of the customers and which emerges after the use of a product and service in general, is of great importance for all enterprises. Together with the globalizing markets, enterprises plan their production strategies in order to fully meet the demands of their customers and to satisfy them. Today, the performance evaluation models of the economies of enterprises are based on the extent to which they can satisfy their customers (Çınar, 2007: 8).

Today, the business and trade world; When asked, kim Who is the king? Cev, the chances of survival of non-“customer işlet businesses and their competitiveness are unlikely. With the new economy, it is possible to say that the quality of the relations between the enterprise and its customers

has changed radically. Contrary to the classical marketing period, in which the customers are passive, dependent - it would be more accurate to say the consumer - the consumer's wishes and expectations are of no importance, and the producer is enjoying the kingdom; now, customer demands and expectations are included in all production processes and are constantly changing.

With the increasing competition in the globalizing world, the importance of the customer concept for businesses has increased. As a result of globalization, changes in both the market and the customer profile have resulted in (ten) four-handed embrace of the enterprises as the reason for their assets. Today, the scale of competition has changed from high technology - with it - to a quality and continuous dialogue with the customer. In addition, excellence in research, product or service, not with the visible aspects, but beyond that with strategic importance established with the customer shows that two-way and continuous communication (Göksel, Yurdakul, 2002: 269).

Alternative communication channels formed with technological developments have brought the customer to reach information faster and more and to be informed about the production process. The customer, who is more informed and conscious than before, starts to demand more and wants to communicate and interact with the enterprise by getting out of the passive position.

Nowadays, customers are now active rather than passive as in the past, participating in the process of creating value, facing a business with a large information equipment, at the same time waiting for attention and information, attaching utmost importance to quality and respectability, increasing alternatives every day, determining the main competitive advantage element has reached its position. In an understanding that advocates "customer-oriented" works in today's world where competition is experienced globally; When asked, who is the customer? (Odabaşı, 2000: 8):

- The customer is the most important person even in our office,
- The customer is not dependent on us, we are dependent on him and the customer is our reason for being,
- The customer is not the person who disrupted our work. It is the focus of our work,
- The customer is not the person to be disputed;
- Customer is the person who conveys his / her needs to us and gives us the opportunity to become a customer,

- Customer is not the person who will sell the product or service once and then leave. Our relationship must be positive and continuous,
- The customer is a friend, a partner.

Placing customers at the center of all organizational processes and building one-to-one relationships is not essentially a new situation for businesses. With the development of the Internet and other information and communication technologies, it has become possible to establish a one-to-one connection between the customer and the seller. This relationship-oriented marketing approach has evolved over time and has created a new marketing communication philosophy that sees the relationship established with the customer as the main axis. Customer Relationship Management or One-to-One Marketing has become a tool for businesses to find customers in an increasingly competitive environment, to keep these customers in hand, to make them loyal customers and to increase profitability rates in these relationships (Ersoy, 2002: 4).

## **2. Customer Relationship Management (CRM)**

### **2.1. Customer Relations Concept**

Customer relations is a process established between the organization and the customers, covering all the pre-sales and after-sales actions, and satisfying the mutual benefits and needs. The process involves three important stages. Thinking that customer relations covers only the situation where the sales action takes place is an approach that is contrary to the nature of today's customer relations and even the nature of sales and trade. In addition, it can easily be said that in a positive customer relationship it is a behavior that both parties gain. As a result of customer relations, it can be said that creating customer satisfaction and loyalty is the main purpose. Such a goal can be achieved by having a professional customer relationship management perspective.

The relationship between the organization and the customer is very rare and ends with the sale. Establishing long-term relationships between the organization and customers is becoming increasingly important (Odabaşı, 1997: 4). Because the logic and practices of mass marketing communication has already begun to lose importance. The importance of mass marketing is decreasing day by day due to developing communication technologies. The customer is able to make purchases at any point of sale anywhere in the world without time and space restrictions; this led to a complete change in the understanding of mass marketing and allowed us to introduce new marketing communication concepts and practices based on one-to-one relationship with the customer.

### **2.2. Customer Relationship Management Concept**

One of the most important factors for companies to survive and survive among their competitors is to make a difference for their institutions or products. Today, when it is difficult to make such a difference in terms of physical characteristics, companies try to create this difference in their eyes by approaching each customer with a different and one-to-one approach based on their communication and relations with the customer. At this stage, one-to-one marketing or CRM concepts called itself shows (Güneri, Yeygel, 2004: 83).

Customer Relationship Management (CRM) - recognizing the customer, understanding them, developing appropriate services and products for the customer and sharing this information within the organization. Sharing customer information within the organization means that the entire company has the same perspective about the customer. CRM "is a philosophy that places the customer at the design point and establishes a close relationship with the customer (Buttle, 2004: 22). CRM should be considered as a strategy rather than a process. CRM is a system created to understand and perceive the needs of existing and potential customers in the company base. CRM can also be defined as a customer-oriented business strategy that forces the company or brand to change in their functional roles, requires restructuring of business processes and is constantly supported instead of being guided by CRM technology.

According to Kırım, CRM concept; does not mean customer orientation. Customer focus is a concept of total quality management. CRM stands for customer-centricity. In other words, starting from what to produce and how to announce and develop permanent relations with customers in the whole process is an understanding based on the customer as the starting point (Kırım, 2001: 51).

According to another definition, CRM is a communicative process related to one-to-one communication with customers and customers with business (Soloman, Stuart, 2003: 239). The most interesting and widely used definition of CRM; "to provide the right goods or services to the right customer at the right time and price, at the right point" (Sullivan and Harper, 1997: 10).

Nowadays, it is emphasized that nowadays, businesses should have a CRM-based business and marketing strategy very quickly. This general strategy, on the other hand, has to be a completely customer-centric strategy, not the usual product-centric strategy. First of all, the basic determination strategy or business strategy that should be emphasized is the whole of the methods that should be applied in order to be different from the competitors (Karaca, 2001: 126). CRM is a business strategy that focuses on maximizing the value of shareholders to gain, increase and retain the right customer. CRM as a business strategy; helps the company

focus on providing the best service to achieve targeted customers. In this context, CRM; has revealed the following defeats (Brown, Gravey, 2003: 13):

- Focus on customers instead of production,
- Change processes, systems and cultures on customer basis,
- Covering post-production processes such as sales and marketing, from production to new product development,
- Surrounding all sales areas from all channels and media to the internet and,
- Get everything from sales partners to the supply chain.

Today's popular and scientific approach to customer satisfaction and loyalty is based on CRM (Customer Relationship Management). If the CRM concept is considered as a technological application; customer relations management consists of technically qualified applications such as call centers, customer databases, sales automation at the points where communication with customers is established. As a natural extension of this understanding, a CRM technology can be obtained and implemented with financial means.

CRM systems are applications installed through computers. CRM computer software, databases, and often the Internet, automates the interaction between customers and businesses (Soloman, Stuart, 2003: 239). The E - CRM solution, which states that CRM (Customer Relationship Management) applications are web compatible and integrated with all channels, includes estimation, measurement and evaluation of customer behaviors. The information obtained as a result of these analyzes are used in all processes in the firms (Menekşe et al., 2001: 37). E - CRM stands for Internet - based customer relationship management and is the technological bridge between E - CRM and the communication bridge between customers and brand or business. One of the rules of the new economy is to be fast. The effect of this on the dimension of customer satisfaction is to understand and meet the expectations of the customer without the need of demand. As in the traditional method, the principle of produce and sell has lost its validity and the principle of feeling the need of the consumer and meeting the expectations immediately has gained importance. Being fast means to act faster than the customer. The important thing is to determine the need for a product and service before the customer demands it and to offer it immediately, to be accurate in this presentation decision and to ensure acceptance of the offer by the customer (Özmen, 2003: 111 - 112).

### **2.3. Corporate Benefits of Customer Relationship Management (CRM) to Businesses**

Each business can get different benefits with Customer Relationship Management. According to Arat (2003: 68 - 70); successful customer relationship management practices provide the following benefits to companies and brands:

1. Customer Relationship Management reduces the cost of customer acquisition. The total cost of the range of actions such as mailing, contacting and providing services is lower than mass advertising spending. Thus, companies that do not benefit from Customer Relationship Management miss their target audience with high advertising expenses, while companies using Customer Relationship Management can meet their customers with lower expenses.

2. Many customers do not need to do volume work. Because Customer Relationship Management turns to value-added customers by taking advantage of the 80:20 principle, the number of customers served is reduced. The reduction in the number of customers served allows for increased customer care.

3. The cost of sales decreases with Customer Relationship Management. Better quality information in the channel between the customer and the business improves the performance of the relationship; thus existing customers react faster. This reduces the need for marketing campaigns. While competitors have to create new campaigns to increase sales, businesses that benefit from Customer Relationship Management deepen the relationship and increase sales.

4. Profitability increases on a per customer basis. The total amount received from a customer's wallet increases. One sale follows another. Due to the high level of customer satisfaction, sales are also made to the reference persons. Cross-sales are also made to the existing customer.

5. Increases customer loyalty. Customers work longer with the business, buy more, apply for changing demands, and customers often get more and more. Customer Relationship Management enables to obtain the Değer Customer's Lifetime Value. Compared to the enterprises that have to gain new customers by losing customers constantly, the companies benefiting from the Customer Relationship Management benefit from the advantages of customer loyalty.

6. Customer profitability can be assessed. Knowing the customers that are really profitable, knowing which customers can make more profits in the future, knowing which customers will be

managed through distributors or dealers, and knowing which customers guarantee the future of the company allows the company to evaluate and manage its customers.

7. Customer Relationship Management allows you to measure the effectiveness of a particular marketing campaign. In this way, the business can deactivate failed campaigns.

8. Customer Relationship Management allows customers to compete with service, not price. In this sense, the company positions itself as a qualified service company and prevents the ordinaryization of its products and services.

9. Customer Relationship Management enables faster development and launch of a new product. The relationship with customers allows customers to find out what products they want, what features they want, and what they don't. This eliminates the need for correction in the product development process, reducing costs and providing a competitive advantage.

Duran (2017) also explained the contribution of CRM to the marketing communication activities of a company or brand under 4 main headings and developed an approach like this:

1. *Recovery of abandoned customers:* CRM contributes between 10% and 20% in the recovery of abandoned customers.

2. *Creating customer loyalty:* CRM's contribution to improving customer loyalty is very important when it comes to keeping the customer's life-long goal. CRM's impact on customer loyalty ranges from 15% to 20%.

3. *Finding new customers:* CRM's contribution to finding new customers varies between 3% and 4%.

4. *Possibility of cross selling:* CRM's contribution to cross-selling varies between 2% and 3%.

When we look at the marketing activities of CRM, we see that it has an important contribution in creating customer loyalty and recovering the abandoned customer. Considering that today's marketing strategies are based primarily on retaining the existing customer, recovering the escaped customer and finally gaining new customers, the importance of CRM for marketing will be better understood.

One of the most important issues in customer relationship management is to create respectability. In particular, the success of sales and marketing actions depends largely on this concept. In this respect, reputation is the value of the customer's behavior towards employees and the organization. These vary depending on the product, service and relationships the



organization offers. Reputability can increase when customers are satisfied and trust the organization (Odabaşı, 2000: 5). To summarize; CRM enables customer information to be collected at customer contact points, to develop new business opportunities through this information, to increase customer loyalty, to make significant savings in marketing communication expenditures and to increase sales efficiency.

### **3. Corporate Image**

#### **3.1. Definition and Scope of Corporate Image**

Almost everyone is wondering what other people think of themselves in one way or another. For many people, he wonders how people perceive him, how he feels about him, rather than his real character, whether people's perceptions about him are attractive or repulsive. In fact, the situation is not different for companies or brands. Institutions/companies or brands also develop a number of special personalities that will attract or stimulate current and potential customers, or evoke rejection/repulsion and perception. Corporate image in the simplest scope; It consists of images that occur in the minds of people when the name of the institution or brand is encountered or mentioned.

Image as a value created, people, institutions, organizations is a phenomenon that determines. Depending on their own thoughts, feelings and beliefs, people create meaning perceptions about all the objects, events and people around them and form their image perceptions about them. Corporate image is the result of the interaction with the organization formed in the minds of stakeholders, thoughts or feelings about the institution or its elements, all of the perceptions caused by the net result (Köktürk, Yalçın and Çobanoğlu, 2008: 29). To be successful in today's business world, only to produce products and services with high quality and cheap, to expand their market share, to follow the change in communication technologies and so on. The desired positive effect of the efforts is not enough. In order to achieve success in the business world, to gain superiority in competition and to create diversity in the eyes of the target audiences, the enterprises that adopt today's modern management approach aim to create an effective image as a whole together with the products they produce, their employees and the organization. Although it has been accepted by all business circles where image is a very important factor for many years, the image factor has become more important in today's superior competition economy than before. When evaluated in terms of target audiences, the most important element that distinguishes an organization, product, and brand from others is its image that occurs in their minds for a long time regarding that brand or object (Nieroda, 2011: 301).

Corporate image or corporate image has been defined by many researchers in different ways: According to a definition, ideas, understanding and values about the personnel, tools and equipment used in the minds of one person or institution in the minds of other people and institutions and the environment used. In our belief and understanding of an event or situation to find expression or a warning received by the senses are the objects and events that appear in consciousness (Gümüő, 1994: 124). Corporate image is the image of the business culture reflected or reflected outside the organization. Positive corporate image is an intellectual capital for business. Acquisition of new customers, loyalty of existing customers, and holding of new products and services are directly related to corporate image (Emrem, 2004). According to another definition, the corporate image is: “The history of that organization, the high quality of the goods it produces, export success, documents, awards, problems in the relations between workers and employers, responsibility in environmental relations and the importance given to society” (Dinçer, 2000: 19) ).

Gerhard Regenthal's definition of corporate image (1992: 59); “The corporate image is the result of corporate identity effects on employees, target groups (customers and partners) and the public” and covers four main points:

- Thoughts about the institution,
- Recognition of the institution,
- The prestige of the institution and
- It is the comparability of the organization with others and competitors.

Today, the ability of institutions to survive, especially in commercial relations, can be attributed not only to the talent and capacity of managers, but also to the financial strength of the institution. With good and skilled managers, it may be possible to offer the highest quality products to the market in the most economical way with advanced machinery and equipment. However, if a good and correct communication could not be established with the target consumers and customers, if the consumers in the market segment in which the producer speaks do not support the institution they are in contact with, the enterprise will not be able to sustain its existence in the long term (Göksel, Kocabaő and Elden, 1997: 6). Therefore, image is important for institutional functioning for two reasons. The first, while revealing the necessary information to reveal and maintain commitment, the second is important for the continuity of the institution (Sabuncuoğlu, 2004: 65). Positive image formation plays a role in the positive messages conveyed to each other by people and other companies

about the company, person, product or service. The creation of this positive effect over a long time and is a process performed by image management (Bayramoglu, 2007: 11).

### **3.2. Relationship between Corporate Image and Customer Communication**

In the process of creating a positive and permanent corporate image, building and maintaining a quality and continuous communication structure with the target audiences is one of the most important factors that ensure the formation of an image. In this direction; in the long run, the image of an organization or brand can be composed of a combination of the following three elements; the communication and relations with the company's own personnel, internal customers, the quality of the services and products offered by the organization, the communication and relations that the organization maintains with its environment and how the whole is constructed and implemented. The structure of the communication and relationship to be established will directly affect and determine the corporate image.

The conditions necessary for an organization or brand to be effective in communication with the internal and external environment, to ensure their trust in the organization, to establish an emotional connection between them and to create a strong and positive corporate image; to create a good communication infrastructure, to create an internal image, to create an external image and focus on the abstract image (Gee, 1995: 16-17). At this point, emphasized, the way to achieve a strong corporate image; internal and external customer relationship management based on planned communication strategies. Because; competing businesses; products, promotions, sales strategies. Sales shops, technology used, in-house processes, reward system can be imitated over time by many competing companies or brands. The corporate image nurtured by corporate culture cannot be imitated (Temiz, 2001: 3). With this feature, corporate image can be evaluated as an organizational value that creates competitive advantage for the company or brand.

In order to create a good corporate image, to protect and develop the created image, to create a healthy internal communication system, to ensure the continuity of quality in product and service production, and to establish kaliteli customers en in all dimensions with “customers en It is through the establishment of a directional, healthy and continuous communication system.

#### **4. Customer Relationship Management (CRM) in Corporate Image Formation**

The corporate image, which also means intellectual images about the various organizations in people's perception worlds; it occurs as a result of direct or indirect perceptions and experiences. In other words, the image of the opinion that people hear, see or directly relate to the organization constitutes the corporate image (Öğüt, 2008: 14). First of all, a strong and positive corporate image enables the target audience to prefer the products and services of that institution. Many studies have shown that any product or institution with a good image is preferred over others. Again, one of the biggest obstacles in the purchase of a product, that product or the manufacturer has a bad image. A strong, positive and managed corporate image; it also increases the chances that the organization can deliver messages to its customers; because a good image will also facilitate confidence building in the long term.

According to Doğan, corporate image; a customer or an individual for an institution or brand, public relations activities and customer relations is a summary of the past experience (Doğan, 2006: 81). The corporate image enables the message flowing from the source to the receiver to flow faster and the receiver accepts this message more easily and the feedback process takes place in the chain of communication that the organization establishes with its environment. In other words, the image of an organization can be a driving force in its communication with customers and other social stakeholders. In today's era of competitive marketing communications, businesses and brands are practicing similar advertising and sales strategies. Here, the corporate image stands out as a distinctive focus. The corporate image not only provides the perception of the sales message that is intended to be transmitted, but also brings the preference of the institution that presents that message to the others/competitors; Because companies can use the latest techniques, the highest quality intellectual capital, the most advanced technological information and communication tools. However, none of them is a distinguishing factor in the long run. Corporate image can now be considered as the most obvious reason for preference for brands.

Corporate image; this is a matter that needs to be emphasized with respect to customers and institutions. Corporate image is the first step of the communication process with customers. The corporate image can be defined as the relationship between the image of the enterprises, the images that the companies try to present and the messages perceived by the customers from the organization (Aksoy and Bayramoğlu, 2008: 86).

The fact that the economies are globalized, their interdependence increases, the speed of the product in the ring of life increases, the

dependence of the employees to the institution decreases, and the social pressure created for the social responsibilities of the organizations emphasizes the need to create a corporate image strategically for organizations in recent years. These environmental and factual challenges may not affect organizations in the same way, but it is not possible to talk about an organization that is not affected by any of them. In this respect, we can list these driving forces behind the recent increasing interest in perceived image. The image; It is a perception of the identity of the organization, which consists of the vision, mission and organizational values of the organization, which is formed by the members of the organization for the development of the external participants. In this respect, the most prominent elements of the image, the situation that an organization wants to be in the future, the ideal and the reason for the existence of the vision, which distinguishes it from other organizations and reflects the specific tasks undertaken by the mission of the world culture, which forms the basis of the organization organized to express social responsibility communication strategies and corporate design (Koskela, 2010: 9). Therefore, image is important for institutional functioning for two reasons. The former provides the necessary information to uncover and sustain commitment, while the latter is important for the continuity of the organization. Because, the image that increases the life possibilities of organizations affects the satisfaction of the customers and the purchase of the products and services of the institutions. If an institution has an image characterized by metaphors such as “friendly” or “innovative” it is possible to summarize all our perceptions about that institution. It is also evident that the stakeholders who will ask these questions and produce and share the concepts and interpretations mentioned above such as friendly or innovative, practical, solution-producing are internal and external customers.

A positive and strong corporate image primarily enables a company to be recognized, recognized, loved and preferred, followed by persuasive communication techniques. The aim of this persuasive communication technique is to approach customer relationship management processes. According to Kathleen (1995: 699), the sentence that best summarizes this issue is: *“The more you are known, the more respectable you have. Familiarity and familiarity nurture popularity.”* It is highly probable that an institution/brand image based on strong, positive and well-established customer relationship strategies will directly affect the choice of that brand. Because today, people are turning to the consumption of branded products. At this point, what is consumed is not the product but the image; because each of the major brands has a certain image. In fact, the way to become a common and preferred brand passes through a strong image. Similarly, the corporate image is also one of the most important factors that attract investors who form part of an organization's external customer base. It

would be preferable for investors to have a company or brand with a skillful, perfectionist, talented, innovative or customer-oriented image.

One of the key concepts of corporate image is reliability. The sense of trust in the public, especially in the customers, about the company or the company and the products/services it produces will bring a long-term relationship and a reputation and a good image, which together with the main purpose of customer relationship management. In this respect, there is a mutual relationship and contribution between corporate image and CRM applications. In other words, if an institution's customers' relationship management works properly, the corporate image will take its share.

Our age is now rapidly moving towards an image age, perhaps it would be more appropriate to say that we are living in an image age. This progress causes the institutions to develop a plan to have a good image. The corporate image plan has two main objectives:

1. To position the institution by creating a special style in which it is perceived by the target audiences, to ensure recognition and recognition of the institution and to make it more preferred than other institutions,
2. Establishing a bidirectional, continuous and integrated communication system with the target audiences to provide their support (Kathleen, 1995: 69).

From the perspective of integrated marketing communication, what companies are doing to develop and maintain their relations with their customers will reach both the target audience and the business loyalists. In other words, companies that think customer-centric and organize their relationships and communications according to this understanding will gain goodwill, sympathy, support and trust in favor of the company with today's knowledgeable and expecting customers.

Almost the entire corporate image panel is a tactic that constitutes a very important process of the relationship between quality and the components of the corporate image mentioned above and the communication with the target audience and customers and the follow-up and management of this communication. Naturally, in the image that occurs in the minds, the communication philosophy that dominates the relationship and the relationship and the customer relationship management process determined by the philosophy will be effective. CRM is known to function as customer loyalty and loyalty. Of course, commitment is a long-term process and will require trust. Since the foundation of corporate image is a sense of trust, it would be appropriate to say that customer relationship management and corporate image

complement each other on the road to success and competitive advantage in today's competitive market conditions and global market.

If we think that customer relationship management strategies, which are designed and implemented well and professionally, will provide respect to the corporation or brand, respect will be the reason to prefer product/service/brand/company, and reputation will strengthen the image (if we could start the process from the end to the classical period) it would be appropriate to say the “driving force kurum of corporate image.

Establishing quality and continuous relations with the customer, satisfying, satisfying it, anticipating and meeting their needs and expectations require determining the strategies and policies according to the expectations and needs of today's enterprises, which require much more intensive efforts. Business or brand managers and all employees should work together in this area of responsibility. Efforts, styles and practices in this field will directly determine the corporate image of the business or brand.

### **Evaluation and Conclusion**

Customer is one of the most important assets of businesses today and one of the important resources they need to sustain their lives. Although the concept of customer includes the target consumer groups where products and services are offered; it also includes colleagues (internal customers) and managers within the enterprise. Even family members and friends are also included in the definition of customers. In a general definition, customers who are offered products and services can be defined as external customers and colleagues and managers can be defined as internal customers. Customers have come to the center of the discussion, regardless of their size. No matter what the job is done, the reason for the job is the customers.

Nowadays, customers have other sensibilities and expectations beyond quality products and reasonable prices. Respect, trust, value, friendship, smiling face, attention, help, quick solution. All of these phenomena and behaviors are covered by customer relationship management processes. What distinguishes a brand or company from others, makes it different and places it in mind is the difference in customer service.

Satisfaction of customers is essential for businesses or brands to survive. Because it is important to ensure that customers come to the same place continuously, not once. Satisfied customers will promote their businesses positively and increase their reputation. The unsatisfied customer will make negative publicity/advertising for the company/brand more than once. This is not at all desirable or good for the business. For this reason, businesses should increase customer loyalty. Because the cost

of acquiring new customers is much more costly than attracting loyal customers back to business.

The biggest aim of a company; to increase the number of loyal customers. In other words, making the same sale to the same customer over and over again defines the loyal customer base. This can be achieved by the customer being satisfied with the service and being satisfied with the company or brand. In an other saying; If perfect customer satisfaction is achieved, customers will come back, buy again, will trust if the customer comes back, if it trusts will be connected and will remain loyal and will increase mutual dignity as you choose, which will form the key to competitiveness, the basis of a good corporate image. Nowadays in the intense world of competition; The strength and influence of the customer, business and brands has increased greatly in their lives. Organizations, whether public or private, need to think customer-centric and thus have a good image in order to survive and succeed. The concept of corporate image, which is based on successful customer relationship management, stands out as an important option and differentiation strategy to be one step ahead of the competitors.

One of the key concepts of corporate image is reliability. The sense of trust in the public, especially in the customers, about the company or the company and the products / services it produces will bring a long-term relationship and a reputation and a good image, which together with the main purpose of customer relationship management. In this respect, there is a mutual relationship and contribution between corporate image and CRM applications. In other words, if an institution's customers' relationship management works properly, the corporate image will take its share.

Corporate image is the image of the business culture reflected or reflected outside the organization. Positive corporate image is a serious capital for businesses or brands. Acquisition of new customers, loyalty of existing customers, promotion of new products and services are directly related to corporate image. Customer relationship management is of great importance in creating the corporate image and delivering the corporate image to the target audience correctly. It will have a positive impact on the corporate image in the medium and long term through strong customer relationship management.

CRM is known to function as customer loyalty and loyalty. Of course, commitment is a long-term process and will require trust. Since the corporate image is based on a sense of trust, it is appropriate to say that customer relationship management and corporate image complement each other on the road to success in today's competitive intensive global market conditions and to provide competitive advantage.



## References

- ACUNER, Ş. Akın, (2001), *Müşteri Memnuniyeti ve Ölçümü*, (2.Basım), Mert Matbaası, Ankara.
- AKSOY, R., BAYRAMOĞLU, V., (2008), “Sağlık İşletmeleri İçin Kurumsal İmajın Temel Belirleyicileri: Tüketici Değerlemeleri”, *Zonguldak Karaelmas Üniversitesi Sosyal Bilimler Dergisi*, 4(7), 86-96.
- ARAT, Metin, (2003), “1990 Sonrası Yeni Pazarlama Akımları ve Kavramlarının (Permission Marketing, CRM, One to One, İnternet Marketing ve Diğerleri) Türkiye’de Pazarlamanın Gelişimine Etkileri”, Dokuz Eylül Üniversitesi, SBE, Yayınlanmamış Tezsiz Yüksek Lisans Tezi, İzmir.
- BARLOW, J. & MOLLER, C., (1998), *Her Şikâyet Bir Armağandır*, (Çev. G. Günay), Rota Yayınları, İstanbul.
- BAYRAMOĞLU, V.. (2007), “Sağlık İşletmeleri İçin Kurumsal İmajın Temel Belirleyicileri: Zonguldak Örneği”, Zonguldak Karaelmas Üniversitesi Sosyal Bilimler Enstitüsü, Yayınlanmamış Yüksek Lisans Tezi, Zonguldak.
- BUTTLE, F., (2004), *Customer Relationship Management: Concepts and Tools*, 1st Edition, London, Routledge P.
- ÇINAR, A. Tuncay, (2007), “İşletmelerde Müşteri Hizmeti ve Müşteri Memnuniyeti ile Farklı Bankalar ve Bölgeler İçin Müşteri Memnuniyetini Belirlemeye Yönelik Uygulama”, Adnan Menderes Üniversitesi Sosyal Bilimler Enstitüsü, Yayınlanmamış YL Tezi, Aydın.
- DİNÇER, Müjde Ker, (2000), *İş Yaşamında ve Özel Yaşamda Kişisel İmaj*, Alfa Yayınları, No: 469, İstanbul.
- DOĞAN, T., (2006), “Yeni Reklam Araçları ve Kurum İmajı Oluşturma Sürecine Katkıları”, Selçuk Üniversitesi Sosyal Bilim Enstitüsü, Yayınlanmamış Yüksek Lisans Tezi Konya.
- DURAN, Mustafa, (2017), CRM: “Customer Relationship Management, Çok Konuşulan Ama Az Bilinen Bir Kavram, Crm’in Pazarlama Faaliyetlerine Katkıları”, [www. bilgiyonetimi. Org ve http://danismend.com/kategori/altkategori/crm-hakkinda/](http://danismend.com/kategori/altkategori/crm-hakkinda/), Erişim Tarihi: 17.12.2017.
- EMREM, A.Erdinç, (2004), “Entelektüel Sermaye ve Bileşenlerinin Kavramsal Analizi (İşletme Kültürü, Kurum İmajı ve Kurum Kimliği)”, *İş - Güç Endüstri İlişkileri ve İnsan Kaynakları Dergisi*, 6 (1), Sıra: 4,

186, <https://www.isguc.org/?p=article&id=1866&sayi=1&yil=2004>,  
Erişim Tarihi: 20.12.2017).

- ERSOY, N. Figen, (2002), “Finansal Hizmetlerde Müşteri İlişkileri Yönetimi (CRM) Kavramı”, Pazarlama Dünyası Dergisi, Mayıs-Haziran.
- FIRLAR, G. Belma, YEYGEL, Sinem, (2004), *Sanal Ortamda Bütünleşik Pazarlama İletişimi*, İzmir: Ege Üniversitesi İletişim Fak. Yayınları.
- GEE, Bobbie, (1995), *Creating a Million Dolar Image for Your Business*, PageMill Press, USA.
- GÖKSEL, A. Bülend, YURDAKUL, N. Başok, (2002), *Temel Halkla İlişkileri*, Ege Üni. İletişim Fak. Yayınları, İzmir.
- GÜMÜŞ, Mustafa, (1994), *Yönetimde Başarı İçin Altın Kurallar*, Alfa Basım Dağıtım, Yayın No: 271, İstanbul.
- HELM, Christoph, (2001), “CRM Overview, (Artikel unter „best practices“ abgelegt)”, <http://www.marketingpower.com/index.php?S>, Erişimi Tarihi: 28.06.2017.
- JURAN, J. Moses, (1992), *Juran On Quality By Design The New Steps For Planning Quality into Service*, Juran Institute Inc., New York.
- KALDER Yayınları, (2000), *Müşteri Memnuniyeti*, No:31, İstanbul.
- KARACA, Yusuf, “Müşteri Sadakati ve Müşteri İçin Değer Yaratma”, Afyon Kocatepe Üniversitesi İİBF Dergisi, 2001, Afyon.
- KATEHLEEN, L. Lewton, (1995), *Public Relations in Health Care*, American Hospital Association Company, USA.
- KIRIM, Arman, (2001), *Strateji ve Birebir Pazarlama CRM*, Sistem Yayıncılık, İstanbul.
- KIRIM, Arman, (2009), *Yeni Dünyada Strateji ve Yönetim*, Sistem Yayıncılık, İstanbul.
- KOSKELA, O., (2010), “The Corporate Image of Posiva”, International Business and Marketing Logistics, Saarinen, Nea.
- KOTLER, P., (2005), *A’dan Z’ye Pazarlama*, Mediacat Yayınları, İstanbul.
- KOTLER, P., (2015), *Kotler ve Pazarlama: Pazar Yaratmak, Pazar Kazanmak ve Pazar Egemen Olmak*, Çevirmen: Ayşe Özyağcılar, Aura Yayınevi, Ankara.
- KÖKTÜRK, S.M. YALÇIN, A.M. ve ÇOBANOĞLU, E., (2008), *Kurum İmajı Oluşumu ve Ölçümü*, Beta Basım Medya, İstanbul.

- MENEKŞE, N. Ziyal, KILIÇ, Fatoş, AKAN N. Yaman, ÖCAL, Sait, (2001), *Değişim.tr: İnternetle Gelişimde Türkiye*, Türkiye İş Bankası Yayınları, İstanbul.
- NIERODA, R. Żaba, (2011), “Developing Corporate Image”, The Małopolska School Of Economics In Tarnów Research Papers Collection, Issue 1/2011, 265-308.
- ODABAŞI, Yavuz, (1997), *Satış ve Pazarlamada Müşteri İlişkileri*, Der Yayınları, İstanbul.
- ODABAŞI, Yavuz, (2000), *Satışta ve Pazarlamada Müşteri İlişkileri Yönetimi*, Sistem Yayıncılık, İstanbul.
- ÖĞÜT, N. (2008). “Kurum İmajının Oluşum Sürecinde Halkla İlişkilerin Rolü Üzerine Teorik ve Uygulamalı Bir Çalışma”, , Selçuk Üniversitesi Sosyal Bilimler Enstitüsü, Yayınlanmamış YL Tezi, Konya.
- ÖZMEN, Şule, (2003), *Ağ Ekonomisinde Yeni Ticaret Yolu E – Ticaret*, İstanbul Bilgi Üni. Yayınları, İstanbul.
- REGENTHAL, G., (1992), *Identität Und Image – Praxishilfen Für Das Management in Wirtschaft, Bildung Und Gesellschaft*, Wirtschaftsverl Bachem, Köln.
- SOLOMAN, Michael R. & STUART, Elnora W., (2003), *Marketing Real People, Real Choice*, Prentice Hall Upper Saddle River, New Jersey.
- SULLIVAN, Gordon R. & HARPER Michael V., (1997), *Hope is not a Method: What Business Leaders Can Learn from America's Army*, Penguin Random House, Crown Business, Massachusetts, USA.
- TAŞKIN, Erdoğan, (2000), *Müşteri İlişkileri Eğitimi*, Papatya Yayıncılık, İstanbul.
- TEK, Ö. Baybars, (1999), *Pazarlama İlkeleri*, Beta Yayın Dağıtım A.Ş., 8. Baskı, İstanbul.
- TEMİZ, Özgür, (2001), “Organizasyonel Kültür ve İş Performansı”, Active: Bankacılık ve Finans Dergisi, İstanbul.
- YAMAK, Oygur, (1998), *Kalite Odaklı Yönetim*, Komputron Ltd., İstanbul.

- **ECONOMIC THOUGHT**

# THE KNOWLEDGE ECONOMY AND ITS DIMENSIONS

Murat ACET\*

## 1. Introduction

The main factor driving civilization is knowledge and progress in knowledge. People, societies and institutions; organize their behaviors and strategies according to their knowledge. Certainly, the dominant element of human history is knowledge and its forms.

Information means information that changes something or a person. It does so either by creating an effective cause for action or by placing a person (or organization) in a position to perform a different or more effective action.

Every new knowledge in the process of scientific development has led to a rapid increase in the knowledge production process as a means of producing new knowledge.(Drucker, 1992:88)

The concept of technology can generally be defined as the application of knowledge and knowledge-based methods to the performance of any work. It is possible to talk about a technological development if the information and knowledge-based method applied to a job allows it to be done in a shorter period of time. (Şaylan,1995:18)

Technological development is mostly achieved through new machine designs, the use of new tools, new processes and methods, and new goods design. In general, any investment to increase the capacity of production or work means the application of new technology. (Şaylan,1995:18)

There is a relationship between information and technology that increases and multiplies each other at an ever-increasing level. Obtaining a certain technology requires the ability to apply this technology in the first stage, the second stage is the extension of the technology learned in a certain field to the production areas, and in the last stage, it is necessary to acquire the ability to reproduce the obtained technology at a higher level. This is possible by producing knowledge and science. As a result, in order to produce science, technology must be used today.

When knowledge dominates a society, there are some changes in its structure. Thus, the concept called information society emerges.

## 2. Information Society and The Knowledge Economy

Information society is a society where knowledge production, knowledge capital and qualified human factor gain importance with the

---

\* (Asst.Prof.Dr.), Bolu Abant İzzet Baysal University, Bolu, Turkey, e-mail: acet\_m@ibu.edu.tr

development of new basic technologies. The importance of continuity in education comes to the fore. Thanks to new concepts such as communication technologies, information highways, electronic commerce, society; economic, social, cultural and political aspects, beyond the industrial age.(Aktan,2006)

In terms of economics, knowledge is important in addition to contributing to savings and capital accumulation and being among the most important determinants of development.(DPT, 2006:3)

The economic development of societies depends on the level of knowledge about the environment in which that society lives. Therefore, the characteristic feature of developed societies stems from the difference in their knowledge and use of this knowledge. (Şaylan,1995:22)

Information and technology is an important issue for post-industrial societies. XVIII century. It is known that the technologies used in economic activities until the end of the year were not very different from the production technology of thousands of years ago. For a long period of time, significant developments have been slow. However, XIX century. Since then, rapid progress has started. For example, BC. While the average speed of caravans, which was the fastest means of transportation in 2000, was 14 km / h, the speed of the locomotive, which was started to be used in the first quarter of the XIX century, increased to almost 23 km / h. In the last quarter of this century, this speed increased by approximately 5 times and reached up to 100 km. (Dura, 2002:127)

The late XIX century marked the beginning of significant changes in many areas. While many new technological inventions emerged one after the other, the foundations of the technology society, a brand new society, were laid in this period. In a short period of time, significant developments were experienced in production, transportation and many other areas. ENIAC, the ancestor of the computer, was produced in this period and humanity started to experience the first computer with this machine. This machine, which weighs approximately thirty tons and can perform a limited number of operations, has now been replaced by a new generation of computers that can process millions of operations per second and compress millions of transistors onto a tiny silicon surface. (Dura, 2002)

### **3. Historical Stages**

To date, human history has witnessed many social changes. It is possible to examine these changes under four headings as primitive, agriculture, industry and information societies.

In the process of primitive society, the person who meets the need for nutrition through hunting and gathering has become the “agricultural society ginde when he learns to cultivate the land and becomes settled.

Soil and labor production factors are important in agricultural society and with traditional agricultural knowledge, life has been tried to be sustained by the production obtained from the soil. Over time, advances in the techniques used in agriculture have increased agricultural productivity and started to produce more products with less labor. This situation has caused important changes in social and economic life.

The third stage of social development is the “industrial society” stage. There are two main factors that prepare the transition process from the agricultural society stage to the industrial society. The first is the increase in productivity in agriculture and the result of fewer people working in this sector, and the second is the industrial revolution.

The Industrial Revolution has been a process involving the reflection of the use of many technological innovations in production to economic, social, political and cultural fields. Technologically, James Watt's discovery of the steam engine in 1756 and the use of steam as an energy source, for economics, Adam Smith wrote the “The Wealth of Nations” in 1776, and from the political point of view, the French Revolution in 1789 are important milestones for this century.(Kutlu, 2000:43)

The industrial revolution emerged as a joint product of the technoeconomic revolution in Britain and the political revolution in France. In other words, the industrial revolution took place by twisting and reforming the entire economic, social and cultural structure as a result of a double revolution based on a technological-economic basis on one leg and a political-ideological basis on the other. (Erkan,1992, 7)

Family structure has changed in industrial society. There has been a shift in the agricultural community from the large and traditional family type to the small family type of parents and children. With the shrinkage of the family; family members' responsibilities to each other decreased, relations loosened, cooperation decreased, man became an individual who first became alienated from society and then from himself.

According to the modern industrial society approach, industrial society is a form of society in which production is carried out in large factories and the individual is separated from the family. In this period, since the main purpose of the enterprises is profit maximization and continuity of production, it is aimed to connect the worker to the factory as much as possible. With this format targeted by the industry, employees are obliged to do everything on time and in accordance with the orders of their superiors. Thus, without any mental effort, it was aimed to make mass production and to create assembly order and to repeat the same work continuously. This was also the point where the industrial society was blocked. (Dura, 2002:67)

The main factor in the emergence of the information society is that information can reach the smallest unit in the society. This has led to a change in the rigid structure of industrial society. As information has started to flow from social organizations to individuals of society, demands for goods and services have also changed along with social and individual awareness. As a result of the change in demand, production diversified and accordingly the type of economic activities began to change.

Thus, information has not only governed technical renewal and economic growth to an unprecedented extent, but has also quickly become the main determinant of the basic activity of the economy and professional change. (Kumar, 1990, 79)

The industrial revolution is based on the mechanization that progresses with technological developments. Further, the cyclical relationship between technology, science and communication systems has accelerated the circulation of information and enables information to reach the desired location without wasting time. Thus, the infrastructure of the information society has been formed.

The economic crisis of the 1970s in European countries has led to neoliberal economic policies. Industrialization policies based on information technology as a new area of investment in the search for a solution to the phenomenon of stagflation that have arisen in this period have been emphasized. The expectation that the multiplying effect of information investments will have positive effects on employment and growth has become increasingly widespread in many countries. (DPT, 2006:12)

As a result of the transformation in production structures, the paradigm that employment will also shift towards new production activities has come up. As the transition from the industrial age to the information age has been predicted, the need for labor will be reduced significantly. (Covey, 2005:77) This brought about structural macroeconomic problems. However, over time, the signs of the emergence of new business lines and diversification in production types will lead to a balance by attracting the employment deficit towards itself.

The current reality, called the new economy or the knowledge economy, has come to the fore after the rapid change and development in human history. Most of the debates on the concept of knowledge economy consist of the debates on the interpretation and interpretation of this knowledge economic structure by the society in a way different from the so-called industrial economy. (Pahjola, 2007)

Especially in the USA, between 1996 and 2000, low inflation and growth rates above the forecasts strengthened the notion that investments



in information and communication technologies had an impact on this development. (Aktan, 2006)

#### **4. Scope of The Knowledge Economic Concept**

This process, which is called the knowledge economy and is expected to continue over a long period of time, is perceived differently by different sectors. These different definitions can range from a wide scope that emphasizes the invalidity of classical economic theories and rapid technological change in the age of global competition, to a narrow focus that only includes the effect of information and communication technologies on production and productivity increase.

In addition, some authors propose the use of the concepts of e-economy, knowledge economy or digital economy instead of the new economy, as the scope is very wide and the possibility of imposing what the individual wants. (Tapscott,1996:43) However, regardless of the name, the concept of the knowledge economy, whose framework is determined, is now becoming widespread throughout the world.

While the information economy establishes the US experience in the 1990s and its connection with information and communication technologies, on the other hand, with global competition and rapid technological advances, it states that economies are now entering a process of change with the rules and institutions. (Söylemez, 2001:43)

In the literature, the definitions related to the knowledge economy; In addition to the production and economic effects of computers and computer-related products and services, products and services related to information and communication technologies are also predominantly involved.

#### **5. Products and Services in The Knowledge Economy**

The most prominent feature of products and services in the knowledge economy is that knowledge is the main production factor. Significant increase in productivity occurs in sectors that produce and use these products and services as inputs.

It is possible to determine the scope of the information and communication sectors as follows: (Dirk & Frank, 2007)

- Computer and calculators used in companies and offices,
- Insulated metal and cable products,
- Electronic valves and tube products and other electronic parts,
- Products related to telephone, television and radio transmitters and transmitters,

- Voice and video recorders,
- Fiber optical cables,
- High R & D investment products such as micro-chip,
- Industrial process tools other than measuring, control, testing, routing and so on. tools and devices used for purposes,
- Products related to industrial process control tools,
- Wholesale and supply of machinery and equipment,
- Renting of business machines and data processing equipment, including computers,
- Telecommunications are all sectors where computer-related services are provided.

In the knowledge economy, industrial workers are replaced by qualified labor force, which is referred to as information workers, using information technology. Web designer, CRM specialist, ERP specialist, network specialist, internet strategy specialist, database specialist, medical informatics specialist, technology stock analyst, e-commerce project expert, e-commerce expert, asset management, technology stock analyst, venture capital expert many new job areas and job descriptions have emerged. (Dirk & Frank, 2007)

## **6. Characteristics of The Knowledge Economy**

In the knowledge economy, it is important to adapt to the ever-changing conditions and react immediately. In this sense, the widespread Internet network has played an important role in the spread of information technologies.

The general characteristics of the knowledge economy are easy access to information, digitalization, shift to virtual space, division into dynamic sub-components (molecularization), integration, communication via the Internet, disappearance of intermediaries, sectoral change, innovation, supply-demand integration, speed, globalization and conflict. it is possible to count. (Tapscott, 2006)

The knowledge economy is an information economy. The creation of knowledge in the knowledge economy belongs to both knowledge workers and knowledge consumers, that is, people. As a result of consumer preferences and the reflection of knowledge on production, the demand for smart products has started to increase in every segment of the society.

The only thing that is certain in today's business world is that nothing is certain. In a business world full of uncertainty, knowledge is the only advantage of providing a competitive advantage.

The knowledge economy is a digital economy. Digitization means converting all kinds of data such as audio, text, document, music, video, moving object, video conferencing into computer bits and then sending it to another place with the help of telecommunication technology. Where sent, these codes are decoded very close to the original and made available to the recipient. (Akin, 2001)

Nowadays, new tools that can work with all kinds of data in digital format are constantly on the market. In the near future, communication by means of portable digital devices will be unlimited and uninterrupted, according to an approach explained by concepts such as web-style work and even web-style life.

As the quality of information changes from analog to digital, physical objects gain a virtual dimension. This affects the institutional structure, relations and also the structure of economic activities.

The meaning of the word virtual means that something is very close to reality or that something is actually. For something to be virtual, it must contain the power and ability of something else. The meaning of interaction and adaptation was then added to the term virtual.

Virtual Market means any place on the Internet where people shop. Nowadays, many institutions have virtual web pages. However, it is also known that there are various problems that require solutions to virtualization.

The knowledge economy is a molecular economy. The old big company structure was broken down and replaced by individual groups and dynamic economic molecules. Instead of the common approach, a molecular approach has begun to prevail at every stage of economic and social life. Consequently, the traditional organizational structure needs to be changed in accordance with the new structure. (Aktan, 2006)

In the knowledge economy, the information worker working in enterprises operates as a business unit by itself. These motivated, self-learning entrepreneurial employees are empowered to use their knowledge and creativity to freely create value through new tools.

The knowledge economy is a network economy. Significant changes have taken place in the business world thanks to the use of digital communication networks instead of analogue lines and the shift from classic hosts to a web-based system. Increasing the bandwidth of communication networks has facilitated access to various multimedia

sources such as data, text, voice, video and led to the formation of some new corporate structures.

New technological networks enable small-scale enterprises to reach the economies of scale and basic resources owned by large-scale enterprises. In addition, as large enterprises divide and become more efficient and work as molecular clusters, they gain flexibility, autonomy and the ability to act quickly.

In the knowledge economy, intermediary institutions between producers and consumers are no longer needed through digital communication networks. Many organizations in the private and public sectors are largely eliminating intermediaries by communicating directly with consumers through networks.

While the automotive sector is the key sector in the industrial economy, the dominant sector in the knowledge economy is the new media sector formed by the merger of computer, communication and entertainment industries, which form the path to prosperity of all other sectors.

The new media sector completely changes people's way of doing business, working, having fun and thinking, their way of life and therefore their supply-demand structure. (Güvenir, 1999:12)

The knowledge economy is an economy shaped on the basis of innovation. Innovation is derived from Latin meaning to do something new and different. Innovation means the renewal of science and technology for economic and social benefit.

Innovation covers all processes of science and technology activity. An idea in the science and technology activity expected from innovation; theory, action, and result in the benefit to be turned into a very important in terms of meaning and benefit to be marketable, with concrete output.

Innovation covers all processes of science and technology activity. Expectation from innovation is an idea in science and technology activity; theory, action, and result in the benefit and the meaning of this benefit in terms of marketable, with a concrete output.

The basic principle of the knowledge economy is expressed as the principle of self-fashion. If a new and successful product has been developed and put on the market, the goal is to find out the more advanced of this product and thus to revise the first product. If you don't age your product yourself, someone else will do it. (Topscott, 2006)

In the knowledge economy, the distance between producers and consumers is gradually decreasing: With mass production replacing mass production according to customer demands, producers have had to produce

special goods and services according to the tastes and preferences of individual consumers.

Due to the increase in information and knowledge-based products and services in the knowledge economy, consumers are not only using information and technology, but also becoming an information and technology producer.(Akin, 2001)

In a digital economy, the emergence of information in an urgent need is an indication that it has become a key factor in economic activity or business success. Today, customers' requests are received electronically, evaluated and met simultaneously, related documents are sent back via electronic media and databases are constantly updated.

The knowledge economy is a global economy. Increasing international communication as a result of globalization, changing economic systems and policies, economic mergers in Europe, Asia and America, etc. the resulting changes bring societies closer together. All these developments lead to the widespread awareness that the world is a single whole.

It is seen that a new political economy has emerged in these days, which brings together problems such as power, autonomy, access to information, capital, quality of business life and the future of the democratic process. (Güvenir, 1999:34)

To date, man has undergone major changes and has been in constant conflict with the old culture. Therefore, it is inevitable that there will be serious conflicts between structures, institutions and organizations. The knowledge economy raises the need to re-discuss the concept of conflicting forces.

## **7. Cases Preparing The Infrastructure of The Knowledge Economy**

While the level of development of a country is measured by the amount of steel and energy it produced in the past, this level is now being measured by the amount of information obtained, processed, transmitted and stored by the possibilities of microchip, telecommunication and computer technologies that constitute information technology. In this new period, rather than physical amounts, information based quantities are predominantly included in the development criteria. (Aktan, 2006)

Instead of the material production of industrial society carried out with classical production factors, a production style based on computers and information technologies has been substituted in the information society. With the transfer of information to production, a flexible production system has been put into use, which uses multi-purpose robots instead of manpower, allowing for more quality, more productive and continuous renewals. Flexible production allows the mill to adapt to market conditions

in a short time, while allowing competitors to overcome market blockages. (Aktan, 2006)

Another factor that prepares the knowledge economy is globalization. Globalization; It refers to the spread of some common values in the economic, political, social and cultural spheres across the local and national borders. (DPT, 1995)

In fact, globalization is a multidimensional development, a process that deeply and multifaceted affects societies. Changes and transformations experienced in economic, political, cultural, social and technological fields are defined as the processes of globalization.(DPT, 2000)

In the economic field, the economic system adopted in both developed and developing countries and the economic policies applied accordingly are gradually converging. With the disintegration of the Soviet Union, it is observed that free market economy practices, which are expressed as liberal economic order in the world, have become widespread.

In international economic relations, instead of the old concept of protectionism, the view of free trade was dominant. It is observed that the liberalization process has accelerated not only in the field of foreign trade but also in the financial and financial fields.

In the political sphere, democracy stands out as a global value. Liberal economic order in the economic field and a political system based on democracy in the political field are accepted all over the world. A new political and economic order called Liberal Democracy is spreading rapidly around the world.

Globalization; computerization, miniaturization, digitalization, satellite communication, fiberoptic technology and the Internet are identified as some unique descriptive technologies. Through these, it is possible to express the descriptive perspective of globalization as integration. (Friedman, 2000)

All of these processes show that the concept of globalization symbolizes social change and that the world, society and daily life are in an expanding, deepening and accelerating process of change. Globalization processes in economic, political and cultural fields both expand and shrink the world.

With the liberalization of world trade and the increasing tendency of integration in financial markets, the mobilization of technology among countries significantly affects the production structures, consumption patterns and connections of national economies with other economies and increases their sensitivity to external conditions. In this respect, while the capacity of the state to direct national production from the center decreases,

the field of activity of private enterprises is expanding and the importance of local productive forces is growing.

In the radical structural change that emerged with globalization, the industrial society is gradually being replaced by the information society, which shows completely structural differences. In the information society based on different paradigms, factory and material production loses the quality of the basic feature of the society, instead of the production of information, where symbolic elements gain importance. Similarly, capital, which plays a strategic role in industrial society, leaves its place to knowledge and raw material and labor, which have an important place among production factors, gradually lose their importance. (ITO, 1997)

As a result, globalization creates expansion, deepening, contraction and acceleration in the temporal and spatial formation of social relations. In this respect, globalization requires change, positive or negative reactions to this change, and therefore innovations at both actors, institutions and mentality levels.

Another factor that prepares the knowledge economy is the development of information and communication technologies. When the history of science is analyzed, it is seen that the need for scientific studies and R & D activities increases continuously as a result of the desire of the societies for innovation and their desire to find different things. Societies that have absorbed scientific thinking and accepted it as a lifestyle; It has achieved significant progress in production, trade, quality of services and increasing the welfare of individuals.

Science and technology policies are defined as policies that direct the social and political developments that directly affect the welfare level of the countries and put forward the conditions of development and change. To achieve this success of technology, all communities make every effort to produce, obtain, use and spread technology. (DPT, 2006)

The dynamic nature of technology change is in the process of innovation and the implementation of these innovations. Technological innovation is the process of finding, developing and launching new products, processes or services to form a new technology. The areas where technological innovations emerge most prominently are; information, communication and transportation sectors.

Scientific discoveries in the field of electronics and their rapid application to industry have led to a worldwide explosion of communication and information. Nowhere in the world is no other, distant and foreign. As a result of the use of highly developed and significant centralized communication tools, the world has gradually entered into a global village.

Today, societies' level of obtaining, owning and using information has become a criterion used to measure the level of international market shares.

## **8. Conclusion**

In today's international competition, the demand for cheap labor and the traditional production of natural resources is diminishing, while new knowledge-based industries are being replaced. Flexible production, flexible automation and robot technologies are replacing traditional production in the markets with cheap, high quality, standard and changing according to market needs.

Since the use of information technology in production activities, the technological life of the products has started to expire before the economic life of the products expires. Therefore, production processes such as R & D, design and preparation for production have to be completed very quickly.

Businesses should adapt to international competition; to bring a new way of thinking to the production process, to produce in the computer environment, computer-aided engineering, design, manufacturing methods should adopt modern methods. Therefore, in the shrinking world economy, competitiveness; It is based on the ability to produce new technologies and rapidly convert these technologies into production.

Improving the ability of technology by transferring technology may be possible up to a certain point. However, even if all other conditions are the same in terms of closing the technology gap, those who transfer technology lose the competition competition from the beginning against technology producers. In such a case; in terms of those who produce and export technology, an absolute competitive advantage is achieved in world markets.

The most important effect of information and communication technologies stems from the generic quality that distinguishes it from other technologies. While the previous technological developments affect only the production of a certain product or sector, these technologies find a wide application area in the economy and provide economic efficiency in a much wider area. (Houghton, 2006)

For example, in the industry, thanks to the introduction of effective and fast-acting control mechanisms, production is increasingly automated and productivity is increased.

This new social order, which is called the concept of consumer society, where people's consumption demands are whipped as much as possible and where at least some of them are realized, constitute another important dimension of the technological revolution.



Another aspect of the current technological transformation brought to human and social life is the process of acculturation.(Şaylan, 1995) Acculturation is defined as the growth of the common area resulting from the intensification of intercultural interaction. A universal culture with effective and centralized communication networks has emerged, at least in terms of consumption and entertainment norms. It is stated that this is not a universal cultural synthesis covering the whole world and societies, but a process of controlled acculturation.

The technological leap in transportation was another development that completed this process. Thus, in addition to the effective process of acculturation, the physical distance between communities and social activities has been significantly reduced.

## REFERENCES

- AKIN, Bahadır, *Yeni Ekonomi, Strateji, Rekabet, Teknoloji Yönetimi*, Konya: Çizgi Kitapevi Yayın No: 39, 2001.
- AKIN, Bahadır. “Rekabetçi Üstünlük ve Teknoloji: Küresel Bir Yaklaşım”, *Verimlilik Dergisi*, Sayı: 4, 1999.
- AKTAN, Coşkun Can “Bilgi Toplumu, Yeni Temel Teknolojiler ve Yeni Ekonomi”, <http://www.canakatan.org/Yeni-Trendler/Yeni-Ekonomi/ozellikler.htm>, 2006.
- ARIKAN, Cemil, *Ulusal İnovasyon Sistemi*, İstanbul: TUSIAD Yayınları, 2003.
- BELEK, İlker, *Post-kapitalist Paradigmalar*, İstanbul: Sorun Yayınları, 1999.
- BOZKURT, Veysel, *Endüstriyel&Post Endüstriyel Dönüşüm*, İstanbul: Ekin Kitabevi Yayınları, 2006.
- BOZKURT, Veysel, *Enformasyon Toplumu ve Türkiye*, Ankara: Sistem Yayıncılık, 1996.
- BLINDER, Alan “The Internet and New Economy”, <http://www.princeton.edu/blinder/articles.htm>, 2007.
- COVEY, Stephen R., *8. Aışkanlık Bütünlüğe Doğru*, İstanbul: Sistem Yayınları, 2005
- ÇOBAN, Hasan, *Bilgi Toplumuna Planlı Geçiş*, İstanbul: İnkılap Kitabevi, 1997.
- DURA, Cihan, *Bilgi Toplumu Bilgi Ekonomisi ve Türkiye*, İstanbul: Literatür Yayınları, 2002.

- DIRK, Pilat -FRANK, Lee “ Productivity Growth in ICT-Producing and ICT Using Industries: A Source Growth Differentials in the OECD” <http://www.oecd.org/dataoecd/55/16/37579843.pdf>, 2007
- DRUCKER, Peter, *Yeni Gerçekler*, Ankara: Türkiye İş Bankası Yayınları, 1992.
- DPT, *Bilgi Toplumu Stratejisi*, Ankara: DPT Yayınları, 2006.
- DPT, *Bilgi ve İletişim Teknolojileri Özel İhtisas Komisyonu, Bilgi Teknolojileri Alt Komisyonu Raporu*, Ankara: DPT Yayınları, 2006.
- DPT, *VIII. Beş Yıllık Kalkınma Planı, Küreselleşme Özel İhtisas Komisyonu Raporu*, Ankara: DPT yayınları, 2000.
- DPT, *9. Kalkınma Planı: Bilgi ve İletişim Teknolojileri ÖİK Raporu*, Ankara: DPT Yayınları, 2006.
- DPT, *BİT'in Türkiye Ekonomisi Üzerindeki Makroekonomik Etkileri*, Ankara: DPT Yayınları, 2006.
- DPT, *eDönüşüm Türkiye Projesi Eylem Planı*, Ankara: DPT Yayınları, 2005.
- DPT “ eTürkiye Raporu”, <http://www.edevlet.net/raporveyayinlar/eTürkiyeRaporu.pdf>, 2006
- EKİN, Nusret, *Bilgi Ekonomisinde Elektronik Ticaret*, İstanbul: İTO yayını, 1998.
- ERAYDIN, Ayda, “Yeni Ekonomi’nin Getirdiği Fırsat ve Riskler, Toplumsal ve Mekansal Açıdan”, Yeni Ekonomi El Kitabı, Ankara: T.C. Merkez Bankası Yayını, 2001.
- ERDOĞAN, Seyfettin, “Makro Ekonomik Etkileri Açısından Yeni Ekonomi”, I.Ulusal Bilgi, Ekonomi ve Yönetim Kongresi, Bildiriler Kitabı, Kocaeli, 2002.
- ERKAN, Hüsni, *Bilgi Toplumu ve Ekonomik Gelişme*, Ankara: Türkiye İş Bankası Kültür Yayınları, 1992.
- European Commission “Turkey 2005 Progress Report”, <http://www.abmankara.org.tr/guncel/2005ilerlemerapEN.pdf>, 2007
- FRIEDMAN, Thomas, L., *Lexus ve Zeytin Ağacı Küreselleşmenin Geleceği*, Çev: Elif Özsayar, İstanbul: Boyner Holding Yayınları, 2000.
- GARTNER REPORT ”Global Telecommunications Market Take “ [http://www.nia.or.kr/open\\_content/board\\_shop/pdf/\\_08\\_01.pdf](http://www.nia.or.kr/open_content/board_shop/pdf/_08_01.pdf), 2006
- GÜVENİR, Ayşenur, “Yeni Ekonomi Maddeyi Tahtından İndirdi”, Türk Henkel Dergisi, İstanbul, Sayı: 173, 1999.

- HOUGHTON, John - SHEEHON, Peter "A Primer on the Knowledge Economy, Centre For Strategic Economic Studies", [www.cfses.com/documents/knowledgeeconprimer.pdf](http://www.cfses.com/documents/knowledgeeconprimer.pdf), 2006.
- IDABC "e-Government Observatory, The Impact of e-Government on Competitiveness, Growth and jobs, 2005", <http://europa.eu.int/idabc/en/document/3851/5671>, 2006.
- IDC "Turkey IT Services, 2006-2010"
- [http://www.idccentraleurope.com/?showproduct=29400&content\\_lang=EN](http://www.idccentraleurope.com/?showproduct=29400&content_lang=EN), 2006.
- ITO, *Küresel Eğitim Çağında Eğitim-Verimlilik ve İstihdam*, İstanbul: ITO Yayınları, 1997.
- İNCELER, Sarıhan H., *Teknoloji Yönetimi*, İstanbul : Desnet Yayınları, 1998.
- KEPENEK, Yakup, "Ekonomik Yönleriyle Elektronik Ticaret", TÜBİTAK Raporu, Ankara: TUBITAK Yayınları, 1999.
- KUMAR, Krishan, *Sanayi Sonrası Toplumdan Post-Modern Topluma Çağdaş Dünyanın Yeni Kuramları*, Ankara: Dost Kitabevi Yayınları, 1990.
- KUTLU, Erol, *Bilgi Toplumunda Kalkınma Stratejileri*, Eskişehir: Anadolu Ü. Ya.No:1209, 2000.
- MANDEL, J. Michael "The New Economy: For Better Or Worse", Business Week, Sayı:10/1999, Issue 3600, 1998, s.42,
- ODYAKMAZ, Necmi, "Bilgi Teknolojileri, Küreselleşme ve Kalkınma", Dış Ticaret Dergisi, Sayı 7/2000, Ankara: DTM Yayını, 2000.
- OECD "The Knowledge-Based Economy", <http://www.oecd.org/dataoecd/51/8/1913021.pdf> , 2007.
- OECD "Communications Outlook, 2005" <http://www.oecd.org/dataoecd/231/8/2345343.pdf> , 2007
- ÖĞÜT, Adem, *Bilgi Çağında Yönetim*, Ankara: Nobel Yayınları, 2001.
- ÖZÇAĞLAYAN, Mehmet, *Yeni İletişim Teknolojileri ve Değişim*, İstanbul: Alfa Basım Dağıtım, 1998.
- POHJOLA, Matti, "The New Economy: Facts, Impacts and Policies", <http://www.wider.unu.edu/publications/other-publications/pohjola-journal-article-2002-1.pdf>. 2007
- PEPPERS AND ROGERS GROUP, *eDTr İcra Kurulu DPT Sunumu* Ankara: DPT Yayınları, 2006.

- PEPPERS AND ROGERS GROUP, *Bilgi Toplumu Stratejisi*, Ankara: DPT Yayınları, 2006.
- SÖYLEMEZ, Alev, *Yeni Ekonomi*, İstanbul: Boyut Kitapları Yayınları, 2001.
- ŞAYLAN, Gencay, *Değişim Küreselleşme ve Devletin Yeni İşlevi*, Ankara: İmge Kitapevi Yayınları, 1995.
- YÜLEK, A. Murat “İçsel Büyüme Teorileri, Gelişmekte Olan Ülkeler ve Kamu Politikaları Üzerine ”, *Hazine Dergisi*, Sayı: 6, Ankara, 1997.
- YÖRÜKOĞLU, Mehmet, BIT’in Türkiye Ekonomisi Üzerindeki Makroekonomik Etkileri, Ankara: DPT Yayınları, 2006.
- TEKİN, Mahmut - GÜLEŞ, Hasan, *Değişen Dünyada Teknoloji Yönetimi*, Konya: Damla Ofset, 2000.
- TAPSCOTT, Don “ The Digital Economy, Promise And Peril İn The Age Of Networked Intelligence ”, [www.ebookmall.com/ebook/109268-ebook.htm](http://www.ebookmall.com/ebook/109268-ebook.htm), 2006.
- TULGA, Şahin “Yeni Ekonomi Makro Ekonomik Dengeleri Nasıl Etkiliyor?”, *Activeline* Sayı:16, <http://www.activefinans.com/activity/hp/finans2001/makro.html>, 2001.
- TUSİAD, *AB Sürecinde Türkiye’de Bilişim ve Telekomünikasyon Teknolojileri Sektörü Üzerine Görüş ve Öneriler*, İstanbul: TUSİAD Yayınları, 2006.
- TUBİTAK, *Avrupa Birliği Yedinci Çerçeve Programı (2007-2013)*, Ankara: TUBİTAK Yayını, 2006.
- World Economic Forum “Global Competitiveness Report 2006” , [www.weforum.org/en/initiatives/Global\\_Competitiveness\\_Report/index.htm](http://www.weforum.org/en/initiatives/Global_Competitiveness_Report/index.htm) 2007.
- World Economic Forum “Technology Report 2006” [www.weforum.org/en/initiatives/gcp/Global\\_Information\\_Technology\\_Report/index.htm](http://www.weforum.org/en/initiatives/gcp/Global_Information_Technology_Report/index.htm), 2007.

- **THEOLOGY**

# EXEGESIS STUDIES IN THE PERIOD THE GHAZNAVIDS STATE: SOME GHAZNAVID EXEGETES AND THEIR BOOKS OF TAFSİR\*

Ferihan ÖZMEN\*\*

## INTRODUCTION

The Ghaznavids, a Muslim-Turkish dynasty who ruled between the years of 963 and 1186 in Khorasan, Afghanistan and North India, made a significant contribution to the development of Turkish-Islamic culture and civilization, despite the fact that they rule lasted only two centuries. In particular, during the reign of Sultān Maḥmūd (388-422/988-1030) and his son Sultān Mas‘ūd (422-432/1030-1040), the Ghaznavids experienced their most brilliant period in terms of politics, culture and civilization. The Ghaznavid Sultans made it a state policy to attract scholars, writers and poets to the capital Ghazna, and gather them around the capital and show them respect (al-‘Imādī, nd.: 243). This understanding reached its peak during the reign of Sultān Maḥmūd, who made his mark as a devout, patriotic and wise ruler. While Sultān Maḥmūd, who provided Turkish domination in India, tried to expand his territory with conquests, he also tried to engage in scientific and literary activities in the conquered lands; and paved the way for the construction of large palaces, mosques, tombs and waterways in the framework of development and training activities. Sultān Maḥmūd established a great *madrasah* in Ghazna and gathered local and foreign scholars, poets and writers around himself (al-Fārisī, 1982: 681; Bosworth, 1973: 131-134, 164-186). This understanding was maintained by the rulers after him. The Nishābūr city and Ghazna, has become an important center of knowledge in the centuries between 5<sup>th</sup> and 6<sup>th</sup>. Many scholars have been educated in these cities both in religious and other sciences.

This study will draw attention to the exegesis movements during the Ghaznavids period, examining some exegetes and their works which emerged during this period, and their contribution to the exegesis will be traced.

## 1. Scientific Activities of Ghaznavid State Men

As a result of Ghaznavid Sultans encouraging all kinds of scientific, cultural and artistic activities in their country, the Ghazna palace has

---

\* This paper is the final version of an earlier announcement called “Gaznelilerde Tefsir Faaliyetleri: Gazneli Bazı Müfessirler ve Eserleri” not previously printed, but orally presented at a symposium called “1ST INTERNATIONAL CONGRESS ON SOCIAL SCIENCES-USOS 2017” the content of which has now been developed partially.

\*\* Dr., Çanakkale Onsekiz Mart University Faculty of Theology, e-mail: ferihanozmen@hotmail.com

become a center where scholars, poets, professors, preachers and minstrels gathered. Even the Sultans and statesmen themselves were interested in religious sciences such as language, history, literature, exegesis, Islamic law, hadith and kalam; and have been involved in fine arts such as calligraphy, painting, music and poetry (al-‘Imādī, nd.: 243-244); For example, Sultān Maḥmūd knew Arabic and Persian quite well (Bosworth, 1973: 129), and he was interested in Islamic sciences such as exegesis, Islamic law, hadith method and kalam; and he authored and wrote poems in the subjects of Islamic law and hadith. A book named *al-Tafrīd* concerning Ḥanafī fiqh (Islamic law) is also transmitted in the sources as being authored by him (al-Qurashī, 1993: III, 438-439, Nāzım, 2007: 219-221). Sultān Maḥmūd, who is known to be Sunni and Ḥanafī (Ibn Khallikān, 1978: V, 176; Nāzım, 2007: 220) is also known to have held debates between Al-Shāfi‘ī and Ḥanafī scribes and listen such debates very carefully, and even though he did not allow esoterism, he was known to have been tolerant of al-Karrāmīyah sect of Islam and protected Karrāmī leaders during the first parts of his reign (Ibn Khallikān, 1978: V, 176; Bosworth, 1973: 185-188). Ibn Fūrak ve Abū Ishāq al-Isferāyīnī who were two important figures of the time were known to have joined one of the many debates he held in Ghazna, between the Karrāmī and Ash‘arī scholars. (al-Dhahabī, 1985: XVII, 215; Bosworth, 1973: 187).

The son of Sultān Maḥmūd, Sultān Mas‘ūd had such a vast knowledge of literature even when he was just fourteen years old, he could teach other children the poems of al-Mutanabbī and Imru’ al-Qays (al-Bayhaqī, 1982, 116; Bosworth, 1973: 129). Mas‘ūd, who was able to speak and understand Arabic very well and who also learned Persian language and could write it beautifully, known to have written some of his official correspondences himself (Bosworth, 1973: 130). Maḥmūd’s other son, Sultān Muḥammad was also proficient in Arabic that he used to recite Arabic poems (Maulana Minhāj al-Dīn, 1970: I, 88). Abū al-Qāsim Muḥammad Ibn al-Fazl, son of the vizier Abū al-‘Abbās of Sultān Maḥmūd was a successful writer in the field of prose and poetry in Arabic. The eulogies and odes that his father recited for medh were conveyed by ‘Utbī, the historian of the period (al-‘Utbī, 2004: 357).

It is described in detail in the sources of the period that the Ghaznavid statesmen were interested in science and literature and engaged personally in poetry, held meetings in which literary dialogues were held, the participants of such assemblies mutually shared poems with each other (al-Bayhaqī, 1982: 302-306, 652-653). In the same way, historians have claimed that the early Ghaznavid Sultans have shown great interest in poets and scholars, and especially Sultān Maḥmūd’s guardianship of poets and scholars, and it was also emphasized that his successors could never maintain that level of guardianship (al-Bayhaqī, 1982: 137-138). The

legendary historian of the time, Bayhaqī tells of the generosity of Sultān Mas‘ūd and his successors to scholars and poets, by specifying the amount of gratuities they have given them. For instance, it was said that in just one night, Sultān Mas‘ūd donated as much dirhams as an elephant can carry to the poet ‘Alawī Zaynabī, who holds a special place in his palace (al-Bayhaqī, 1982: 137). Again on the occasion of the Ramadan of 421/1031, The Sultān donated the same poet fifty thousand dirhams which could only be carried to her house with an elephant (al-Bayhaqī, 1982: 302; Nuhoglu, 1995: 363).

Ghazna became an important scientific and cultural center of its time as many scholars, writers and poets flocked to the city due to high interest of Ghazna Sultans in poets and scholars, especially Sultān Maḥmūd, who provided protection for poets and scholars. Writers and poets such as Firdawsī (d.416/1025), Farrukhī Sīstānī (d.430/1038), Manūchihrī (d.432/1037) and Abū al-Faṭḥ al-Bustī, ‘Utbī (d.428/1037), historians such as Ibn Ḥassūl (d.450/1058) and Bayhaqī, and scholars such as Bīrūnī who were brought to Ghazna by the invasion of Khwarezm are some of them (Nāẓim, 2007: 219; Bosworth, 1973: 133) Abū al-Barakāt ‘Alī Ibn Ḥusayn Ibn ‘Alī Ibn Ja‘far Ibn Muḥammad al-‘Alawī, the Herat Qāḍī Abū al-Qāsim ‘Alī Ibn Ḥusayn al-Dāwūdī and vizier Abū Mansur Aḥmad Ibn ‘Abd al-Ṣamad as-Shīrāzī were also some other important scholars of the Ghaznavids period (‘Utbī, 2004: 272-276). When Karrāmī Abū Bakr Muḥammad Ibn Ishāq Ibn Mahmashād who was assigned to be the chieftain of Nīsābūr while he was the ruler of Karrāmīyah was also a prominent scholar in the Ghaznavids period (‘Utbī, 2004: 393 and Bosworth, 1973: 186-189). Again, the well-known hadith teacher of Nīsābūr, Qāḍī Abū Amr Muḥammad Ibn al-Ḥusayn al-Bistāmī who was very fluent in rhetoric, was one of the scholars serving the Sultān (al-‘Utbī, 2004: 380). Abū al-Ḥasan al-Aksāsī was among the pilgrimage cortege sent to Mekka by Sultān Maḥmūd in 1022 (Ibn al-Athīr, 1979: IX, 325). Abū Naṣr Aḥmad ibn ‘Alī Ibn Ismā‘īl al-Mīkālī (d.406/1015), a well-known writer and poet who was raised by Sultān Maḥmūd himself has authored a work named *al-Sihr al-ḥalāl wa al-‘azb al-zalāl* which is about elocution, consultation and soft speech (‘Utbī, 2004: 259; Ibn al-Ghazzī, 1969: VII, 203). Abū al-Maālī ‘Abd al-Rab Ibn Maṣṣūr al-Ghaznavī (d.500/1106) who acted as chancellor of Bukhara under service of Sultān Maḥmūd, who also gave lectures and fatwas, and who was a commentator of the famous work regarding the Ḥanafī fiqh (Islamic law) authored by al-Qudūrī (d.428/1031) was one of the leading scholars of Ghaznavid period (al-Fārisī, 1982: 435, al-Qurashī, 1993; al-Dhahabī, 1985: XVII, 660; al-Ziriklī, 1992: IV, 79).

Ghaznavid Sultān Mas‘ūd also showed close interest to scholars and poets just like his father, and used to reward them on occasion. As a matter



of fact, some of the works authored by the philosopher, mathematician and historian Bīrūnī were dedicated to Sulṭān Mas‘ūd and his son Mawdūd (Ibn al-Athīr, 1979: IX, 350). Another author who dedicated his works to Sulṭān Mas‘ūd was the Ḥanafī Scribe Qādī Abū Muḥammad ‘Abd Allāh Ibn al-Ḥusayn al-Nāṣihī al-Naysābūrī (d.447/1055). Nāṣihī, who acted as Bukhara Chancellor under Sulṭān Muḥmūd's service and also gave lectures and fatvas, dedicated his work of *Mas‘ūdī fī furū al-Ḥanafīyah* to Sulṭān Mas‘ūd. (al-Fārisī, 1982: 435; al-Dhahabī, 1985: XVII, 660; Kātib Chalabī, 1941: II, 1676).

## 2. Educational Institutions of Ghaznavids

During the reign of Ghaznavids, education was given great importance, so madrasahs were built in cities such as Ghazna, Balkh and Nīsābūr. In this period, some of the madrasahs founded by the individuals which emerged with a local appearance, despite the fact of being unofficial, they somehow taught mathematics, astronomy, physics and medical sciences besides the religious sciences (Palabıyık, 2001: 59). During the Ghaznavids period, the official madrasahs which provided the most magnificent education services were established for the first time in the time of Sulṭān Maḥmūd. al-Saīdiyah, one of the four renowned madrasahs in Nīsābūr between the end of the 10<sup>th</sup> and the beginning of the 11<sup>th</sup> centuries, was established by the brother of Ghaznavid Sulṭān Maḥmūd, Amir Naṣr Ibn Sabuktakīn who was acting as the governor of Nīsābūr (Nuhoglu, 1985: 367; Ozgudenli, 2007, XXXIII, 150). Any cost of the madrasahs was covered by individuals or foundations. For example, Amir Naṣr Ibn Sabuktakīn was mentioned in the sources to have invested huge amounts of money for the construction of the Madrasah al-Saīdiyah in Nīsābūr, and had received education in this madrasah himself and also established foundations for the students studying there (al-‘Utbī, 2004: 436-437; al-Fārisī, 1982: 707; Bosworth, 1973: 175). Likewise, it is known that Sulṭān Maḥmūd has built a large madrasah and a library belonging to it beside the famous Ghazna Mosque, and by establishing foundations in order to meet the expenses of the lecturers and students in the madrasah, he was known to have been very generous that he had provided monthly and annual grants for the residents. It is also understood that during the reign of Sulṭān Mas‘ūd, there were twenty-odd madrasahs in Huttal [Huttalān] with their foundations and that these were supported by the Sulṭān (‘Utbī, 2004: 417-418; al-Bayhaqī, 1982: 227).

As Ghaznavid Sultans gave importance to the establishment of madrasahs and libraries, they were also interested in the educational activities being held in there. Sulṭān Maḥmūd and his son, Sulṭān Mas‘ūd, were closely interested in the "Ṭabbānī" family, who were involved in science and raise many scholars from within their family line, and by giving various assignments (especially in the field of education) and

monthly payments to Abū Ṣādiq al-Ṭabbānī, Abū Ṣāliḥ al-Ṭabbānī, Abū Bishrr al-Ṭabbānī and Abū Ṭāhir al-Ṭabbānī, whom were all accepted as the Imāms of their time in terms of religious knowledge (al-Bayhaqī, 1982: 212-216, 220-228; Bosworth, 1973: 174-178). Bayhaqī reported that while Maḥmūd was still the governor of the Sāmānīs in Nīsābūr, he sent the scribe Abū Ṣāliḥ al- al-Ṭabbānī, who was the uncle of the mother to Abū Ṣādiq al-Ṭabbānī, to Ghazna as an Imām for the Ḥanafī denomination in 385/995. Abū Ṣāliḥ had been busy with lecturing in the " Bāb Bostān Madrasah". He was highly respected Sulṭān Maḥmūd, and when he died at 400/1009, Sulṭān Maḥmūd sent his vizier Abū al-‘Abbās (Faḍl Ibn Aḥmad) al- Isfarāyīnī to the madrasah of Abu Ṣāliḥ to carry out his funeral (al-Bayhaqī, 1982: 213-214). Again, the process in which "Ḥasanak", another vizier of Maḥmūd planning to build a magnificent madrasah in Nīshābūr and his assignment of Imām Abū Ṣādiq al-Ṭabbānī as a lecturer in this madrasah was conveyed in detail by Bayhaqī (al-Bayhaqī, 1982: 225-227).

Ghaznavid Sultans also gave great importance to the education of their children and their learning of the Qur’an. According to the information provided by Bayhaqī, Sulṭān Maḥmūd provided his sons Sulṭān Mas‘ūd and Muḥammad and his younger brother Yūsuf to take lessons from a woman who knew the Qur’an and also knew exegesis and life of the prophet as well (al-Bayhaqī, 1982: 115-116). In addition, Sulṭān Muḥmūd also assigned Qāḍī Abū al-‘Ala Saād Ibn Muḥammad Ibn Aḥmad al-Ustuvāī (d.432/1040) who was famous for his good looks at the time and was famously known as "the full moon of Nīshābūr), as a tutorer and teacher for his sons Mas‘ūd and Muḥammad (al-Bayhaqī, 1982: 213; Bosworth, 1973: 175-176; al-‘Imādī, nd.: 175-178).

### **3. Exegetes Grown in the Ghaznavid Period**

Here are some of the exegetes who lived in the Ghaznavid period and were referred to by the "Ghaznavī" suffixes in their names: Ash'arī kalam Abū Bakr Muḥammad Ibn al-Ḥasan Ibn Fūrak al-Iṣfahānī al-Nīshābūrī (d.406/1015) (Ibn Khallikān, 1978: IV, 272), Abū Ismā‘īl ‘Abd Allāh Ibn Muḥammad Ibn ‘Ali Ibn Muḥammad Ibn Aḥmad Ibn ‘Ali Ibn Ja‘far Ibn Maṣṣūr al-Ṣūfī al-Ansārī al-Harawī who is known as Harawī, who was a scholar of mysticism, exegesis, kalam, hadith, Islamic law and history. Muḥammad Ibn ‘Ali Ibn Muḥammad Ibn Aḥmad Ibn ‘Ali Ibn Ja‘far Ibn Maṣṣūr al-Ṣūfī al-Ansārī al-Harawī (d.481/1089) (al-Dāwūdī, 1972: I, 249; al-Suyūṭī, 1976: 57), Ḥanafī scribe and exegetist Abū al-Faṭḥ ‘Abd al-Ṣamad Ibn Maḥmūd Ibn Yunus al-Ghaznavī (d.after 487/1094) (al-Qurashī, 1993: I, 285, Kātib Chalabī, 1941: I, 453, al-Baghdādī, 1955: I, 574), exegetist Abū Bakr Aḥmad Ibn Ismā‘īl Ibn Isa al-Ghaznavī (d.520/1120) (al-Dāwūdī, 1972: I, 31; al-Suyūṭī, 1976: 34-35), Hanafī fakīhi, exegetist and preacher ‘Ali Ibn al-Ḥusayn Ibn ‘Abd Allāh Ibn Muḥammad al-Ghaznavī (d.551/1105) (al-Dāwūdī, 1972: I, 398), scholar

of exegesis and recitation, Abū ‘Abd Allāh (Abū Ja‘far) Muḥammad Ibn Ṭayfūr al-Sajāwandī al-Ghaznavī (d.560/1165) (al-Dāwūdī, 1972: II, 154-156) and the Ḥanafī scribe and the exegetist Naṣr al-Dīn ‘Alī Ibn Ibrāhīm Ibn Ismā‘īl al-Ghaznavī (d.582/1186) (al-Ziriklī, 1992: III, 249, al-Kahhāle, nd.: VII, 4)

Let's take a closer look at the exegesis of some of the above mentioned exegetes, ‘Abd al-Ṣamad al-Ghaznavī, Ibn Fūrak and Muḥammad Ibn Ṭayfūr al-Sajāwandī in order to understand the exegesis movement of the Ghaznavid period:

### 3.1. Ibn Fūrak and His Exegesis

Abū Bekr Muḥammad Ibn al-Ḥasan Ibn Fūrak al-Iṣfahānī al-Nīshābūrī (d.406/1015) who became famous as Ibn Fūrak and who systemized the views of Abū al-Ḥasan al-Ash‘arī, is a versatile al-Ash‘arī scholar has given works in the fields of kalam, Islamic law, methods of Islamic law, mysticism, exegesis, biography and syntax (Ibn Khallikān, 1978: IV, 272; al-Dhahabī, 1985: XVII, 215). However he was mostly known for his ideas about exegesis, mysticism and kalam. It is estimated that Ibn Fūrak was born in Isfahan around 330/941. He lived his life in a highly turbulent political period. He started his education in Isfahan; and got lectures from some of the famous scholars of the period such as Abū al-Sahl al-Ṣa‘luqī (d.290/933), Abū al-Ḥasan al-Bāhilī who was a student of Ash‘arī and ‘Abd Allāh Ibn Ja‘far Ibn Fāris al-Iṣfahānī. He also engaged in negotiations with Bākīllānī and Abū Ishāq al-Isferāyīnī with regard to theological issues. The well-known mystic ‘Abd al-Karīm al-Qushayrī (d.465/1072), Aḥmad Ibn Ḥusayn al-Bayhaqī (d.458/1066) are some of the scholars he raised (Ibn al-Salah, 1992: I, 136-137; al-Dhahabī, 1985: XVII, 214-215; Ibn Khallikān, 1978: IV, 272; al-Ziriklī, 1992: VI, 83-84).

Ibn Fūrak went to Ghazna upon the invitation of Ghaznavid Sulṭān Maḥmūd in 404/1013 to join them in their political debates due to him being against al-Karrāmīyah. On the way back to Nīshābūr however, he was poisoned and killed by a person belonging to the Karrāmīyyah, and his deceased body was transported to Nīshābūr (al-Dhahabī, 1985: VI, 83).

*al-Hudūd fī al-uṣūl* (al-Ziriklī, 1992: VI, 83), which explains around 130 kalams and Islamic law terminology, *Mujarrad maqālāt al-Shaykh Abī al-Ḥasan al-Ash‘arī* (Daniel Gimaret, Bayrūt 1986) which is a collection of his ideas that was compiled from around 30 of al-Ash‘arī, *al-Ibānah* which includes the explanations of mystic terms like repentance, ascetic, belief, praise, oneness, affection, in accordance with the first mystics (Topkapı Palace Museum Library, Khizānah, nr. 308), *Mushkil al-ḥadīth wa-bayānuh* which includes the explanations of the *khabarī* names of God (publ. ‘Abd al-Mu‘ṭī Amīn Qal‘ajī, Aleppo 1402/1982; Mūsā Muḥammad ‘Alī, Bayrūt 1983).

### 3.1.1. Ibn Fūrak and His Interpretation of the Qur'an

It is also possible to get an idea of his exegetism from the work titled *Tafsīr al-Qur'ān* whose only one volume could reach our timeline. A copy of this interpretation which includes 230 leaves covering the exegesis of the surahs from the Sūrah al-Ghāfir to Sūrah al-Nās, can be found in the Millet Library (Millet library, Feyzullah Efendi, nr. 50). *Tafsīr al-Qur'ān* is also known as *Ma'ānī al-Qur'ān* (Ibn Khallikān, 1978: IV, 272). An academic study has been carried out on the writings of exegesis of Ibn Fūrak in Umm al-Qurá University of Saudi Arabia. The work was verified here by 'Abd al-Qādir Bindawshī, Ātuf Ibn Kāmil Ibn Šālīh, Muhsin Ibn Avid Ibn Aydede and Suhaymah Bint Muḥammad Saīd. (Jāmiyah Umm al-Qurá, 2009). However, there was no information about the publication of the work.

### 3.1.2. Exegesis Method of Ibn Fūrak

The remarkable aspect of the exegesis of Ibn Fūrak's is that they were written in a style of "questions and answers. The exegetist has grouped the verses in approximately 10 verse groups; and asked questions about them under the title of "Issue" and answered these questions in interpretation; he explained the meanings of some words in these verses, the reasons for the revelation of some of the verses and so on. The starting and ending points of the answers to the "issues" are marked. The question-and-answer method in exegesis is a method applied by other exegetes at the time (Arslan, 2013: 25-51). However, the exegesis of Ibn Fūrak is different from others in that it constitutes questions and answers from the beginning to the end. For example, Ibn Fūrak asks the meanings of the words **عَصَا**, **الْإِقْدَاء** and **الْاهْتِزَاز** in the 46<sup>th</sup> verse of Sūrah al-Qaṣaṣ. Then he explains that **الْإِقْدَاء** means "pulling something down", **عَصَا** means "a wooden stick" and **الْاهْتِزَاز** means "a violent shaking movement" (Ibn Fūrak, nd.: 45a). Or he asks the meanings of the words **السَّرْد** and **سَابِغ** which are in the 12<sup>th</sup> verse of the Sūrah Saba'. Then he explains that the word **سَابِغ** means "a perfectly fit dress" and explains that it is used as in a "shield/armor" in this verse and, **السَّرْد** means "the neck part of the armor" (Ibn Fūrak, nd.:74b). Sometimes he asks about the differences between the use of words and gives answers to them. He asks about the difference in meaning of the word **قَوَامًا** in the 67<sup>th</sup> verse of Sūrah al-Furqān and the word **قِيَامًا** in the 64<sup>th</sup> verse. His answer is that **قِيَامًا** means "righteousness", and **قَوَامًا** means "being just" (Ibn Fūrak, nd.: 21b). He also explains the reasons for the revelation of the verses suwar Saba' wa-al-Humazah wa-al-Kāfirūn wa Masad again in a question-answer form (Ibn Fūrak, nd.: 222b, 224b, 226b).

Ibn Fūrak, in his exegesis, explains on almost all occasions the etymology and meanings of the words in the verses, in terms of grammar and syntax. While doing this, he also conveys the views of the Arabic

language experts. He for example mentions that in the 93<sup>rd</sup> verse of the Sūrah al-Şaffāt, the word *يَمِين* means “force” according to Farrā (Ibn Fūrak, nd.: 89a). He also mentions that the word *يردا* which is in the 24<sup>th</sup> verse of the Sūrah al-Naba' is meant “sleep” according to Abū ‘Ubaydah (Ibn Fūrak, nd.: 201b).

Ibn Fūrak also made the explanation of some words in terms of ‘I‘rab (Ibn Fūrak, nd.: 92b, 188a); He explained some of words in Qur’an in the aspects of metaphor, inference, representation and so on and also referred to the Qur’an’s rhetoric. (for examples, please see. Ibn Fūrak, nd.: 20b, 32a, 58a, 197a). He also provided explanations about recitation disputes; and mentioned the names of Imāms who were also reciters at the time (Ibn Fūrak, nd.: 2a). For example, he mentions the difference in spelling of the word *أَكَلَ خَط* in the 16<sup>th</sup> verse of Sūrah Saba’ (Ibn Fūrak, nd.: 75b). He also explained how recitation differences affect the meaning of the verse. As an example, he provides the different ways the word *يَخْصِمُونَ* can be spelled which is in the 49<sup>th</sup> verse of Sūrah Yāsīn, by also mentioning the reciting Imāms and he mentions that in the case the letter *ha* is silent and *sad* is pronounced in the word *يَخْصِمُونَ*, he mentions that the meaning becomes “inner conflict” however, when *ha* is pronounced and *sad* is doubled and made silent, which causes the word to be read like *يَخْصِمُونَ*, he mentions that the meaning becomes “arguing with others” (Ibn Fūrak, nd.:83a).

Ibn Fūrak also includes the narrations of the reasons why particular revelations are made, though not very often, in his exegesis. For example, he claims that the revelation in the verse 40 of the Sūrah al-Aḥzāb is for Zayd Ibn Ḥārisah, and Sūrah al-Takāthur is all about Sahm and Abnā’ ‘Abd Manāf (Ibn Fūrak nd.: 67a; 222a).

Ibn Fūrak, though rarely, also wrote about the claim of abrogation in certain parts of the Qur’an. He for example conveys the rumors claiming that the 3<sup>rd</sup> verse of the Sūrah al-Nūr was abrogated with the 32<sup>nd</sup> verse of the same Sūrah (Ibn Fūrak, nd.: 8a). Similarly, he mentions that the 23<sup>rd</sup> verse of Sūrah al-Ghāshiyah was abrogated with the commandment of the holy war (Ibn Fūrak, nd.: 213a).

Ibn Fūrak also explains the verses he sees as conflicting with each other (Ibn Fūrak, nd.: 27a, 71b). For example, he explains the purported conflict between the verse "This is the day they will not speak." (al-Mursalāt 77/35) and "Our God! You killed us twice and you revived us twice..." (Ghāfir 40/11). According to him, on the Day of Resurrection, some people will not be able to speak in fear of certain things they see, while others will be able to speak (Ibn Fūrak, nd.: 200a).

Ibn Fūrak, as a scholar of kalam, includes in his exegesis, in almost all occasions, issues on kalam. He gives meaning to the habari names of God Almighty. For example, in the 79<sup>th</sup> verse of the Sūrah al-Dahr, he explains

that the expression "the road that leads to God" should be understood as "the acts which will please the God himself" (Ibn Fūrak, nd.: 192a). He refers to the expression of seeing as in "they see their God" in verse 23 of the Sūrah al-Qiyāmah in its actual meaning, and claims that the word نظر in this verse means "seeing" (Ibn Fūrak, nd.: 196a). He also invokes the 44th verse of Sūrah al-Aḥzāb as a proof that God will be visible to the Muslims in the afterlife (Ibn Fūrak, nd.: 71a). He explains the expression in the 9th verse of Sūrah al-Furqān which is "They are astray, they can not find their way." as follows: "They no longer have the strength to enter the path of righteousness because they went astray from the way of God and are so accustomed to the way of jahiliyyah, it is too late for them. However, they were obliged to accept him also. Here, there is evidence that it is permissible to propose a responsibility which can not be afforded" (Ibn Fūrak, nd.: 16b).

The view of Ibn Fūrak on the discussion of "Qur'anic createdness" is in line with the followers of sunnah. In this regard, Ibn Fūrak advocates the view that the Qur'an is not created. He claims that the verse 27 of Sūrah Luqmān is an evidence that the Qur'an is not created (Ibn Fūrak, nd.: 64a).

Sometimes he also delves into sectarian discussions. Ibn Fūrak, a prominent advocate of the views of Ash'arī in his own faith, criticizes Mu'tazilah from time to time. For example, in the exegesis of verse 3 of Sūrah Fāṭir, he asks what kind of rAbuttal is there for the Sect of Mu'tazilah, and expresses that there are answers to the Sect of Mu'tazilah, who accepts another creator than the God himself in this verse (Ibn Fūrak, nd.: 77b). He asserts that verse 9 of Sūrah Yāsīn points to the mistake of the views of Mu'tazilah on the creation of elephants. To him, if the elephants were really created by humans, the word سد would make no sense (Ibn Fūrak, nd.: 81a). He claims that the 45<sup>th</sup> verse of Sūrah al-Zumar is a rAbuttal for the Mu'tazilah who claims that God should be understood through common sense (Ibn Fūrak, nd.: 100b).

### 3.1.3. The Sources of the Exegesis of Ibn Fūrak and Their Effects

The main sources of the exegesis of Ibn Fūrak are Farrā's *Ma'āni al-Qur'an*, Abū 'Ubaydah's *Majāz al-Qur'an*, Ibn Qutaybah's *Tafsīr Gharīb al-Qur'an*, Ṭabarī's *Jāmi' al-bayān* and Zajjāj's *Ma'āni al-Qur'an* (Bodur, 2014: 138). The exegetes that succeed him like Qurṭubī, Tha'ālibī and Tha'labī have all mentioned the exegesis of Ibn Fūrak in their works (al-Tha'labī, 2002, V, 219; Ibn 'Aṭīyah al-Andalusī, 1993, II, 118, 196, 450; IV, 584; Fakhr al-Dīn al-Rāzī, 2000, XXXI, 56; al-Qurṭubī, 2003, XVII, 165; al-Tha'ālibī, 1997, I, 197). The referrals prove that the exegesis of Ibn Fūrak have been effective in the later periods after his death

### 3.2. ‘Abd al-Şamad al-Ghaznavī and His Exegesis<sup>2</sup>

Abū al-Faṭḥ ‘Abd al-Şamad Ibn Maḥmūd Ibn Yūnus al-Ghaznavī is another exegetist and Ḥanafī scribe who lived during the Ghaznavid period (al-Qurashī, 1993: I, 285). His work on the Qur’anic exegesis, which he had authored in hijrī 487 (Gregorian 1094), has survived to our day (Ozmen, 2012/1: 139-161). There is no information in the sources about his family, life, and the city in which he lived in, apart from the limited information such as his exegesis and the name of his son. However, Ghaznavī himself, at the end of his exegesis, provides some information about his scientific personality and his family in this regard. According to this, Ghaznavī tells that he received some of his exegesis resources in the hijrī year of 437 (Gregorian 1045) from his uncle Qāḍī al-quḍāt Abū Sulaymān Dāwūd and his father Qāḍī al-quḍāt Abū al-Qāsim Maḥmūd (al-Ghaznavī, 1094: 648 a-b). Abū al-Faḍl Muḥammad al-Bayhaqī who is a famous historian of the Ghaznavid period and who has been assigned in various state posts for a long time in the palace of Ghaznavids (470/1077), has written that Qāḍī al-Quḍāt Abū Sulaymān Dāwūd and his brother Maḥmūd are among the most distinguished scholars of the period, who were raised in the "Bāb Bostān Madrasah" which Sulṭān Maḥmūd built in Ghazna (al-Bayhaqī, 1982: 213). The fact that his father and uncle had grown up in Ghazna with the "Ghaznavī" suffix in their names can be considered a sign of ‘Abd al-Şamad al-Ghaznavī also living here. Apart from this information he has given about Ghaznavī family, the sources mention that he had a son named "Yahyá" who was also a qāḍī just like himself (al-Qurashī, 1993: III, 430). It is understood that Ghaznavī maintained his life in a family with people who carry out state affairs and who are engaged in science.

Ghaznavī mentions the sources of his exegesis at the end of his works and also mentions the teachers he has learned from (see al-Ghaznavī, 1094: 648a). Accordingly, in hijrī year 436 (1044-45), his teacher was Abū Naşr Muḥammad Ibn Aḥmad Ibn Muḥammad Ibn Shabīb al-Kāghidī. His other teachers are as follows: Abū Ja‘far Aḥmad Ibn Muḥammad Ibn Ṭalḥah al-Nāshibānī, Abū Ja‘far Muḥammad Ibn al-Makkī Ibn al-Ḥusayn al-Ḥayyūnī (after 448 [1057]), Qāḍī al-quḍāt Abū Sulaymān Dāwūd Ibn Yūnus Ibn Muḥammad (after 437/1045), Qāḍī al-quḍāt Abū al-Qāsim Maḥmūd Ibn Yūnus Ibn Muḥammad.

When the exegesis of ‘Abd al-Şamad al-Ghaznavī is examined, it is understood that Ghaznavī adopts the sect of al-Māturīdīyah in his belief. As a matter of fact, in his interpretation of the 165th verse of the Sūrah al-

---

<sup>2</sup> This section on ‘Abd al-Şamad al-Ghaznavī has been prepared by making use of the author's unpublished doctoral dissertation titled "*Abdüssamed el-Gaznevî ve "Tefsîru'l-Kur'âni'l-Azîm"i*"

Nisā, Ghaznavī claims that if God had never sent any prophets but just gave all his creations the intellect to recognize God himself, this would be enough, however, he sent prophets anyway as a grace and extra evidence, in order to explain the shariah that can not be understood through common sense (al-Ghaznavī, 1094: 171a). From these expressions, it is understood that he adopts al-Māturīdī opinion of Islam. Ghaznavī mentions the 31st verse of Sūrah al-Baqarah, about the concept of "unbearable obligation [*taḳlīf mā lā yuṭāq*]" and claims that this is not an offer, on the contrary, this verse informs that the angels who do not know the inner workings of what they have witnessed will be incapable of knowing what is in the unseen world (al-Ghaznavī, 1094: 15b). It is understood from these interpretations of Ghaznavī that he adopted the Māturīdī idea of the "unbearable obligation" concept.

The "Ḥanafī" appendix in the name of Ghaznavī (Kātib Chalabī, 1941: I, 453; al-Baghdādī, 1955: I, 574) shows that he is a representative of the Ḥanafī way of Islamic law. In addition, when his interpretations of the judgement verses in his exegesis are examined, it is clear that he was a Ḥanafī scribe. Because regarding fiqh affairs, Ghaznavī embraced and conveyed mostly the opinions of Abū Ḥanīfah and his students Imām Muḥammad and Imām Abū Yūsuf. For example, while conveying the conflicting opinions of fiqh scholars about the nature and minimum amount of grace, he quotes the Ḥanafī opinion as "his friends' opinion" (al-Ghaznavī, 1094: 143b). This clearly shows that he himself adopted the Ḥanafī sect. Similarly, he claims that it is not an option, but an obligation to shorten the prayers while on the road, because the word used for "shortening" in the verse implies a necessity (al-Ghaznavī, 1094: 160b) and also, his opinions about the amount of ransom that should be handed out by those who are not able to fast in Ramadan (cf. al-Ghaznavī, 1094: 57b-58a) point to the fact that he himself adopted the views of the Ḥanafī sect.

### **3.2.1. The General Features of the Exegesis of ‘Abd al-Ṣamad al-Ghaznavī**

The name of the exegesis of Ghaznavī which had survived to our day as manuscript (*makhṭūṭah*) is mentioned in the resources as *Tafsīr al-fuqahāh wa tekdhīb al-sufahāh* (al-Qurashī, 1993: III, 430, Kātib Chalabī, 1941: I, 462). As far as it can be ascertained, there are three different manuscripts of the work in the Turkish libraries. In addition to these, the third volume of a copy of three volumes can be found in Morocco (Khizānah al-Qarawiyyīn, nr. 49). At the end of the first and second volumes of the Mihrishah copy, the scribe mentions in his notes that the name of the work is *Tafsīr al-Qur’ān al-‘aẓīm* (al-Ghaznavī, 1094: 257b, 446a). Ghaznavī's book of exegesis is in Arabic. Critical studies on the work is still continuing, and the work is not yet published (also see Ozmen, 2010: 1-510).



### 3.2.2. The Content and Method of the Exegesis of ‘Abd al-Šamad al-Ghaznavī

The exegesis of Ghaznavī, which we will mention under the title of *Tafsīr al- Qur’ān al- ‘aẓīm*, is predominantly based on common sense in terms of its exegesis and it is a medium-volume work. The exegetist has interpreted all the verses of the Qur’an from the beginning to the end, and in this process he first conveyed the relevant rumors and then practiced inference through common sense. In *Tafsīr al-Qur’ān al- ‘aẓīm*, The Qur’an is tried to be interpreted using the Qur’an itself predominantly, especially the verses with absolute, succinct, ambiguous and general meanings (see, al-Ghaznavī, 1094: 12b, 52b, 79b, 143b, 170, 308b). However, the traditional interpretation of the Qur’an was not neglected and hadith were often used in order to solidify the verses with absolute meaning, to explain the verses with succing words, to explain hard to understand verses and to designate the verses that express general meanings (see, al-Ghaznavī, 1094: 164a, 197b, 186a, 210a, 216b, 228a, 487a, 26, 487a). Hadith were also used to explain the meanings of some words and verses and stories about the prophet were conveyed in order to explain the grace of the sūrahs (see al-Ghaznavī, 1094: 145a, 271b, 642b). In accordance with the exegesis of the era, ‘Abd al-Šamad al-Ghaznavī, while mentioning hadith, mentioned only the first narrator who wrote the proof, but sometimes rejected the authenticity of the single source narrations (see al-Ghaznavī, 1094: 83a, 119a), and sometimes criticized the narrations altogether (see al-Ghaznavī, 1094: 67b, 285b, 264a-b)

In *Tafsīr al-Qur’ān al- ‘aẓīm*, Ghaznavī also placed emphasis on the issue of “abrogation”, and after conveying the first verse including the word “abrogation” in the Qur’an, he mentions the general and special meaning of the word and lists the various ways that abrogation could work with examples (see al-Ghaznavī, 1094: 35a). Ghaznavī, also invokes the subject in the verses in which abrogation is said to have happened and specified the abrogated verses in the Qur’an. In these designations we can see that Ghaznavī accepts the abrogation of Qur’an through Qur’an (see al-Ghaznavī, 1094: 85a-b, 180a, 186b, 271a, 359b), the abrogation of sunnah through Qur’an (see al-Ghaznavī, 1094: 184a-b, 271b.) and the abrogation of Qur’an through sunnah (see al-Ghaznavī, 1094: 56b, 140a-b), and he also mentions conflicting views about the abrogation itself sometimes and either criticized them or made selections out of the available ideas (see al-Ghaznavī, 1094: 62b, 101a, 119b, 136b-137a, 143b, 226b, 389).

Ghaznavī, in his exegesis, also mentions the differences in recitation, points the semantic differences in between different recitations, and explains exceptional recitations (see al-Ghaznavī, 1094: 190a, 226a, 273a). It is also possible to see him mention the names of reciter Imāms and their narrators, draw attention to the issues in which reciter Imāms agreed upon,

and even sometimes after mentioning the angles of recitation of certain verse, he happens to also mention his own view of it (see al-Ghaznavī, 1094: 190a, 226a, 273a).

The exegetist, in his exegesis, included the meanings of words, explanations of I'rab and syntax also. In the points in which he needed semantic support, he used the verses, hadith, poems and aphorisms (see al-Ghaznavī, 1094: 5a, 37b, 77a, 156b, 233b, 241a, 245b, 280a, 338b, 345b, 365a, 437b). And sometimes he mentioned scholars of semantics and included their explanations on particular subjects (see al-Ghaznavī, 1094: 64a, 162b, 141b). He made grammatical analysis (see al-Ghaznavī, 1094: 70b, 141b, 207a, 216a, 214b, 290a, 468a), and pointed at the rhythm and etymology of the words (see al-Ghaznavī, 1094: 12b, 34a, 58b, 94b, 200b, 257a, 366b, 378a, 484b, 630b). From the perspective of rhetoric, he pointed out and explained the metaphors, adages, allegories, figure of speech and comparisons in Qur'an (see al-Ghaznavī, 1094: 60a, 83b, 141b, 122b, 130b, 202a, 237a, 336a, 342b, 364b, 365b, 375b, 385a); and draw attention to the laconical of Qur'an in terms of its rhetoric (see al-Ghaznavī, 1094: 155b-156a, 557b).

One of the most striking features of Ghaznavī's *Tafsīr al-Qur'ān al-azīm* in terms of content and method is its aspect of Islamic law. In his exegesis, Ghaznavī has extensively explained the fiqh (Islamic law) clauses, and even the most controversial ones have been explained in a very simple, plain and clear way (see al-Ghaznavī, 1094: 77a-b, 99a, 137a, 138a, 200a-b; 201a, 257a). In the controversial issues, he primarily conveyed the views of Abū Ḥanīfah and his friends and sometimes Imāms from other sects (see al-Ghaznavī, 1094: 24b, 149b, 352, 588b). Although the work contains Ḥanafī fiqh in the full sense of, it also conveys the opinions of other sects' against Ḥanafī fiqh (see al-Ghaznavī, 1094: 177a, 185a).

Ghaznavī advocated and applied the method that required the interpretation of cognate verses by applying to *muhkams* (al-Ghaznavī, 1094: 69a-b, 103b-104a, 207b), mentioned the *kalam* (Islamic Theology) issues in the context of the understanding of Ahl al-Sunnah (al-Ghaznavī, 1094: 69a-b, 103b-104a, 207b) but he also conveyed the views of other sects such as Mu'tazilah, Mushabbiah, Khārijyah and Shiite and in some cases refused the views of these sects and tried to prove his own view of the issue, with support from various verses of the Qur'an (al-Ghaznavī, 1094: 69a-b, 103b-104a, 207b). In his interpretations, he sometimes applied a question-and-answer method to clarify various issues.

### 3.2.3. The Sources of Ghaznavī's Exegesis and Their Effects

Ghaznavī himself listed the sources of his exegesis in his own work (see al-Ghaznavī, 1094: 648a-b). According to this, Zajjāj's *Ma'ānī al-Qur'ān*

(d.311/923), Abū Bakr Muḥammad Ibn Faḍl al-Balḥī's (d.416/1025) *Jāmī al-ulūm*, Abū Ja'far al-Tahāwī's (d.321/933) *Aḥkām al-Qur'ān*, Abū Bakr al-Jaṣṣāṣ (d.370/981) *Aḥkām al-Qur'ān* and Abū al-Layth al-Samarqandī's (d.373/983) exegesis, constitute the basis of Ghaznavī's *Tafsīr al-Qur'ān al-'aẓīm*. Ghaznavī also mentioned famous exegetes such as al-Ṭabarī (d.310/923), Muḥammad Ibn al-Sāib al-Kalbī (d.146/763), Muqātil Ibn Sulaymān (d.150/767), Dahḥāk Ibn Muzāhim (d.105/723), Mujaḥid (d.104/722), Qatādah (d.117/735), al-Ḥasan al-Baṣrī (d.110/728), Ḥakīm al-Tirmizī (d.320/932) and Abū Maṣṣūr al-Māturīdī (d.333/944) in his exegesis.

When we take a closer look at the *Tafsīr* of Ghaznavī, we can see that Muḥammad Ibn Ḥasan al-Shaybānī's (d.189/805) *al-Āsār*, which is a collection of the judicial hadith which were used in Ḥanafī fiqh as proof and his work on law in Islamic states titled *al-Siyar al-kabīr* and (d.151/768) *Kitāb al-Maghāzī* of the famous narrator of hadith and the writer of prophet and holy army, Ibn Ishāq were also used as proof (see al-Ghaznavī, 1094: 63a, 131b, 186b, 217a, 244b, 281b, 261a, 265b).

Abd al-Ṣamad al-Ghaznavī's exegesis has been influential as of the first periods over the scribes and exegetes that come after. For example, Iranian philosopher, scholar of astronomy, mathematics, medicine and religion, Qutb al-Dīn Muḥmūd Ibn Mas'ūd al-Shirazī (d.710/1311) (al-Ziriklī, 1992: VII, 187), in his exegesis titled *Fath al-mannān*, refers to the exegesis of 'Abd al-Ṣamad al-Ghaznavī's work in statements such as قال **عبد الصمد الغزنوي في تفسيره** or قال **الغزنوي في تفسيره** (see al-Ṣirāzī, nd.: 76a, 85b, 119b, 131b, 132b, 138a, 139a, 140a-b, 159b, 160b, 170b-171a; 112, 106b, 190b, 178a, 122, 393b, 123). The impact of Ghaznavī's exegesis can also clearly be seen in the work of Abū Bakr al-Ḥaddād al-Yamanī's (d.800/1398) *Tafsīr al-Ḥaddād* (*Kashf al-tanzīl fī taḥqīq mabāḥis wa al-ta'wīl*) who was a scholar of Ḥanafī fiqh in the 8th century. *Tafsīr al-Ḥaddād*, when compared with Ghaznavī's exegesis, it is possible to see that Haddād has used *Tafsīr al-Qur'ān al-'aẓīm* as the main source of his work. *Tafsīr al-Ḥaddād*, while being an almost identical copy of Ghaznavī's exegesis, in the research made on these two works, it can be clearly seen that Abū Bakr al-Ḥaddād, in his work, has referred to Ghaznavī in expressions such as **كذا قال في تفسير عبد الصمد** and **كذا في تفسير عبد الصمد** (al-Ḥaddād, 2003: I, 364; II, 371-372; IV, 12, 45, 49; V, 370). Apart from these, a scholar from Yaman, a Salafī-Zaydī, Abū 'Abd Allāh 'Izz al-Dīn Muḥammad Ibn Ibrāhīm al-Yamānī, who lived approximately four centuries after 'Abd al-Ṣamad al-Ghaznavī and who was known as "Ibn al-Wazīr" (d.840/1436) also refers to the exegesis of 'Abd al-Ṣamad al-Ḥanafī'nin in his work called *al-Rawḍ al-bāsim* (Ibn al-Wazīr, h.1419: I, 249; II, 495). These references show that Ibn al-Wazīr was also influenced

by the exegesis of Ghaznavī, and that his work was known and recognized around Yaman around the 8<sup>th</sup> and 9<sup>th</sup> centuries.

The Shāfi'ī fiqh and hadith scholar Ibn Ḥajar Haytamī al-Shāfi'ī (d.974/1567) in his work titled *Zawājir 'an iqtirāf al-kabā'ir*, by referring to Kādī 'Abd al-Ṣamad al-Ḥanafī whom he claims to have lived in the beginnings of the 5<sup>th</sup> century (in Islamic calendar), mentions his views and ideas (Ibn Hajar, 1988: I, 34). In his annotation titled *Fayḍ al-qadīr* which he dedicated to the work titled Suyūti's *Sharḥ al-jāmi' al-ṣaghīr* written by the hadith and fiqh scholar and mysticist Muḥammad 'Abd al-Raūf al-Munāwī (d.1031/1622), he also includes the views of Qādī 'Abd al-Ṣamad al-Ḥanafī (al-Munāwī, 1998/1418: VI, 3079). Similarly, the famous exegetes, fiqh scholar, writer and poet al-Ālūsī also refers to the exegesis of 'Abd al-Ṣamad al-Ḥanafī in the interpretation of two different verses, in his book titled *Rūḥ al-ma'ānī* (al-Ālūsī, 1997: III, 374-375; VII, 274). These examples reveal that the influence of 'Abd al-Ṣamad al-Ghaznavī has continued in the later periods (see Ozmen, 2012: 145-159).

### 3.3. Sajāwandī And His Exegesis

Exegesis and recitation scholar Abū 'Abdillāh (Abū Ja'far) Muḥammad Ibn Ṭayfūr al-Ghaznavī (d.560/1165) is one of the Ghaznavid exegetes. There is not enough information about his life. It is possible that he was born in Sajāwand, a village between Kābul and Ghazna. The "Ghaznavid" remark in his name suggests that he spent some time in Ghazna for the sake of his education or that he spent his academic life there (al-Dāwūdī, 1972: II, 154-156, al-Ṣafādī, 1969: III, 178).

Sajāwandī is well known for his work on recitation and foundation places in the Qur'ān. he developed signs that were used to indicate where it is necessary or unfit to stop for the purpose of conveying the correct meaning during the chant of the Qur'an, and these signs were called "sajāwand" in his name. Today, the system developed by him is taken into account in many Islamic countries and his symbols are still used. Muḥammad Ibn 'Abd Allāh Ibn Muḥammad al-Īdī has issued his work titled *Ilel al-wuqūf (al-waqf wa al-ibtidā al-kabīr)* on that regard. (Riyad 1415/1994).

#### 3.3.1. General Features of The Exegesis of Sajāwandī

Sajāwandī's hermeneutic work titled *'Ayn al-mā'anī fī tafsīr al-sab' al-mathānī*, is among some of the late sources of exegesis. The work includes the complete interpretation of the Qur'an starting from Sūrah al-Fātiḥah to Sūrah al-Nās. In the preamble section, exegesis method, verses originating from Mecca and Madinah, abrogation were mentioned and the work included reciter Imāms and narrators, the differences of language and recitation are handled and the number of letters, words and verses were

indicated in the beginning of each Sūrah and the foundation points in the verses were shown (Altıkulaç, 2009, XXXVI, 267).

### 3.3.2. Contents and Method of the Exegesis of Sajāwandī

Sajāwandī, in his exegesis work title '*Ayn al-mā'anī*', used the narration method and emphasized the harmony of Qur'an with itself, with sunnah, with the sayings of the companions and successors of Muḥammad (see Sajāwandī, nd.: 16a, 20a, 35a, 42b). However, the narration method does not mention the narrators of hadiths in accordance with the exegesis tradition of the period. He also transcribed the accounts of al-Isrā'īlīyāt without any comments (al-Sajāwandī, nd.: 16a, 38a)

He also applied the method of "common sense" in his interpretation of the Qur'an and emphasized the linguistic aspects of exegesis while doing so, explaining the semantics of the words, featuring the grammar and syntax issues along the way (Nas, 1996: 52-67). He consulted to the views of language experts such as Sībawayh, Khalil Ibn Aḥmad, Farrā, and Akhfash in his explanations of semantics (al-Sajāwandī, nd.: 20b, 29b, 32b, 37a, 56b, 153a). While explaining the meaning of the words, he sometimes took advantage of the uses in the Arabic language; and also used other verses of the Qur'an to prove his semantic outcome (al-Sajāwandī, nd.: 29b, 146b, 153a, 341a). He explained the meanings of some of the words by using hadith as proof of conformity. For example, he suggest that the meaning of the word الحاف in Sūrah al-Baqarah, verse 273. is "impertinence", by reciting the hadith of the prophet that is "Whomever asks for it becomes impertinent." (al-Sajāwandī, nd.: 42a). He also included the sole linguistic science aspect of the verbs such as their etymology, *idghām* (Arabic for the silencing of a letter) and *al-ibdāl* (Arabic, for the exchanging of a letter with another one). For example, in the 90<sup>th</sup> verse of Sūrah al-Tawbah, he explains that the word المعذرون was derived from the verb اعتذر and should be read by using *idghām* (al-Sajāwandī, nd.: 124a).

Sajāwandī also mentioned the subject of syntax, he pointed out the issues of *mubtadā* (subject), *khavar al-maf'ūl* (the passive performer adjective), *tamyīz* (clarification of the real meaning), *hāl*, *badal*, adjectives etc. in the language (al-Sajāwandī, nd.: 52b, 53b, 89a, 186b, 214b, 234a, 252a, 258a).

He also explained the rhetorical characteristics in the verses in the Qur'an such as metaphor, figure of speech, allegory. For example, he claims that in the 9<sup>th</sup> verse of Sūrah Ibrāhīm, the expression "... they brought their hands to their mouths..." is intended to convey a meaning of preventing the answer to be given. (al-Sajāwandī, nd.: 152b) In the verse 77. of Sūrah al-Kahf, he claims that the word يريد : which refers a

“demand”, is actually a metaphor for “being close to a collapse” (al-Sajāwandī, nd.: 150a).

He also mentioned the difference in recitations and pointed out the semantic differences in some conflicting reciters of the Qur'an (al-Sajāwandī, t.y. : 37a, 76a, 83a, 87a, 161b, 191b, 291b). At the beginning of his exegesis, he gave a list of the names of the famous reciter Imāms and their narrators (al-Sajāwandī, nd.: 4b).

Sajāwandī gave importance to the knowledge of the reason for the revelation of the verses and also mentioned these in his work (al-Sajāwandī, nd.: 73a, 241b, 243b, 305b, 306b).

Sajāwandī, who accepts the existence of abrogation in the Qur'an, made the explanation of the abrogation in the preamble of his exegesis and listed its varieties. He also provided information about which verses abrogated (al-Sajāwandī, nd.: He claimed that the period of delay (waiting period to remarry after divorce) of women was abrogated in the 234<sup>th</sup> verse as 54 months, instead of a complete year mentioned in the 240<sup>th</sup> verse of Sūrah al-Baqarah (al-Sajāwandī, nd.: 37a). He also claimed that the phrase "give charity" in verse 12 of Sūrah al-Mujādalah has been abrogated within ten days with the verse 13 (al-Sajāwandī, nd.: 329a)

By defining the concepts of "*muḥkam*" and "*mutashābih*" (allegorical)" in the Qur'an, he referred to the verses that he accepts to be "*mutashābih*" (al-Sajāwandī, nd.: 44b, 45a, 85b), described *mubham* verses (Sajāwandī, nd.: 91a, 132b, 210a) and explained the proverbs also (al-Sajāwandī, nd.: 105a, 150a, 153b, 214a).

Sajāwandī also touched on fiqh issues in his exegesis. From time to time in the interpretation of aḥkām verses, the views of scribes such as Abū Ḥanīfah, Imām al-Shāfi'ī, al-Imām Mālik, Imām Muḥammad and Imām Yūsuf are conveyed. (see, al-Sajāwandī, nd.: 74b, 75ab, 99b).

Sajāwandī also explained his own views of the judicial Qur'anic verses when there is any controversy over the exegesis (see al-Sajāwandī, nd.: 17a, 84a). For example, in the interpretation of the verse of "Sūrah al-Baqarah 2/226" it states "there is a four-month waiting period for those who swear not to approach women". In his interpretation of this verse, he mentioned that according to Imām Al-Shāfi'ī, this period is more than 4 months, but according to Ibn Mas'ūd, this period can be more or less of four months. He later on conveys his own take of it and says "in our tradition, the waiting time is 4 months or more". (al-Sajāwandī, nd. 34b).

Sajāwandī, in his exegesis also includes kalam issues. His interpretations of kalam issues are within the framework of the Ahl al-Sunnah. For example, he stresses that the verbs and names of the God are eternal (al-Sajāwandī, nd.: 221a), Qur'an was not created (al-Sajāwandī,

nd.: 24b), faith can only increase but not decrease (al-Sajāwandī, nd.: 59b). He occasionally criticizes Mu‘tazilah and Rāfiḍī’s views. For example, in his interpretation of the verse 102 of Sūrah al-Baqarah, he also states that the word "magic" mentioned, according to Mu‘tazilah, is just an illusion and according to Imām Al-Shāfi‘ī, the word magic here is delusion and psychological diseases. He then reveals his own view that it is a talisman (al-Sajāwandī, nd.: 23b).

## CONCLUSION

Ghaznavids have made important contributions to the development of Turkish-Islamic culture and civilization in the wake of the scientific and cultural activities they carried out during their two century-old reign. The Ghaznavid Palace has become a science and culture center where scholars, poets, teachers, orators and preachers are gathered under the influence of encouraging all kinds of scientific, cultural and artistic activities by the Ghaznavid Sultans and their continuous support for such activities as a state policy. During the Ghaznavid period, many scholars have been trained both in the field of Islamic sciences and in other sciences, and hundreds of works have been authored in many branches of science. In this period, the exegetes who were involved in the Qur’anic exegesis also made contributions for the development of Qur’anic sciences. The writings of these exegetes have survived to our day. Most of these works are still waiting to be examined and published in order to serve their readers.

## REFERENCES

- ABŪ ḤAYYĀN, Muḥammad Ibn Yūsuf al-Andalusī, (2001), *Tafsīr al-baḥr al-muḥīṭ*, (taḥqīq: ‘Ādil Aḥmad ‘Abd al-Mawjūd,), Dār al-Kutub al-‘Ilmīyah, Bayrūt.
- ALTIKULAÇ, Tayyar, (2009), “Secâvendî, Muhammed b. Tayfūr”, *Türkiye Diyanet Vakfı İslam Ansiklopedisi (DİA)*, 36: 267, TDV Publications, Istanbul.
- al-ĀLŪSĪ, Abī al-Faḍl Shihāb al-Dīn al-Sayyid Maḥmūd, (1997), *Rūḥ al-ma‘ānī fī tafsīr al-Qur’ān al-‘Aẓīm wa-al-sab‘ al-mathānī*, (Muḥammad [Husayn](#) ‘Arab, taṣḥīḥ), Dār al-Fikr, Bayrūt.
- ARSLAN, Adnan, (2013), *İbn Fûrek’in Tefsirdeki Metodu*, (unpublished master’s thesis), Uludağ Üniversitesi Sosyal Bilimler Enstitüsü, Bursa.
- [BĀBĀNĪ](#), [Ismā‘īl Bāshā](#) al-Baghdādī, (1955), *Hadiyyat al-‘arīfīn: asmā’ al-mu‘allifīn wa-athār al-muṣannifīn*, Wikālat al-Ma‘ārif, Iṣtānbūl.
- al-BAYHAQĪ, Abū al-Faḍl Muḥammad Ibn al-Ḥusayn, (1982), *Tārīkh al-Bayhaqī*, (Yahyá Hashshāb-Şādiq Nash’at, tarjamah ilā al-‘Arabīyah), Dār al-Naḥḍat al-‘Arabīyah, Bayrūt.

- BAYUR, Yusuf Hikmet, (1946), *Hindistan Tarihi: İlk Çağlardan Gurkanlı Devletinin Kuruluşuna Kadar*, Türk Tarih Kurumu, Ankara.
- BODUR, Osman, (2014), “Mütesâbih Âyetlerin Yorumu Kapsamında İbn Fûrek’in Tefsiri”, *Sakarya Üniversitesi İlahiyat Fakültesi Dergisi*, 30 (16), pp. 135-156.
- BOSWORTH, Clifford Edmund, (1973), *The Ghaznavids*, Maktabat Lubnan [Librairie du Liban], Bayrût.
- CEZAR, Mustafa, (1977), *Anadolu Öncesi Türklerde Şehir ve Mimarlık*, Türkiye İş Bankası, Ankara.
- al-DĀWŪDĪ, Shamash al-Dīn Muḥammad Ibn ‘Alī Ibn Aḥmad (1972), *Ṭabaqāt al-mufasssīrīn*, Maktabat Wahbah, Qāhirah.
- al-DHAHABĪ, Muḥammad Ibn Aḥmad Ibn ‘Uthmān, (1985), *Siyar a’lām al-nubalā’*, (taḥqīq: Shu‘ayb al-Arna’ūt -Ma’mūn Şāgharjī), Mu’assasat al-Risālah, Bayrût.
- al-FĀRISĪ, Abū al-Ḥasan ‘Abd al-Ghāfir Ibn Ismā‘īl, (1982), *al-Ḥalaqah al-ūlā min tārīkh Nisabūr = Kitāb al-Siyāq li tārīkh Naysabūr* (i’dād: Muḥammad Kāzīm al-Maḥmūdī), Jamā‘ah min al-mudarīsīn fī al-ḥawzah al-‘ilmīyah, Qumm.
- al-GHAZNAVĪ, Abū al-Faḥ ‘Abd al-Şamad Ibn Maḥmūd Ibn Yūnus, (1094), *Tafsīr al-Qur’ān al-‘aẓīm*, Sulaymāniyah Library, Mihrishah, nr. 24, 25, 26, Istanbul.
- al-ḤADDĀD, Abū Bakr Ibn ‘Alī Ibn Muḥammad al-Yamanī, (2003), *Tafsīr al-Ḥaddād : Kashf al-tanzīl fī taḥqīq al-mabāhiṭh wa al-ta’wīl*, (taḥqīq: Muḥammad Ibrāhīm Yahyá), Dār al-Madār al-Islāmī, Bayrût.
- HASAN, Ibrahim Hasan, (1985), *Siyasi-Dini-Kültürel-Sosyal İslam Tarihi*, (translated by İ. Yiğit & S. Gümüş), Kayıhan Yayınevi, Istanbul.
- IBN AL-ATHĪR, ‘Izz al-Dīn Abī al-Ḥassan ‘Alī (1979), *al-Kāmil fī al-tārīkh*, (pub. Carolus Johannes Tornberg), Dāru Şādir, Bayrût.
- IBN AL-GHAZZĪ, Shams al-Dīn Abī al-Ma‘ālī Muḥammad Ibn ‘Abd al-Raḥmān, (1990), *Dīwān al-Islām*, (taḥqīq: Sayyid Kasrawī Ḥasan), Dār al-Kutub al-‘ilmīyah, Bayrût.
- IBN AL-‘IMĀD, Abī ‘Abd al-Ḥayy al-Ḥanbal ī, (1986), *Shadharāt al-dhahab fī akhbār min dhahab*, (taḥqīq: ‘Abd al-Qadir Arna’ūt & Maḥmūd Arna’ūt), Dāru Ibn Kathīr, Bayrût.
- [IBN AL-SALĀH, ‘Uthmān Ibn ‘Abd al-Raḥmān al-Shahrazūrī](#), (1992), *Ṭabaqāt al-fuqahā’ al-shāfi‘īyah*, (taḥqīq: Muḥyī al-Dīn ‘Alī Najīb; i’dād Abū al-Hajjāj [Mizzī](#)), Dār al-Bashā’ir al-Islāmīyah, Bayrût.



[IBN AL-WAZĪR, Muhammad Ibn Ibrāhīm](#), (1419), *al-Rawḍ al-bāsim fī al-dhabb ‘an sunnat Abī al-Qāsim*, (i’tanā bih ‘Alī Ibn Muḥammad al-‘Umrān), Dār ‘Ālam al-Fawā’id, Makkah.

IBN ‘ATĪYAH, Abū Muḥammad ‘Abd al-Ḥaqq Ibn Ghālib al-Andalusī, (1993), *al-Muḥarrar al-wajīz fī tafsīr al-Kitāb al-‘Azīz*, (taḥqīq: ‘Abd al-Salām ‘Abd al-Shāfi Muḥammad), Dār al-Kutub al-‘Ilmiyah, Bayrūt.

IBN FŪRAK, Abū Bakr Muḥammad Ibn al-Ḥasan al-Iṣbahānī, (nd.), *Tafsīr al-Qur’ān*, Millet Library, Feyzullah Efendi, nr. 50, Istanbul.

IBN ḤAJAR, Shihāb al-Dīn Aḥmad Ibn Muḥammad Ibn ‘Alī al-Haytamī, (1988), *Zawājir ‘an iqtirāf al-kabā’ir*, Dār al-Ma’rifa, Bayrūt.

IBN KHALLIKĀN, Abū ‘Abbās Shams al-Dīn Aḥmad Ibn Muḥammad, (1978), *Wafayāt al-a’yān wa-anbā’ abnā’ al-zamān*, (taḥqīq: Iḥsān ‘Abbās), Dāru Ṣādir, Bayrūt.

al-‘IMĀDĪ, Muḥammad Ḥasan, (nd.), *Khurāsān fī al-‘aṣr al-Ghaznavī*, Mu’assasat Ḥamādah lil-Khidmāt al-Jāmi‘iyah, Irbid.

KĀTIB CHALABĪ, Ḥājji Khalīfah Muṣṭafā Ibn ‘Abd Allāh, (1941), *Kashf al-zunūn*, (taṣḥīḥ M. Ş. Yaltkaya & K. R. Bilge), Mili Eğitim Basımevi, Ankara.

[KAHHĀLAH](#), ‘Umar Riḍā, (nd.), *Mu’jam al-mu’allifin tarājim muṣannifi al-kutub al-‘Arabīyah*, Maktab al-Muthannā, Bayrūt.

al-MUNĀWĪ, Muḥammad ‘Abd al-Ra’ūf, (1998), *Fayḍ al-qadīr: Sharḥ al-jāmi’ al-saghīr*, (taḥqīq: Ḥamdi al-Damirtash Muḥammad), Maktabat Nizār Muṣṭafā al-Bāz, Makkah.

MAULANA MINHĀJ AL-DĪN, Abu-Umar-ı Usman [Abū ‘Umar Minhāj al-Dīn Uthmān Juzjānī], (1970), *Tabakāt-ı Nāsiri*, (translated by Major H. G. Raverty), Oriental Books Reprint Corporation, New Delhi.

MERÇİL, Erdoğan, (1989), *Gazneliler Devleti Tarihi*, Türk Tarih Kurumu, Ankara.

NAS, Şahin, (1996), *İbn Tayfūr es-Sacāvendī: Hayatı, Eserleri ve Tefsirdeki Metodu*, (unpublished master’s thesis), Ondokuz Mayıs Üniversitesi Sosyal Bilimler Enstitüsü, Samsun.

NĀZİM, Muḥammad, (2007), *Sulṭān Maḥmūd Ghaznavī: ḥayātuhū ve aşruhū*, Dār al-Madār al-Islāmī, Bayrūt.

[NIZĀMĪ ‘ARŪZĪ](#), Aḥmad Ibn ‘Umar Ibn ‘Alī Samarqandī, (1949), *Chahār maqāla: (arba’ maqālāt)* (naqlah to Arabi translate ‘Abd al-Wahhāb ‘Azzām, Yahyā Hashshāb, edited, with introduction, notes and

- indices, Muḥammad Ibn ‘Abd al-Wahhāb al-Qazwīnī, Lajnah al-Ta’līf wa-al-Tarjamah, Qāhīrah.
- NUHOGLU, Güller, (1995), *Bayhakī Tarihine Göre Gaznelilerde Devlet Teşkilatı ve Kültür*, (unpublished doctoral thesis), İstanbul Üniversitesi Sosyal Bilimler Enstitüsü, İstanbul.
- OZGUDENLI, Osman Gazi, (2007), “Nişâbur”, *Türkiye Diyanet Vakfı İslam Ansiklopedisi (DİA)*, 33: 150, TDV Publications, İstanbul.
- OZMEN, Ferihan, (2010), *Abdüssamed el-Gaznevî ve “Tefsîru’l-Kur’âni’l-Azîm”i*, (unpublished doctoral thesis), Uludağ Üniversitesi Sosyal Bilimler Enstitüsü, Bursa.
- OZMEN, Ferihan, (2012), “Abdüssamed el-Gaznevî ve Tefsiri”, *Journal of Sakarya University Faculty of Teohlogy*, 25 (14), pp. 139-161. DOI 10.17335/suifd.28271
- PALABIYIK, Muhammed Hanefî, (2001), “Gaznelilerde’de İlmî Faaliyetler”, *Hindistan Türk Tarihi Araştırmaları 1* (1), pp. 47-72.
- al-QURASHÎ, Muḥyî al-Dīn Abî Muḥammad ‘Abd al-Qādir Ibn Muḥammad, *al-Jawāhir al-muḍīyah fî ṭabaqāt al-Ḥanafīyah*, (taḥqīq: ‘Abd al-Fattāh Muḥammad al-Ḥulw), Hajr lil-Ṭabā‘ah wa-al-Nashr wa-a-Tawzī‘ wa-al-I‘lān: Mu’assasat al-Risālah, Jīzah.
- al-QURṬUBÎ, ‘Abd Allāh Muḥammad Ibn Aḥmad al-Anṣārî, (2003), *al-Jāmi‘ li-aḥkām al-Qur’ān*, taṣḥīḥ Ḥishām Samîr al-Bukhārî, Dāru Ālemi’l-Kutub, Riyad.
- al-RĀZÎ, Fakhr al-Dīn al-Rāzî [Muḥammad Ibn ‘Umar](#), (2000), *al-Tafsîr al-kabîr: Maḥāṣin al-ghayb*, Dār al-Kutub al-‘Ilmīyah, Bayrūt.
- al-SAJĀWANDÎ, Abū Ja‘far Muḥammad Ibn Ṭayfūr al-Ghaznavî, (nd.), *‘Ayn al-ma‘ānî fî tafsîr al-sab‘ al-mathānî*, Sulaymānīyah Library, Sulaymānīyah, nr. 108, İstanbul.
- al-ŞAFADÎ, Şalāh al-Dīn Ibn Aybak, (1969), *al-Wāfî bi-al-wafayāt*, Franz Steiner Verlag, Wiesbaden.
- al-SHĪRĀZÎ, Qutb al-Dīn Maḥmūd Ibn Mas‘ūd Ibn Muṣliḥ al-Fārisî, (nd.), *Fath al-mannān fî tafsîr al-Qur’ān*, Sulaymānīyah Library, Hekimoglu, nr. 109, 118, 123, Esad Efendi, nr. 132, İstanbul.
- al-SUYŪṬÎ, Jalāl al-Dīn ‘Abd al-Raḥmān, (1976), *Ṭabaqāt al-mufasssīrîn*, (taḥqīq: ‘Alî Muḥammad ‘Umar), Maktabat Wahbah, Qāhīrah.
- al-THA‘ĀLIBÎ, ‘Abd al-Raḥmān Ibn Makhlūf, (1997), *al-Jawāhir al-ḥisān fî tafsîr al-Qur’ān*, (taḥqīq: ‘Adil Aḥmad ‘Abd al-Mawjūd & Ali Muḥammad Muavvaz), Dār İhyā’ al-Turāth al-‘Arabî, Bayrūt.

- al-THA‘LABĪ, Abī Ishāq Aḥmad Ibn Muḥammad Ibn Ibrāhīm, (2002), *al-Kashf wa-al-bayān fī tafsīr al-Qur‘ān*, (taḥqīq: Imām Abū Muḥammad Ibn ‘Āshūr, Dār Iḥyā’ al-Turāth al-‘Arabī, Bayrūt.
- ‘UTBĪ, Muḥammad Ibn ‘Abd al-Jabbār, (2004), [\*al-Yamīnī fī sharḥ akhbār al-Sultān Yamīn al-Dawlah wa-Amīn al-Millah Mahmūd al-Ghaznavī\*](#), (sharḥ wa-taḥqīq: Iḥsān Dhunūn al-Thāmirī), Dār al-Ṭalī‘ah, Bayrūt.
- al-ZIRIKLĪ, Khayr al-Dīn, (1992), *al-A‘lām: qāmūs tarājim al-ash‘hur al-rijāl wa-al-nisā*, Dār al-‘Ilm al-Malāyīn, Bayrūt.

- **COMMUNICATION**

STUDIES

# **NEWS DISCOURSE IN POLITICS AND IDEOLOGY PARADOX: AN EVALUATION ON NEWSPAPER NEWS BEFORE THE ELECTION**

Fatma AKMAK\*

## **1.Introduction**

The struggle for power that has emerged in every age has reached an unimaginable degree independent of the media, with the presence of mass media and the current form of the media. Today, one of the most important functions of the media, the people or organizations that take the power to manipulate the masses can easily handle and maintain power and sovereignty. Considering the economic aspect of this, it is not possible for the media and politics to exist independently of each other.

On the other hand, there has always been the need to receive and give information throughout the ages when there were concepts governing and governed. The production and presentation of the news were diversified in time. We are in the 21st century, when the democratic administrations became more widespread, the target groups started to be more valuable and the concept of “persuasion” came to the fore. The concept of “the production of consent”, which is penned by Chomsky, drew attention to the importance of making the masses think in the desired direction by persuading them. The most effective way of convincing the people of the information age is provided by using the communication tools. Therefore, the media in general serves this purpose, but the need to receive news is more powerful than other publications. At least presently the news seems to be more important in manipulating the masses, as it is often more reliable than other publications. Undoubtedly, the economic concerns and targets of the broadcasting organs also distract them from the production of neutral news. In this way, journalism has become a structure that has been reshaped within itself and developed certain ideologies and served to these ideologies.

This study is based on neither politics, ideology, the discourse on which ideology is transmitted through language, nor the fact that we exist in a system where life independent of media is possible. It is aimed to reveal the ideological structure of newspapers, which will be held in Turkey on March 31, 2019 Local Government General Elections of how it is produced and newspaper articles associated with the submitted, by analyzing with critical discourse analysis of van Dijk. As a result of the study that sought to answer the hypothesis that ideological structuring of newspapers and ideologies of the target audiences are trying to direct ideologically; the

---

\* (Ph.D. Lecturer); Muğla Sıtkı Koçman University, Fethiye A.S.M.K. Vocational School, fatmacakmak@mu.edu.tr.

hypothesis was confirmed and each newspaper was structured to serve a particular ideology.

## **2.The Relationship Between Politics and Media and the “Ideology” Behind**

Election periods, especially in democracies, are periods which people who want to be in power need to be included in the media. On the other hand, the people want to know the promises of the powers. Media is in the direction of its ideology in this struggle for power. The place where power and the media want to stand next, is shaped according to its own ideologies and interests.

Political communication is an extension of family, economy, culture and all political initiatives, which include not only the choice, but also the entire society. The ideas of each unit that make up the society are cultural, economic and also political formations. Therefore, there are ideological, political, economic and cultural dimensions in all kinds of communication. Even the most innocent message carries these meanings (Aziz, 2003: 177).

The ideology derived from the French “ideologie” is defined in the Turkish dictionary (2005: 936) as “the political, legal, scientific, philosophical, religious, moral, aesthetic thoughts that direct the behavior of a government, of a party, of a group, of a political or social doctrine.” According to van Dijk (2003: 109) ideology; it is the basis of how a group is represented socially, and it is the beliefs created in social memory in the form of a kind of group scheme expressing the identity of a group.

In the German Ideology, “ideology” is regarded as a reflection of both material reality and the opposite of material reality. (Marx and Engels, 1992: 42- 43). In all ages, Marx said that the ideas of the dominant class were dominant in the society, and that the social class holding the material power also held the mental power, and that the class which possessed the means of material production had at its disposal the tools of mental production and that ideas which guide people are actually shaped by power (Marx & Engels, 1999: 84).

Barthes in the 1960s; defined society as a way of shaping social reality. Saussure has also worked on the ideological use of language. Emotions, thoughts and information are conveyed by using language based on ideological meanings (Kılıçaslan, 2008: 18). This situation is important in terms of political communication, in fact, it is not possible for the media to be independent of ideology and the discourses of the governors.

In the 17th century, the first newspapers in England and the concept of ideology emerged in recent times. These newspapers organized rumors at that time and used gossip as a means of ideological domination and took their present form (Erdoğan, 2005: 193). According to Marcuse (1997: 24),

mass media; they are the media organs that maintain the sovereign system that is the bridge between those who form the ideology of a social way of life and those who live with the masters and their hegemony. Therefore, mass media cannot exist independent of ideology.

The first aim in the concept of “ideology” given by the French philosopher Destutt de Tracy to literature is to distinguish the idea of God from human thought. The concept of “idea”, which makes this possible, has turned into the concept of “ideology” in positive sciences. Ideology has been shaped as the ideology of the period as a result of political, sociological and cultural events taking place in every period of history (Durgun & Yaman, 2017: 45).

From a social perspective, each class finds an ideology that fits its class struggle (Althusser, 2008: 145). In Althusser, ideology is a life practice that begins with life. The way and method to impose ideology on individuals is within the system itself. Every practice can only exist through an ideology and within the framework of an ideology. However, every ideology can exist only for a subject and through the subject (Kazancı, 2003: 38- 39). Ideology and ideological practices derived from it are often adopted through informal structures such as the state, the media, education or church, as well as the family. The realization and organization of ideologies is provided in this way (van Dijk, 2005: 323). Therefore, it is not possible to think of a life independent of ideology. The ideology is always present as a concept surrounding all spheres of life, the concept in which a single definition is difficult to fit, no matter what ideological perspective it is defined.

### **3.News Production and “Discourse”**

Ideology, when directing individuals, performs this through discourse. Exposing the power of ideology can only be possible by analyzing the discourse. The important thing is; not “*what*” you say, but “*how*” you say. This power of discourse is realized through the language. All definitions for the external world are created by means of language. When discourses come to life, real and unreal intertwine.

Politics, media or science is a particular source of power. For this reason, politicians, media workers and scientists have a specific discursive power due to their profession. Therefore, those who can be more effective on discourses will be stronger. Discourse and mental control are one of the most fundamental ways of gaining hegemony and dominance. Thus, the listeners tend to accept the beliefs and thoughts conveyed through discourse if their messages do not contradict their beliefs and experiences (Devran, 2010: 27- 29).

It is necessary to apply the methods of the 21st century to direct and convince the people of the 21st century. Discourse becomes important to ensure that democracy is more on the agenda, that the people are guided not by the persuasion or not by force, but by unconsciously. Considering that the most important function of the media is to guide the public and create public opinion, the news appears to be a more trusted source compared to other media content, in which case the production of the news becomes more important. How news is created and presented, and therefore news discourse plays a major role in directing the target audience.

Present form and social function of the news, were formed after World War II. After this period, the concepts such as the media's fourth power and the freedom to receive information became ideological, and the importance of news and reporting increased. The ideological aim of these concepts is to legitimize the content of the mass media and the dominant ideology (Kılıçaslan, 2008: 48- 49). While dominant ideologies make themselves dominant by discourses, suppressed thoughts are considered to be absent as long as they do not turn into discourse and gain a certain power (Matheson, 2005: 4).

According to İnal (1996: 95- 96) the discourse of news consists of ownership structures of newspapers and journalists' own ideologies. The news texts are determined by the historical conditions and the moment of production in the political, economic power / government relations formed within the social formation. In addition, the economic policy of the media is structured within itself. According to Hall, journalists not only pass on some of the events, but also give them some context information. This contextual knowledge always comes with the event and the ideology in the media is created in this way (Hall, 2002: 102). As van Dijk (1998: 33) points out in his “*ideological frame*”, his positive and good qualities and actions are emphasized in the news, while the other's negative qualities and actions are emphasized. While their bad and negative actions and qualities do not overrule, the positive and successful actions of the other are underestimated and there is not much space.

All this shows that the production of news has a very important function in the struggle for power and the orientation of societies. In general, media messages are followed for news; are in fact playing a leading role in directing the masses by the ideology it holds and by placing it open or secret to the discourses.

#### **4.Methodology of Study**

##### **4.1.Aim**

Newspaper articles related to the Local Government General Elections to be held in Turkey on March 31, 2019 production of news, analyzes and



frequency in terms of the presentation and frequency were aimed to reveal the ideological structure. Thus, it is aimed to determine whether the news reports have ideological guidance target groups before the election.

#### **4.2.Hypothesis**

The study, is made based on the assumption that “*There is an ideological structure in the media organs and news reports are produced by the ideological effect of the ownership structure*”.

#### **4.3.Sample**

In the study, newspapers from the media organs were selected as samples. In this context, Sabah (Kalyon Construction-Turkuvaz Media) and Sözcü (Burak Akbay) newspapers were included in the sample. A variety of ownership structures in newspapers and high-circulation newspapers are factors at the selection of these newspapers.

#### **4.4.Restrictions**

In order for the study to remain in a certain number of pages, the media are limited to newspapers. Sabah and Sözcü newspapers were selected from newspapers, considering their circulation, ownership structure and publication policies. The news items on all pages of the newspaper, which were in the first week of February, between the dates of 2 February and 5 February 2019, and that the news related to the election, were analyzed.

#### **4.5.Method**

In this study, Teun van Dijk's critical discourse analysis method was used. Van Dijk's discourse analysis, which he put forth in 1983 at first and presented in 1988 in his “*News as Discourse*” book, came to the fore among qualitative methods (İnal, 1996: 73).

van Dijk states that there is a relationship between actions and discourses. In order to control the actions of individuals, it is necessary to control their discourse. Therefore, one way to control power in society is to keep under control the specific discourses that are called text or speech, not just these discourses or actions (van Dijk, 2010: 13). Discourses enable ideologies to exist in social life as practically and thus become actions. The beginning of discourse is language. In this context, the use of language becomes important. The power of discourse lies in the formation and transmission of ideologies. Therefore, the power to control the actions of individuals is linked to controlling the issues within the text. Mental models play a role in the formulation, interpretation and production of discourses in the formation of ideologies (Çomu ve Halaıqa, 2015: 46).

According to van Dijk, there is no single way of critical discourse analysis, but it is necessary to examine the context of discourse, to analyze which groups have power relations, to reveal positive and negative

opinions about us and them, to reveal the pre-assumptions and implications, and to examine the entire formal structure that emphasizes polarized group convictions (van Dijk, 2009: 92-93'ten akt. Çomu ve Halaıqa, 2015: 50).

According to van Dijk, while analyzing the macro structure in the analysis of news discourse, firstly the main topic, title, subtitle, spot and news entries are analyzed and the thematic analysis is done. The fact that information given in headings and spots are given more importance than other information and that this information dominates the next information contains important data in terms of discourse. Schematic analysis, which is the second phase of the macrostructure analysis; are made by review of the case section of the event and information about the background of the event and review of the comment section where quotations from news actors. Whether the information on the event is given in full, whether the background of the incident has been addressed and how the opinions of the parties of the incident are conveyed, are valuable data in revealing the discourse. It gives clues in analyzing possible ideological constructs, which are given importance and interest. In the examination of the microstructure, the sentence structures of the news that are made syntactic analysis, are analyzed in the first stage. The length, complexity, causal or passive sentences of sentences, the relation of consecutive sentences are discussed. It is important whether the relationship between news sentences is causal or functional. At the other stage the analysis of word structures comes. The ideological and cultural meanings of the words constitute the most striking data on the discourse of the news. The final stage of the microstructure investigation is to examine the rhetoric of the news. Compliance, connotation, comparison, metaphor, exaggeration, underestimation, emphasis on contrasts used in the news text, constitute the rhetoric of the news. The excerpts of the journalist from the parties and witnesses of the incident are also important in the rhetorical sense in terms of the persuasiveness of the news. Quotations are interpreted indirectly according to certain purposes and desired discourse is established. The implications used in the text have important ideological dimensions. Most of the information in the news can be left implicit without being explicitly stated. According to van Dijk, sometimes the analysis of the information that is implied and the information that the reader can understand by the background information can be more explanatory than the investigation of what is said (Şeker, 2009: 98).

#### **4.6.Findings**

##### **4.6.1. Sabah Newspaper**

On the first page of Sabah newspaper's issue dated 02.02.2019, regarding the direct election; There is a report titled "*The tormentor*

*prosecutor is defended as the public prosecutor.*" From the macro point of view, when the thematic structure is evaluated, it is seen that the opposition party was served directly with a negative structure. At the news spot with supported CHP leader Kılıçdaroğlu and İzmir candidate Soyer's photographs, this statement takes part; *"CHP leader protected İzmir's candidate Soyer's torturer father: no blame"*. In the news that the newspaper structured with its own discourse; it is noteworthy that the newspaper described Soyer's father as a direct *"torturer"*, and thus the newspaper had developed a discourse that was opposed to the ideology of the opposition. When the schematic structure is examined, the presentation of the event completely negated with a content that; *"CHP leader Kılıçdaroğlu protected to the torturing father of Tunç Soyer, who caused a strong reaction within the party about Tunç Soyer's İzmir candidacy. Kılıçdaroğlu defend that prosecutor father's torture during the period of 12 September, 'He has no crime. He is a public servant.' Kılıçdaroğlu was reacted."* Considering the situation and comment section in the structure of the news, it is noteworthy that a sequential information was added to the event, that it was commented candidate's father was called as *"a torturer"* and that a large mass reacted to the event and that no references have been shown. From a micro-perspective, it is seen that sentence structures are active in terms of syntax, it is presented within the context of a causal relationship in which the candidate is reacted based on the context information related to the candidate. It is seen that the newspaper produced the news discourse, without the need for referential relations, eyewitnesses and credible information. In this respect, it is appeared to be trying to put forward in the newspaper that Van Dijk emphasized the good side of ours in opposition to *"us and they"* and the negative aspects of those who are not our side (they).

When another news on the same page is analyzed from a macro perspective, It is noteworthy that the opposition party and the HDP, which seems to be the representative of the Kurdish mass in the parliament, are tried to be shown in the same ideology with the title of *"Soyer is supported by the HDP"*. When the syntactic analysis is done in the microstructure in the news that the content is created directly without the introduction of the news, HDP İzmir Provincial Co-Chairperson Kadir Baydur's statements are directly involved. In the content of the news, Baydur's sacrifice as a party, without any candidate in İzmir, the CHP to support Soyer and they draw the profile of the most appropriate candidate Soyer was expressed in the statements directly. Only Baydur's photo is included in the report. Continue creating a similar image on the same page, another news was produced with the title of *"It is clear that there is an alliance between the CHP and the HDP."* However, this title was not created by the newspaper's own news discourse but by the direct transfer of the statements of AK Party announcer Ömer Çelik. It is seen that there is a referential relationship

between the news that comes with Çelik's photograph and the previous news. From a micro-perspective, Çelik's discourse on complex sentences and difficult words that *"We see that the AK Party and the People's Alliance have a great deal of support. The situation on the other side is a bit palliative, compulsive. It is clear that there is an alliance between the CHP and the HDP. The problem is that while the CHP is allied with the HDP, it is not allied or integrated with another party in its policies. It's the most scattered state I've ever seen now"* was directly transmitted to the news. In the ongoing news with the subtitle *"injustice to voters"*, The expression of news discourse continued with the transfer of the statements of Çelik. The news was continued with the explanations of Çelik that *"It is a great injustice to our citizens who voted for CHP. The places where the fights are most concentrated are the places that the CHP has in the hands of. So here is not a fight on the basis of establishing a political future; we see a divergence on the basis of rent and power struggle"*. In this respect, it is seen that the newspaper's news rhetoric is taken as credible information by reference to the statements of the ruling party announcer. Thus, Çelik's statement leads the conclusion that the newspaper and the ruling party have the same ideology as the opposition party's CHP is expressed as a belligerent, utilitarian and problematic party. In addition, It is seen that by giving a secret message to the CHP voters, were tried to feel unfair, they were manipulated not to vote for the opposition.

Looking at the first page of Sabah Newspaper's issue dated 03.02.2019, the news is seen with the title of *"He nominated that he fired him yesterday"* and by using capital letters and thick letterheads. When the thematic structure is examined from a macro perspective; it is clear that the news was given with the photograph of CHP leader Kılıçdaroğlu and a critical approach was presented to the leader of the opposition party. It is noteworthy that the statement in the spotlight of the news that *"CHP leader gave away the store about choosing candidate. He is suggested as a candidate who threw from the party"* was formed by interpreting the newspaper with its own discourse. It is observed that the same approach continues with the structured content that *"CHP Chairman's proposal to PM about candidate preferance caused to be said that I'll be a monkey's uncle! Kılıçdaroğlu proposed to Aylin Nazlıaka to the presidential nomination of Etimesgut, who was the former deputy and was expelled from party by Kılıçdaroğlu due to the Atatürk poster crisis. For reacting to the candidates, the CHP Kartal organization protested in front of the head office."* When the presentation of the event is analyzed schematically; it is noteworthy that the newspaper tried to show the opposition party CHP as inconsistent and confused and that the newspaper interpreted Kılıçdaroğlu's actions with an astonishment. Therefore, it is seen that the ideology of the newspaper is not in line with the opposition party. When the micro structure is evaluated, it is seen that the news is generated from

passive sentences, that news does not include causal, functional or referential formations in terms of regional adaptation, that the words are critically approached by referring to idioms, and that from the rhetorical point of view, there is no information other than the newspaper's own interpretation.

Almost all of the 16th page of the newspaper consisted of news related to CHP. However, in all of these news related to the CHP, the party's initiatives were criticized and the party was served in an inconsistent and complex manner. First, with the red and black, thick font size, the main title of “*In CHP the PM was divided into 10*” is used. It is seen that the news spot was produced by the newspaper's own interpretation that “*In CHP, because of the mayor of the presidential nomination, the Party Assembly which includes 61-person, was divided into 10 groups. There are fights for candidate determination on the one hand, on the other hand candidate negotiations are continuing.*” When the thematic structure is analyzed from a macro perspective, this title and the party's CHP party with the discourse of the spot; it has been tried to be seen as unresponsive and the decisions are created within the debate and failed. In the content of the news; CHP's FMC and PM meeting last week, indicating that the echoes continue, the groupings and differences of opinion among the candidates are given in detail. It is also noteworthy that a news discourse has formed a body of news; “*... The most important backstage news is related to Özcan Işıklar who is a father-in-law of Muharrem İnce and who is a candidate for Silivri. It was learned that Işıklar had been consciously vetoed from PM to drive the wedge between Kılıçdaroğlu and İnce...*” When the schematic structure is analyzed, it is seen that the event is structured with its own interpretation of the newspaper. It can be said that the newspaper, which constitutes the content of the news with a purely passive expression and with its own discourse, that describes the ones in the meeting of the opposition party as “*the most bombing lobby*” and that the party's two prominent names are in conflict are carefully selected to discredit the party. In addition, it is seen that the continuation of the news text like that “*It was learned that CHP Deputy Chairman Erdogan Toprak went to the Kılıçdaroğlu's room and he shouted as ‘put Rıza Akpolat to Beşiktaş’ is formed passively with no need to show the source. Due to hollering, the protection menager evacuated the corridors on the floors.*” With this news, it was tried to create an image in which the nerves were stretched and could not be reconciled in CHP. This approach of the newspaper, like van Dijk's approach to “*stressing the negative aspects of those who are not ours*”, it is seen that created news discourse by emphasizing the negative aspects of a party with its own ideology.

On the other news on the same page; the title of “*I'm on the CHP side, but I don't vote for Soyer*” was used. With this title, it is seen that the

newspaper tried to increase the credibility by showing witnesses to the nomination of Soyer. The comments of the three citizens of Seferihisar, in the content of the news are presented as an eyewitness. It is seen that when the syntactic analysis is done in the micro-perspective, it is seen in the spotlight of news that the citizens are used to increase the credibility such as *“Tunç Soyer who is CHP candidate for the Mayor of Izmir, is reacted by citizens of Seferihisar where he was be a mayor in two term: Soyer wasted the public of Seferihisar’s money. He collaborated with HDP. He sold under price the immovable property of the municipality”* and that their discourses are directly transmitted and produced. In the body section where the news is detailed, it is seen that what Soyer does is clearly criticized.

Looking at the first page of the issue of Sabah Newspaper dated 04.02.2019, the headline of *“HDP equals PKK so clear”* is encountered. In the spot of the news; it seen that the discourse of Erdoğan was directly conveyed from; *“President Erdoğan: In the Illness Alliance, the CHP has the maximum commans with HDP. The İYİ(Good) Party and Saadet are also in cooperation with them.”* At the entrance of the news, Erdoğan's discourse that *“ The Illness Alliance is enemy to country. Our People’s Alliance is a matter of survivability. Not until Sunday until the grave”* was again conveyed to the news as a factor. In the context, *‘the Illness Alliance’* is defined by the power of People’s Alliance as *‘ilness’* means of *‘illness, disorder’* and this definition was highlighted by the newspaper. Then, the AK Party's statements on the Syrian issue and FETÖ are briefly mentioned, by adopting decisions and initiatives of the ruling party and news discourses were structured.

Seeing that the news about election on page 14 of the newspaper; The news given in this title that *“the clear message from Ak Party’s Izmir candidate Zeybekçi: on the night of March 31 Turkey will talk about İzmir”* are noteworthy. When the thematic analysis is made from the macro perspective, it is seen that the Ak Parti is assertive in İzmir and that the messages were delivered to be win. When the schematic analysis is made, the newspaper in the spotlight of the news with the news discourse that *“Nihat Zeybekçi, a strong candidate for local elections, said the citizens of İzmir were tired of many problems ranging from infrastructure to sea pollution, from garbage piles to traffic...”* was implied that currently in the hands of the CHP in Izmir, there are many problems because of the municipality and that the CHP failed. When a syntactic analysis is performed from a micro perspective; Zeybekçi's reference to this discourse by referring to the source and his discourse seems to have strengthened. Furthermore, it is noteworthy that the newspaper displayed a strong causal relationship in terms of territorial cohesion. By adding a photo of Zeybekçi to the news, it was desired to increase the recognition. Furthermore, it was emphasized by the newspaper's own discourse that the Ak Party candidate

Zeybekçi started to support the election by taking back the support of MHP and the ideological rhetoric was strengthened. In the news details; the statement of Zeybekçi's candidacy that he was given directly to him by the President was directly transferred to the news. The newspaper reporter's question that “ *‘It is said that despite all the failures, the citizens of Izmir are ideological and they vote for the CHP.’ Do you agree?*” was transferred to the news. In this respect, it is seen that the newspaper implies hiding its ideological structure behind a passive structure.

#### 4.6.2. Sözcü Newspaper

Considering the issue of Sözcü Newspaper with the date of 02.02.2019, with the big and thick point size on the first page; It is seen that news was produced under the title that “*‘İmamoğlu takes Istanbul.’*” When the thematic analysis is made in macro structure, this title and the following that “*‘CHP leader said that our mayor candidates have full of knowledges about the field, they are working, explained his thoughts about the election as follows:’*”, it is seen that the newspaper tries to show the opposition party CHP that it is successful assertive and that the newspaper present it as affirmation. From the schematic point of view that photographs of Kılıçdaroğlu and İmamoğlu were given side by side, it is seen that the content of the narrative and context is not included, the news discourse is formed by transferring the content received from the source directly to the news. When synthetical analysis is performed in microstructure, It is observed that Kılıçdaroğlu's discourse that “*We will have a say in the big cities. We will take Ankara, Istanbul, Antalya, Mersin, Bursa and Izmir with the permission of Allah. Our candidates work hard. Ekrem İmamoğlu, our candidate for president in Istanbul, is a populist. He is the person who will bring the most consistent solution to the problems of the city. I believe he will take Istanbul*” was transmitted to the news in an effective manner. In this respect, it is seen that causal and functional relations are established in the news. CHP leader Kılıçdaroğlu in the report created with a simple expression; Kılıçdaroğlu has been put forward as a reference for increasing credibility.

The first of the news which is related to the election on the 4th page of the newspaper was given with the title of “*‘He was expelled from MHP, became an independent candidate’*”. The statement that “*‘Deputy Erhan Usta, who was expelled from MHP for criticizing the Alliance of the Republic, announced that he would become an independent mayor candidate in Samsun, where he is deputy’*”, is located in the news' spot. It is noteworthy that the news spot was formed by the newspaper's own interpretation and was accompanied by context information. In addition, the sub-message was added that the People's Alliance, which is formed with together by Ak Party and MHP, could not put up with criticism, and to be an independent candidate of Usta is presented in a positive

atmosphere. When synthetical analysis is performed in microstructure it is seen that the news content is formed by the newspaper's own discourse with a passive structure. In the body of the news; It was recalled that Samsun deputy Erhan Usta was expelled from the MHP because of his statement that “*Alliance isn't a must for us*” which is related to alliance between AKP and MHP. Looking at the news rhetoric, there is no need for credible or evidence-based information. With the passive discourse added to the news that “*Usta announced that the election workings will start at Tütün Pier in Samsun where the Great Leader Atatürk was set foot in*”, it is noteworthy that the newspaper presented a positive and affirmative structure by establishing a relationship between the place where the election studies will begin and the place where the Great Leader Atatürk set foot. Thus, it appears that the newspaper is in favor of an opposition ideology.

The other election news on the same page is the news of Özlem Çerçioğlu's discourse that “*My goal is to get 65 percent of the vote*” which was transferred directly as the title with the knowledge that he has been carrying the duty of Mayor of Aydın for 10 years. When the thematic analysis is made, it is seen that the newspaper conveys a high election target of CHP mayor in a positive way. At the entrance to the news, the statements that “*Çerçioğlu who is coming together with women and children from Efeler district, told that 'I looked at Aydın as a mother. I'm doing the biggest investment to our children'*” were given. The news was added to the photographs in the crowded people while taking selfies with the young people. In this respect, it is noteworthy that the newspaper presented Çerçioğlu as a popular and popular candidate for people. When it is analyzed schematically, the content of the news is that Çerçioğlu was once again nominated in the 31 March local elections, he was called with “*heeled swashbuckler*” and in 2014 local elections he took up 44% of the votes. When synthesized the news, which was created with the positive aspects of Çerçioğlu, from the micro perspective, it is seen that Çerçioğlu's discourses that “*In Aydın, my opponent is again the same name, Mustafa Savaş. He was the AKP candidate. I outdid 100,000 votes in the last elections. I believe that I will get about 65 percent of the votes in the 31 March elections. I treat everyone equally and fairly. I've always been poor person. We declared 2019 the year of women and children.*” are directly given by an active structure. In terms of regional harmony and rhetoric of news, it is seen that both the newspaper highlighted Çerçioğlu's positive points and the ambitious and positive sides of Çerçioğlu's own discourses are conveyed to the news. In this respect, it is clear that van Dijk has emphasized the positive aspects of those who are in their own ideology, as emphasized by “*us and they*”.



When we look at the election news on the first page of the issue dated 03.02.2019 of Sözcü Newspaper, the headline of “*Our lives have been worth*” is encountered. Even though the news seems to be related to the hikes in the first place, it contains the Denizli report of Umut Oran from CHP. When the schematic structure is analyzed from a macro perspective, in the spotlight of the news; It is stated that 6 in electricity, 5 in the gas, in the water is reflected in the invoice so, that the bills are becoming increasingly bulky and still the citizens are suffer from the bills. After that, the news was structured under the heading “*Umut Oran with CHP, has announced Denizli report*”. When evaluated from this aspect, it is seen that the news is given with context information, the presentation of the event is given with the discourses of Oran with CHP, as the source to increase the credibility in the news discourse. In the content of the news; It was stated that Oran visited the factories in the industrial zone in Denizli and reacted to the unpaved roads. Then, the news was continued with the statements of Oran that “*Anatolian tiger Denizli is in the grip of the economic crisis... The heart of textile has heart spasm. The tourism potential of the city cannot be evaluated*”. With this news, by drawing attention to the negativity in Denizli; It was tried to be emphasized that the CHP candidate was at work and closely followed the problems. It was tried to increase the credibility of the news by adding photos of Oran on the street and textile workshop with the citizens. It is seen that detailed by adding subtitles to the news that “*The heart of textile has heart spasm*” and “*Support to the Textile Sector is a must... In agriculture, the problem does not end*”.

When we look at the first page of the issue dated 04.02.2019 of Sözcü Newspaper, we see that the title is given that “*the first problem is poverty*” with capital letters, thick and large points. At the beginning of the news which was given the main heading that “*Stunning detection from Ekrem İmamoğlu who is CHP's Istanbul candidate:*”, the news was formed with statements that “*İmamoğlu said that ‘I’m walking the streets. I’m talking to everyone. Spinach is 10 pounds, there are many citizens who said that I can not go home with filled a bag’*”. In the content of the news; It is stated that urban poverty is the first problem of Istanbul, that this work will not be given by giving instructions from television, accessing to food should be cheaper, and social municipalities will exceed them with an effective way. From a thematic point of view, it is stated that there is a problem of poverty in a city in the hands of Ak Parti, and a sub-message is forwarded that the AK Party has failed. From a schematic point of view, it is seen that the presentation of the event was made by transferring the critical discourse of the candidate of CHP, İmamoğlu, and the candidate of CHP was introduced.

On page 10 of the newspaper of the same date, the details of the news on the first page are given. The news which was given with the title of “*I’m*

*getting the hikes back already*” were produced mostly by the statements of the CHP candidate İmamoğlu. The spot of the news was formed with *“İmamoğlu who says that he was an interpreter for those watching Istanbul from Ankara during the election campaign, ‘If I go to someone, the problem is solved that day...’*. When the thematic structure is examined; It seems that the newspaper tried to give a secret message that Imamoglu was a successful candidate with high sanction power. Looking at the content of the news, in creating the news discourse of the newspaper, to show the success of Imamoglu, with successive knowledge; as giving background information, while forming the news discourse of the newspaper, it was stated that İmamoğlu won the votes of not only CHP people but also other parties in the 2014 election. In the details of the news, Imamoglu's discourses are included in the subtitles of the news such as; *“It's not a mega project, it's human”, “We will reverse”, “I will be in the public”*. In their content; If Imamoglu won the election, what were his priorities and what he would do for Istanbul were sorted. It is seen that the newspaper has the same ideology with its positive side of this candidate.

On the same page, a news is given with title of *“What we said is told as a promise of AKP”*. It is seen from the macro perspective that the AK Party has been criticized and CHP has been positively highlighted. At the beginning of the news, the discourse of Imamoglu that *“I think the election manifesto of the President and the President of the AKP is successful. Because, what substances there are in my own nomination statement, he explained them one to one”* was conveyed in an effective structure. From a schematic perspective, the news continued with the subtitle of *“it doesn't convince”* and is detailed by transferring directly of Imamoglu's statements that *“... Our speech is good but when he spoke on the behalf of of the municipalities who do the opposite, the discourse does not suit. I would like to remind the public that this discourse is our discourse”*. It is observed that the AK Party municipality continued to be criticized by İmamoğlu's discourses. In the news which is related to each other and with title of *“Poverty is very large in Istanbul”* and *“This problem is not solved by instruction”*, it is seen the statements were given that İmamoğlu is a tradesman and business person, that he always spend his life on the streets, areas, and with workers and laborers and the other İmamoğlu's statements are given that he has never seen in Turkey that a large urban poverty as big as he has seen for 25 days. When the thematic structure is analyzed from a macro perspective, the titles and sub-headings are formed from the discourses of İmamoğlu. In the schematic structure, the presentation of the situation is largely composed of the promises of the CHP candidate İmamoğlu and of the critical discourse against the municipality, which has been in the hands of the AK Party so far. It is seen that the newspaper does not include its own interpretation. When microstructure synthetically analyzed; it is seen that sentence structures are active and simple.

İmamoglu was cited as a reference and a criticism was made to the ruling party over his discourses. The report also includes photographs of İmamoglu during the interview and it is tried to increase his recognition.

## 5. Conclusion

In this study, it was aimed to find out which ideologies served by newspapers and how they tried to manipulate the masses in order to answer to the hypothesis that newspaper news was structured under the influence of certain ideologies in the Turkish press and, Van Dijk's critical discourse analysis was applied and it was found that the newspapers produced news in a way that emphasized the dominant or opposition ideologies.

In this direction; It was clear that no positive news about the opposition party was being made available when structuring the news of Sabah Newspaper. It was seen that in its all news about election, the Republican People's Party was openly criticized, implied and served in a negative manner. The criticisms made by the ruling AK Party and the leaders of the People's Alliance are directly added to the news and the negative rhetoric about the opposition has been tried to be strengthened. On the other hand, it was determined that the ruling party and the People's Alliance were always presented with positive content, and thus the newspaper served the dominant ideology.

In the news of Sözcü Newspaper, in contrast to the Sabah Newspaper, it was determined that the leaders and candidates of the Republican People's Party and the National Alliance were always emphasized positively, while the ruling Party and the President's Alliance were criticized. Similarly, in Sözcü Newspaper, the criticisms against power were mostly made indirectly through the discourses of the leader and candidates of the opposition party. Thus, it was determined that Sözcü newspaper served the opposition ideology.

In these respects, as Van Dijk pointed out, it was observed that the newspapers mostly emphasized the positive aspects of the parties whose ideologies they perceived to be similar or similar, but concealed the negative aspects, and at the same time, it is also clear that newspapers have a form of news production that they have adopted the negative aspects of opposing ideologies while hiding the positive aspects. Therefore, it is concluded that it is not possible to talk about an objective news in the Turkish press and that journalism aims to disseminate more desirable ideologies and to manipulate target groups in this direction.

## References

- ALTHUSSER, L. (2008). *İdeoloji ve Devletin İdeolojik Aygıtları*. İthaki Yayınları. İstanbul
- Aziz, A. (2003), *Siyasal İletişim*, Nobel Yayınları, Ankara.

- ÇOMU, T. & HALAİQA, İ. (2015). *Web İçeriklerinin Metin Temelli Çözümlemesi*. M. Binark (ed.). *Yeni Medya Çalışmalarında Araştırma Yöntem ve Teknikleri*. Ayrıntı Yayınları, İstanbul, s. 26-87.
- DEVİRAN, Y. (2010). *Haber Söylem İdeoloji*. Başlık Yayın Grubu, İstanbul.
- DURGUN, B. G. & YAMAN, H. (2017). “İdeoloji, Dil ve Sembol Bağlamında Medya ve Siyaset”, *Akademik Hassasiyetler*, C.4, S.7.
- ERDOĞAN, İ. (2005), *İletişimi Anlamak*, Erk Yayınevi, Ankara.
- HALL, S. (2002), *İdeoloji ve İletişim Kuramı*, Medya Kültür ve Siyaset, Alp Yayınevi, Ankara.
- İNAL, A. (1996). *Haberi Okumak*, Temuçin Yayınları, İstanbul.
- KAZANCI, M. (2003). “Althusser ile İdeoloji Üzerine Yapılmamış Bir Söyleşi”, *İletişim: Araştırmaları*, S. 1(2), s. 37- 54.
- KILIÇASLAN, E. (2008). *Siyasal İletişimde İdeolojik Dil*. Trakya Üniversitesi Sosyal Bilimler Enstitüsü, Yüksek Lisans Tezi.
- MARCUSE, H. (1997). *Tek Boyutlu İnsan*, İdea Yayınevi, İstanbul.
- MARX, K. & ENGELS, F. (1992). *Alman İdeolojisi*. (Çev. Sevim Belli), Sol Yayınları, Ankara.
- MARX, K. & ENGELS, F. (1999). *Felsefe Metinleri*. Sol Yayınları, Ankara.
- MATHESON, D. (2005). *Media Discourse: Analysing Media Text*. Berkshire: Open University Press.
- ŞEKER, M. (2009). *Dağlıca Baskını Haberlerinin Söylemi*. M. Şeker ve N. T. Şeker (ed.), *Terör ve Haber Söylemi*, Literatürk, İstanbul.
- Türkçe Sözlük, (2005). Türk Dil Kurumu.
- VAN DİJK, T. A. (2003). *Söylem ve İdeoloji: Çok Alanlı Bir Yaklaşım*. Söylem ve İdeoloji, Mitoloji, Din, İdeoloji, (Ed. B. Çoban), (Çev. B. Çoban, Z. Özarslan ve N. Ateş), Su Yayınları, İstanbul.
- VAN DİJK, T. A. (1998). *Opinion and Ideologies in the Press*. Approaches to Media Discourse, (Der. Allan Bell & Peter Garret), Oxford: Blackwell Publishers.
- VAN DİJK, T. A. (2005). *Söylemin Yapıları ve İktidarın Yapıları*, Medya, İktidar, İdeoloji, (Der. ve Çev. Mehmet Küçük), Bilim ve Sanat Yayınları. Ankara.

VAN DİJK, T. A. (2010). *Söylem ve İktidar*. (Çev. Pınar Uygun), Nefret suçları ve Nefret Söylemi, (Haz. Ayşe Çavdar and Aylin B. Yıldırım), Uluslararası Hırant Dink Vakfı Yayınları, İstanbul.

Sabah Gazetesi ( between 02.02.2019- 04.02.2019 dates)

Sözcü Gazetesi (between 02.02.2019- 04.02.2019 dates)

- **PUBLIC ADMINISTRATION**

# **E-GOVERNANCE COMPARATIVELY IN THE UNITED STATES (USA) AND RUSSIA**

Canan ÇAKIR \*

## **Introduction**

The rapid change experienced in the social, political and economic spheres after 1980 has changed establishing public policy and providing public service in the relations of state-society and state-private sector. Within these years, significant structural and functional reforms at a level of paradigm were realized in public administration. One of the reforms having a place in terms of the improvement of public administration doctrines is e-governance. E-governance began to be used more widely in the field of public administration especially after the 1990s. E-governance is the use of Information and Communication Technologies (ICT) at various levels of the government and the public sector to strengthen governance. E-governance is not limited to the government and the public sector. It also means managing policies in the private sector. E-Governance is the integration of information and communication technologies with the governance process in order to improve management structures and processes, to increase the interaction between the state and non-state actors (private sector, non-governmental organizations), to facilitate the participation of citizens in decision-making processes, and to make the state more efficient, more transparent and more accountable. In this study, it is aimed to compare e-governance practices in two countries with different political cultures by focusing on the development of e-government applications and transition to e-governance in the United States (USA) and Russia. The main aim of the study is to reveal certain implementations on e-government applications and e-governance in these two countries.

## **1.E-Governance Concept**

It has been seen that the process of scientific and technological change, experienced today, necessitates the redefinition of the management concept. The internet has become an important tool in realizing citizen-centered management as a complex process that brings close different nations together without any loss of time and at minimum cost in an electronic environment (Demirel, 2010: 69). E-Governance, which is an enunciator of a new initiative in governance and is affected by developments based on information and communication technologies in the global process, grounds on “a society-centered management instead of

---

\* (Dr. Öğretim Üyesi); Gümüşhane Üniversitesi, Gümüşhane, Türkiye. E-Mail: canancakir@gumushane.edu.tr

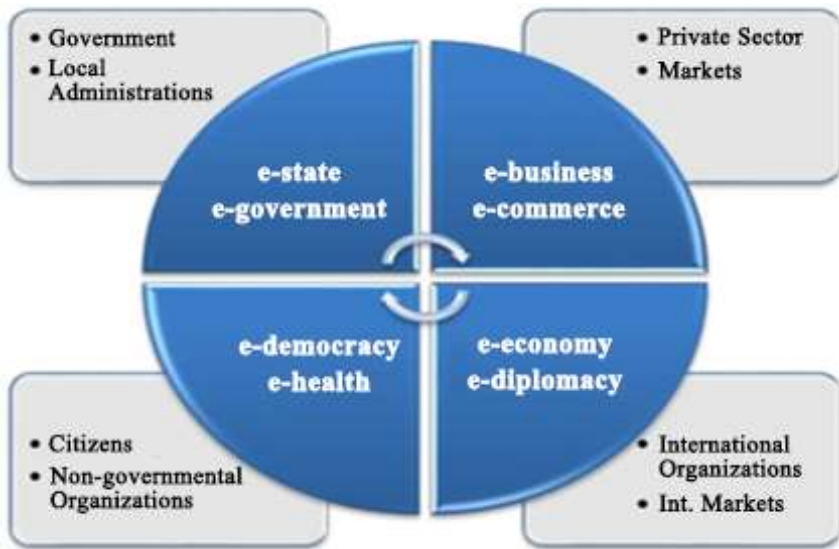
a state-centered government, and an empowerment strategy" (Okmen et al., 2004: 45).

The e-Governance concept means the use of information and communication technologies in various spheres of the public institutions to improve governance (Palvia & Sharma 2017: 2; Olufemi, 2012: 125). E-Governance is a democratic governance tool that acts on the portals, where information and communication technologies come into play as an advanced model of governance and that directly includes citizens in government activities (Parlak & Dogan 2019: 8).

It is observed that the mutual relations between stakeholders have increased rapidly through the use of the internet network via e-Governance. Thanks to this emerging governance network, people from every walk of life, such as, non-governmental organizations, semi-autonomous organizations, enterprises and even local governments, can present their opinions and ideas in a more easy way by creating a public opinion on state politics and management. In other words, the actors mentioned may be effective in establishing aforesaid policies and decisions by means of influencing policy and decision processes. Within this framework, E-Governance activates other passive politic actors together with the government in implementing and establishing public policy by letting them participate in the decision processes on the internet (Cakir et al., 2018: 130). In one respect E-Governance refers to the provision of all public services by meeting the needs of all citizens, all private sector institutions and organizations and all other interested parties through a web portal using the information communication technologies of the government bodies (Ozer, 2017: 469). E-Governance includes two concepts: e-democracy and e-government. E-democracy states the electronic communication between the electee and the elector. The concept of e-government can be defined as the provision of all public services in an electronic environment as much as possible. E-business or e-economy can also be a part of E-governance in order to explain its relationship with the private sector. In such a case, it is seen that the concept of e-Governance has become more inclusive when e-democracy, e-government, and e-economy are included. E-governance model including the concepts of e-government, e-business/e-economy, and e-democracy has been shown below in Figure 1 (Dogan & Ustakara 2013: 7).



**Figure 1: E-Governance Model and Socio-Economic Network Structure**



**Source:** Yereli et.al., 2015: 139.

E-Governance as seen in the figure above; seems like a model created by e-democracy, e-business/e-economy and e-government structures, and utilized and accepted by all relevant actors. In other words, E-Governance can be explained as the communication of all relevant actors on the internet by adopting the principles and assumptions of e-government, e-business/e-economy and e-democracy (Dogan & Ustakara 2013: 8).

It has been stated that public service delivery together with E-governance has undergone a self-transformation, and thus increasing the pressures for establishing a citizen-oriented administration with the rapid response to the public service demands of society (Demirel, 2010: 70). Besides, E-Governance represents an effective management style that provides savings to a large extent in the cost of public service by supporting the use of electronic devices. Therefore, benefiting from E-Governance infrastructure in the presentation and regulation of public services causes savings in public transactions (Demirel, 2010: 71).

The e-Governance approach provides a different way of realizing democracy, accountability, transparency and ethical values in public administration through the opportunities provided by the internet. E-Governance, which is a change of perspective in the framework of digital transformation in the public, is a structuring that takes advantage of information and communication technologies and that includes the state, society and the private sector. Therefore, with the E-Governance,

flexibility in public administration, rapid decision-making, accountability, transparency, right to information and democracy-based information society culture are tried to be created by enabling all segments of the society to participate in the diplomacy and policy-making process in an internet-based, multi-actor and dynamic structure (Cakir et al., 2018: 132).

## **2. Public Administration Reforms in the United States of America (USA) E-Governance**

The USA is the first country developed the earliest e-government applications and laid the conceptual foundations of the e-government applications. These e-government applications in the USA began with the initiative of different public authorities at the level of federal government or states (Uckan, 2003: 74). However, US e-government applications are considered to be the most successful examples of world practices. The USA as a pioneer in information and communication technologies has initiated the E-Governance process from 2001 on with reform policies aimed at increasing the efficiency and productivity of the federal government at first (Caner, 2019: 312).

In the United States in the early 1990s, within the framework of the "Reinventing Movement of Public Administration", a change movement from the classic bureaucracy model to a customer-oriented and result-oriented public administration approach was initiated (Daves, 2008: 87). The activity, initiated with the "National Performance Review (NPR)" in the year of 1993, and mentioned as the Reinventing Government, is the foremost study (Yılmaz, 2001: 47). An important source of the reinventing of public administration study is the ideas expressed in the work, "Reinventing Government", written by David Osborne and Ted Gaebler (Kutlu, 2012: 129-130). New public administration with broad strokes, contains approaches such as public choice and strategic management within itself, emphasizes mostly downsizing of the state with reinventing movement of the government with its current structure, featuring the leadership and entrepreneurship, and the importance of competitiveness and efficiency as in the private sector. The reinvention of the government reflected on the implementation as downsizing of the public, privatization of the services and to be carried out by the private sector and so the increase of the performance, increase in the importance of non-profit organizations (Kutlu, 2012: 105).

The second considerable step with regard to the public administration reforms in the United States was taken in 1997. The "Access America" project, constituting a basis for e-government applications, has been started (Demirel, 2006: 102). With this project, it is aimed to integrate Information Communication Technologies (ICT) into government activities. The

Access America project is the cornerstone of American e-government transformation (Caner, 2019: 315).

Access America aims to provide all public services online within the scope of the e-government program. As part of the program, an internet portal "firstgov" put into service in 2001 was designed. The thematically designed portal, which formed the topics such as agriculture-food, culture-arts, consumer services, environment, energy, federal aid, insurances, health, education, and business opportunities and travel, and defense in separate headings, has become fully operational in 2003 (Uckan, 2003: 75).

The scope of the Access America program can be summarized as follows (Uckan, 2003: 75):

- Service to individuals: to popularize easily accessible, high-quality public services through a single portal for citizens,
- Service to the business world: to relieve the burden on the business world by appropriately alleviating and combining obligations like forms, making notifications etc. through the internet,
- Federal and interstates affairs: to remove different practices on the notification requirements issue for different federal public administration units, together with state units, and to provide performance measurement notably about allowances,
- Intergovernmental efficiency and productivity: to enhance the performance of federal and state public administration by taking advantage of best practices of the e-business in fields such as financial management and information management, and to bring down the costs.

In 1998, a memorandum "Plain Language in Government Writing" was published. This memorandum has been published by President Clinton in order for the language used in e-government applications to be easily understood by all citizens. In the same year, the "GPRA National Performance Review (NPR) Report" of the National Science Foundation (NSF) was published. In the report, it is stated that the United States Public Administration system needs innovation and change and that this change can be realized through intensive use of Information Communication Technologies. Within the framework of the report, the National Science Foundation (NSF) announced that it will launch a new project. In this context, NSF stated to have added "Computer and Information Science and Engineering" studies to various scientific research award given each year, and to the contribution projects. Thus, for the first time, the projects to be carried out in the field of information and internet technologies have also been supported by the federal government (Caner, 2019: 316).

As a result of the implementation of e-government applications at the federal or local level, the concept of e-governance has emerged. The e-

governance concept is considered to be the mental transformation of reforms in the American public administration literature and the search for new public services. In the United States, the impact of e-government practices on e-governance is realized in two main points. The first of these is to ensure the public services presented in an efficient, effective, transparent and accountable form. Whereas, the second one is to make people participate in the public administration and democratic processes 24/7, through Information and Communication Technologies (ICT). Under the circumstances, E-Governance emphasizes the provision of public services to the public in an efficient, effective, fast, appropriate, neat and transparent way (Karakus, 2011: 79-80).

One of the E-Governance practices in the USA is the work carried out by the Internal Revenue Services (IRS). With the improvement of information and communication technologies, such services have been relocated to the internet. Thus and so, services at the federal government or state level such as submitting a declaration, taxpayer registration, invoicing, auditing of account, and record keeping are started being provided online through internet environment (Eroglu, 2019: 299).

Within the Clinton period, public administration reforms were rapidly carried out. In this period, for the tactics in the use of information and communication technologies and arranging the web applications, consulting to the private sector, citizens and non-governmental organizations have emerged. The Access America Project was initiated notably with this perspective. The Access America Project is a very comprehensive project. Although the prime contractor of this project is the federal government, it has been developed in cooperation with non-governmental organizations, local governments, and the business world in particular (Caner, 2019: 326). The Access America Project is a program in the USA to be evaluated within the scope of E-Governance (Eroglu, 2019: 299). The project started to be implemented as of 1997. The studies focused on the project were; the completion of infrastructure works, the transition efforts from the online state system to the inline state system, and the actualization of structural and functional arrangements towards the development of all kinds of e-services that will improve domestic markets, transportation in particular. In this case, downsizing of the state was ensured in general. Besides, public services had the opportunity to gain significant momentum (Caner, 2019: 327).

It can be said that e-government transformations have changed according to US Presidents' approaches in the United States. Pursuant thereto, especially after the attack on the World Trade Center in New York on September 11, 2001, the ICANN (Internet Corporation for Assigned Names and Numbers) has become a cybersecurity issue for the Bush administration regarding the protection of the critical infrastructure rather

than the information society and the internet economy. However, it should be noted that Obama supported multilateral approaches, ICANN's internationalization and development of the E-Governance regime (Tok, 2014: 120-121).

The Obama period's discourses on e-Governance were carried out in conjunction with the other governance practices within the framework of new public administration reforms. In this case, economic governance, local governance, good governance, and corporate governance are also used frequently. Obama's mention of the concepts of governance, related to the sectors, ensures American society to reorganize in many respects from education to health. Until the year of 2014, which was the end of the period of office, Obama has said many times that the state should be built over transparency and accountability. In order to achieve this, he believed that Information and Communication Technologies should be used effectively and public institutions should be digitized at all levels. Obama described the 21<sup>st</sup> century as an information age. In addition, he put excessive emphasis on that pluralist and participatory democracy may be implemented more easily, thanks to the Information and Communication Technologies. However, with Trump's accession to power, it is seen that e-Governance applications have been interrupted once again. Contrary to e-government investments, Trump is walking on thin ice about e-Governance (Caner, 2019: 330-331).

### **3. Public Administration Reform in Russia E-Governance**

The Russian Federation is one of the most politically and economically important countries in the world. The reason for this is the fact that she is the heir of the USSR (Union of Soviet Socialist Republics) which has put a firm stamp on an era, in addition with her wide territories, rich energy resources, geographical location, and historical-cultural background. In addition to being the world's largest federal state, Russia has the title of the largest Orthodox and Slavic country (Agir & Baharcicek 2015: 59). The country has the largest land in the world being in the middle of the Eurasian Continent within the direction of the East-West line. Russia has a border with a total of 14 countries. Russia has a vast quantity of land. Russian Federation is a quite hard-to-be-managed country due to containing varied ethnic and religious groups within herself, and having a population of approximately 150 million (Parlak & Caner 2013: 211-212).

Russian Federation was found in 1991 after the dissolution of the USSR (Sadioglu & Erdinçler 2018: 66). This foundation period was quite painful. Russia was able to enter into a restructuring process with the constitution dated 12 November 1993. This restructuring process continued until the election of Putin as a President in 2000. After the year 2000, a new era has begun with Vladimir Putin coming to power in Russia (Orhan &

Cobanoglu 2015: 59). Developments, seen in many areas from infrastructure services to the economy and from socio-cultural sphere to the defense industry, have also been observed in the field of e-government based on the use of Information and Communication Technologies. Putin has taken considerable steps in order to provide the government's services in an electronic environment. In addition, he tried to establish his policies in a manner that supports e-government works. Although the factors such as the size of the country's geography, the population being crowded and the country being a federation forced Putin, he had wishes about the state and government to use information and communication technologies and to be digitalized (Bozaslan, 2019: 405).

Putin, one year after being elected as president, in March 2001, organized an internet conference in which over 9,000 questions were forwarded via e-mail. During the conference, Putin laid emphasis on public officials to be computer literate. In addition, he also stated that the official websites in the Russian Federation were not functional and that they have rough edges about providing quality services. In April, one month after the internet conference held in March 2001, Putin met with information technologies managers. Putin announced that all the federal agencies in the country will be giving satisfactory information about their activities and that these sites will be updated daily, by the end of 2001. In this case, within the direction of Putin's initiative, a number of inter-agency working groups were established and remarkable activities were carried out in the Russian Federation (Peterson, 2005: 50). As a result of all the works realized, the E-Russia Program was approved in January 2002.

In 2002, the Russian Federation declared Electronic Russia as an important stage in the digitalization of the state with a budget of 2.57 billion dollars as a nine-year program (Bozaslan, 2019: 406). With Russia's Electronic Russia Program, it was aimed to reduce the delay in information and communication technologies compared to other countries and then to eliminate it (Cooley, 2018: 901).

The fundamental objectives of E-Russia stated as; to build the civil society through the development of e-democracy, to create a suitable environment for the application of information communication technologies, to establish e-government providing services through information communication technologies and to increase the number of internet users through education and training. The Russian Federation was relatively successful in achieving the aforementioned goals thanks to the works carried out within the 2002-2011 period. However, as for the aims of improving e-democracy and building a civil society in this way, universal standards were not achieved. The Information Society 2011-2020 Program has been tried to be prepared over the same purposes. However, in the Russian Federation, the participation of the citizens in the processes,

they may get involved in person, by strengthening the e-democracy stayed at a limited level. Security measures and concerns have led to a postponing in the demand for digitalization (Bozaslan, 2019: 410-411).

During the implementation of the E-Russia program in Russia, a number of problem areas have emerged; technical and infrastructural insufficiency, concerns about information security, and most importantly, the demand for security and sovereignty to be considered important in the first place. In the emergence of these problems, the intensive implementation of bureaucratic procedures and the inheritance of public administration having complex organizational structure have been largely effective. These problems became apparent in terms of E-Governance. The hesitant political standing in Russia has limited the elbow room of e-governance in practice. Security concerns preclude what needs to be done for the development of democracy. Therefore, it has become effective in the restricting tendency of e-governance's elbow room. The emphasis on sovereignty handed down by the past, the uncompromising direction of the political culture and the security demand have generally caused e-governance practices to be met with a concern (Bozaslan, 2019: 407).

With the free Anti-Corruption Mobile Application developed as part of the E-Governance implementation, in Russia, in 2012, to fight corruption, it has been seen that the citizens are encouraged to explain the bribes they paid and where they paid without revealing their identity. Thanks to this application, it is stated that the national bribe map can be monitored by the authorities (Yereli et.al., 2015: 137).

It is seen that the Electronic Russia Program has achieved successful results in the studies carried out on government websites and internet access points. However, it is seen as insufficient in the implementation of electronic services and in the development of favorable conditions for democracy (McHenry & Borisov 2006: 1077).

It can be said that Russia, a permanent member and one of the largest economies of the United Nations Security Council, is one of the key actors concerning the E-Governance implementations. It can be said that Russia's E-Governance priorities are shaped by the security perspective and the importance it attaches to national sovereignty. It is thought that the increase in security concerns within E-Governance has placed more hierarchical implementations and practices providing many roles to the public to the forefront. Russia is said to be one of the best examples of this situation (Tok, 2014: 141).

### **Conclusion:**

E-Governance comes to the fore in the administrative structures in which indigenization and bureaucracy are tried to be eliminated. E-

Governance also refers to a polity including citizens, institutions and organizations, civil society and the private sector, and supported by information and communication technologies. Thusly, e-government and e-governance implementations, whose speed and capacity are increased through internet applications by integrating with the information society concept and strengthening with informatics and information technologies, are accepted and interiorized by socio-cultural dynamics. Thus, to create a participatory and accountable public administration that facilitates the lives of citizens and shortens the time of access to public services, with increased transparency is desired.

The concept of e-Governance has emerged in the United States and spread to the world. The concept of e-Governance has made progress over time. In the United States, E-government works were initiated within the scope of state restructuring and public administration reforms in the first half of the 1990s. E-government works initiated with Clinton. These works maintained during the Bush period. While within the Obama period there have been years during which e-government works maintained and a significant mentality change in this area was experienced. Until the year of 2009, when Obama was inaugurated as the President of the United States, E-Governance concept has been included in the literature tenuously. E-Governance, which is fictionalized on transparency, accountability, and participation, has remained in the agenda throughout the Obama periods. Obama has put many policies into effect to make information and communication technologies more effective in state and government administration. The US Presidency of Obama ended in 2017. Until the year of 2017, he succeeded in making an effective and sustainable management system dominant by doing US public administration seriously transparent and accountable. Today, the US is one of the most developed countries in the world in terms of accountability and transparency and also a constant developer of the concept of e-Governance. Besides, she is the pioneer of many developments in technology. It would not be wrong to say that the United States will continue to exist as a pioneer to E-Governance idea also in the coming years.

The Russian Federation is also among the leading countries carrying out works on e-government applications. Russia is a country spread to a wide geography and with a good few populations. In this sense, e-governance and e-government applications, namely the digitalization of the state, are a very important issue for Russia. Together with Putin, the strategies for the sake of E-Russia's development have been identified. In accordance with these strategies, the process of digitalization of the state was initiated. Programs prepared by Russia to make e-government take place in daily life are E-Russia Program and Information Society 2011-2020 Program. However, it is considered that the e-governance



implementations of Russia do not run at the desired speed and scope. The reason for this can be said to be the sense of security and sovereignty which Russia has prioritized together with the adopted "sovereign democracy model". Today, since Russia is known to be a power on a global scale in a wide range from space technology to the defense industry, it is believed that Russia has the potential to supply the technological infrastructure and to offer all services at the federal level through an electronic environment and to provide all the desired information electronically. However, Russia, in spite of this potential, can be said to behave timidly about e-government applications although set a quite large budget at the beginning. The reflections of this situation are evident from the fact that Russia could not achieve the desired level of improvement on e-Governance in the course of time.

As a result, it can be said that in countries with different public administration logic, E-Governance implementations are naturally different from each other; while the governments consisting of open, transparent and more democratic freedoms are more eager for E-Governance applications, are making rapid progress, are offering and/or trying to offer more services within the scope of e-government to their citizens and stakeholders.

## References

- AĞIR, Osman; BAHARÇİÇEK, Abdulkadir (2015), "Rusya Federasyonu'nda Demokrasinin Yerleş(e)memesinin Nedenleri", Akademik Yaklaşımlar Dergisi, İlkbahar, Cilt: 6, Sayı:1, ss. 45-63.
- BOZASLAN, B. Mehmet (2019), "Rusya Federasyonu'nda E-Yönetişim", E-Yönetişim Kavramsal/Kurumsal Çerçeve, Ülke İncelemeleri ve Türkiye'ye Yansımaları, Edt: Bekir Parlak, Kadir Caner Doğan, Beta Yayınları, İstanbul, ss. 403-414.
- ÇAKIR Canan; DOĞAN Kadir Caner; KALKIŞIM Hasan Mahmut (2018), "Yönetişimden E-yönetişime: Kamu Yönetiminde Dijital Dönüşüm Perspektifinde Kavramsal/Kurumsal Bir Çerçeve", Dijital Çağın Etkisinde Yönetim-Siyaset-Kent, Edt: Elvettin Akman, Nilüfer Negiz, Çiğdem Akman, Hakan Mehmet Kiriş, Detay Yayıncılık, Ankara, ss. 121-136.
- CANER, Cantürk (2019), "Amerika Birleşik Devletleri (ABD)", E-Yönetişim Kavramsal/Kurumsal Çerçeve, Ülke İncelemeleri ve Türkiye'ye Yansımaları, Edt: Bekir Parlak, Kadir Caner Doğan, Beta Yayınları, İstanbul, ss. 311-334.
- COOLEY, Asya (2018), "Examining Development of E-Government in Russia and China: A Comparative Approach" International Journal of Public Administration, Vol: 41, Issue: 11, pp. 899-908.

- DAWES, Sharon S. (2008), "The Evolution and Continuing Challenges of E-Governance", *Public Administration Review*, December, Special Issue, pp. 86-102.
- DEMİREL, Demokaan (2006), "E-Devlet ve Dünya Örnekleri", *Sayıştay Dergisi*, Sayı: 61, ss. 83-118.
- DEMİREL, Demokaan (2010), "Yönetişimde Yeni Bir Boyut: E-Yönetişim", *Türk İdare Dergisi*, Sayı: 466, ss. 65-94.
- DOĞAN Kadir Caner; USTAKARA Fuat (2013), "Kamuda Bir Yapılanma Dönüşümü Olarak E-Devlet ve E-Yönetişim İlişkisi Üzerine", *Global Journal of Economics and Business Studies*, Küresel İktisat ve İşletme Çalışmaları Dergisi, Yıl: 2, Sayı: 3 (01-12), Bahar, 1-11.
- EROĞLU, Tuğba (2019), "Dijital Kamu Yönetimi Perspektifinde E-Yönetişimin Geleceği", *E-Yönetişim Kavramsal/Kurumsal Çerçeve, Ülke İncelemeleri ve Türkiye'ye Yansımaları*, Edt: Bekir Parlak, Kadir Caner Doğan, Beta Yayınları, İstanbul, ss. 279-307.
- KARAKUŞ, Gülşah (2011), *Yönetişim Yaklaşımı Perspektifinden Türkiye'de E-Devlet Uygulamaları ve Maliye SGB.net Örneği*, Yayınlanmamış Yüksek Lisans Tezi, Süleyman Demirel Üniversitesi Sosyal Bilimler Enstitüsü, Isparta.
- KUTLU, Önder (2012), *Karşılaştırmalı Kamu Yönetimi: Teorik Çerçeve ve Ülke Uygulamaları*, Çizgi Kitabevi, Konya.
- McHERRY William; Artem Borisov (2006), "E-Government and Democracy in Russia" *Communications of the Association for Information Systems*, Vol. 17, pp. 1064-1123.
- ÖKMEN Mustafa; BAŞTAN Serhat; YILMAZ Abdullah (2004), "Kamu Yönetiminde Yeni Yaklaşımlar ve Bir Yönetişim Faktörü Olarak Yerel Yönetimler" *Kamu Yönetimi*, Edt: Mustafa Ökmen, Abdullah Yılmaz, Gazi Kitabevi, Ankara, ss. 23-80.
- OLUFEMİ, F. J. (2012), "Electronic Governance: Myth or Opportunity for Nigerian Public Administration?", *International Journal of Academic Research in Business and Social Sciences*, September, 2 (9): 122-140.
- ORHAN Gökhan; ÇOBANOĞLU Sedat (2015), "Sovyet Sonrası Dönemde Rusya'da İdari Reform Politikaları", *Yasama Dergisi*, Sayı: 30, ss. 45-71.
- ÖZER, M. Akif (2017), "Yönetişimden Dijital Yönetişime: Paradigma Değişiminin Teknolojik Boyutu", *Emek ve Toplum*, 6 (16): 457-479.

- PALVIA S.C.J.; SHARMA S.S. (2017), “E-Government and E-Governance: Definitions/Domain Framework and Status around the World”, [http://www.iceg.net/2007/books/1/1\\_369.pdf](http://www.iceg.net/2007/books/1/1_369.pdf), 15.03.2019.
- PARLAK Bekir; CANER Cantürk (2013), Karşılaştırmalı Siyasal ve Yönetmel Yapılar, Orion Kitabevi, Ankara.
- PARLAK Bekir; DOĞAN Kadir Caner (2019), “E-Yönetişim: Kurumsal Bir Analiz”, E-Yönetişim Kavramsal/Kuramsal Çerçeve, Ülke İncelemeleri ve Türkiye’ye Yansımaları, Edt: Bekir Parlak, Kadir Caner Doğan, Beta Yayınevi, İstanbul, ss. 7-18.
- PETERSON, D. J. (2005), Russia And The Information Revolution, RAND Corporation, USA.
- SADIOĞLU Uğur; ERDİNÇLER Rahmi Erkut (2018), “Tarihsel Perspektiften Geleceğe, Yerel Yönetimler Bağlamında Rus Kamu Yönetiminde Güncel Raformların Analizi”, Memleket Siyaset Yönetimi, Cilt: 13, Sayı: 29, Haziran, ss. 61-82.
- TOK, Gökhan (2014), İnternet Kaynaklarının Uluslararası Yönetişimi: Mevcut Durum, Aktörler ve Yaklaşımlar ile Türkiye İçin Öneriler, Bilişim Uzmanlığı Tezi, ISBN: 978-605-345-099-3, BTK Yayın No: 0211, Ankara.
- UÇKAN, Özgür (2003), E-Devlet, E-Demokrasi ve Türkiye, Literatür Yayıncılık, İstanbul.
- YERELİ Ahmet Burçin; ATSAN Emre; KIZILTAN Mustafa (2015), “Yolsuzlukla Mücadelede E-Yönetişim ve Kırgızistan’daki Durum”, Manas Sosyal Araştırmalar Dergisi, Cilt: 4, Sayı: 1, ISSN: 1624-7215, ss. 129-150.
- YILMAZ, Osman (2001), Kamu Yönetimi Reformu: Genel Eğilimler ve Ülke Deneyimleri, DPT, Ankara.

- **MACRO ECONOMICS**

# FOUNDATIONS OF POST-KEYNESIAN ECONOMICS: ITS BIRTH, DEVELOPMENT AND CURRENT STATE

F. Özlen HİÇ\*

## 1.INTRODUCTION: A REVIEW OF HISTORICAL FOUNDATIONS AND DEVELOPMENTS LEADING TO THE BIRTH OF POST-KEYNESIAN ECONOMICS

In this Chapter, we will first review the historical developments leading to the birth of Post-Keynesian Economics and then give the developments of Post-Keynesian Economics in terms of their assumptions and methodology, later on we will discuss the current state of Post-Keynesian Economics.

Post-Keynesian school of macroeconomics was developed in the mid '80s as a reaction not only against New Classicals but also against New Keynesian economists because the assumptions and hence conclusions of the latter were not deemed Keynesian enough.

Keynesian Economics was mainstream both in the USA and Europe, both in academic circles and in the field of implementation by governments and Central Banks from 1936 and WW II up to the '70s. The debate that took place during this period between Neo-Keynesian economists in the USA and Neo-Classical economists that led to the Neo-Classical Synthesis and the reaction of Orthodox Keynesian Economists in the UK to Neo-Classical Synthesis will be referred to later. Keynesian economics here embraces both Neo-Keynesian economists and Orthodox Keynesian economists as mainstream against the Traditional Classical and the Neo-Classical system.

Developments in the '80s were called "*Counter Revolution*", reversing what Lawrence Klein in 1961 had called "*Keynesian Revolution*". Though M. Friedman had laid the foundations of Monetarism during the fifties it had remained a minority voice then and had become widespread also during the '70s in the US academic circles; it also found adherents in the UK and Europe. This event was called the "*Monetarist Counter-Revolution*" by Monetarists (Froyen, 1990). Thus, during the '70s though Keynesian macroeconomic policies were implemented low-key, Keynesian economics was on the demise and no more mainstream in the academic circles.

During the decade '80s economic policies began to be pursued that were in line with New Classicals and particularly Monetarists both in the USA and Europe by conservative governments that had come to power, foremost

---

\* Doç. Dr., İstanbul University, Economics Department, [ozlen.birol@istanbul.edu.tr](mailto:ozlen.birol@istanbul.edu.tr), [ozlen.h.birol@gmail.com](mailto:ozlen.h.birol@gmail.com)

Ronald Reagan during 1981-89 and Margaret Thatcher during 1979-87. Thus, government budgets began to shrink and privatization programs were implemented in Europe. Despite the presence of high unemployment rates “*tight money policy*” was implemented. It was based on the assumption that the economy would automatically come to full-employment equilibrium (AFNE), or using the concept first introduced by Friedman, at the point of natural rate of unemployment (NRU), meaning automatic NRU equilibrium (ANRUE). To achieve price stability along with ANRUE, therefore, Keynesian policies of raising aggregate demand, including monetary expansion had to be discarded, and Monetarist tight money policy implemented instead. But the proposition of ANRUE claimed by both New Classicals and Monetarists did not materialize; unemployment persisted and even increased during the ‘80s. The failure of New Classical and Monetarist policies made Keynesianism mainstream once again in the academic circles and this movement was called “*Counter Counter-Revolution*” (Blinder 1988, Mankiw, 1990).

But criticisms coming from both Monetarists and particularly New Classicals forced fundamental methodological and assumptive changes in Keynesianism since the ‘80s. The school that emerged in the USA is called “New Keynesian Economics”. A brief review of these changes is highlighted below. But we should take the criticisms coming from Monetarists first both because of historical and also methodological reasons.

Friedman used Keynesian concepts and basically Keynesian macroeconomic analysis but with different elasticities and assumptions leading to the Classical conclusion AFNE, or in Friedman’s terms, ANRUE.

### **1.1. Differences in Expectations: HEH, AEH and REH**

Friedman rejected the Keynesian “Heterogeneous Expectations Hypothesis” (HEH). According to HEH, entrepreneurs predict prices correctly, but workers err in their expectations and systematically underestimate future prices; hence they fail to raise their nominal wages by the same rate of price increase. Instead, Friedman accepted “Adjusted Expectations Hypothesis” (AEH) which assumes that workers err in their price expectations only for one period. When AD is increased, say, by an increase in money supply, although prices ( $P_s$ ) rise the workers would keep the nominal wage level ( $W_s$ ) the same, leading to a fall in real wages and therefore an increase in employment ( $N$ ). The economy, initially at NRU, will move away from NRU to a lower unemployment ( $UN$ ) rate. But in the next period or the next short-run (SR), the workers would realize their mistake and raise the nominal wage by the same ratio as the rise in the  $P$ -level. This would bring the economy back to NRU again, with the increase

in AD having only raised Ps and Ws (Friedman 1977; further explained in Blaug 1985).

In contrast, New Classicals have accepted “Rational Expectations Hypothesis” (REH) which is a development of the assumption of the traditional Classical system of perfect knowledge of future prices both on the part of entrepreneurs and workers. REH implies more comprehensively that all economic agents can have access to information cheaply and can predict Ps accurately and with no time lag as Friedman assumes. Hence all agents will make rational, optimizing decisions concerning Ps, Ws, and quantities sold or demanded. There would certainly be individual errors in their decisions but these errors would not be systematic, hence tend to cancel each other. A simple summation of the optimizing equilibria of representative economic agents in microeconomic analyses and full coordination of all markets (Walrasian Auctioneer) would consequently also lead to ANRUE in macroeconomic theory; hence the rejection of Keynesian UNE. Moreover, any macroeconomic policy of raising AD, including an increase in money supply in order to raise employment would immediately lead to price rises. An anticipated economic policy and its quantitative effects would be taken into consideration in the decisions of economic agents. Hence these policies would be futile and their effects on real parameters would be completely negated. This criticism by New Classicals of the futility of monetary policy was directed at Monetarists as well as Keynesian economists. M. Friedman, it should be remembered, had advised a non-discretionary and pre-determined rate of monetary expansion versus the Keynesian recommendation of a “discretionary” monetary policy (Blinder 1988, Mankiw 1990, Klammer 1984).

New Keynesian economists also decided to work with REH, discarding the Keynesian HEH. There were two reasons: The first was that the models they devised (eg. Fischer 1977; Taylor 1980) which worked with inflexible Ps and Ws but with REH still gave Keynesian UNE or NANRUE and Keynesian policies, when applied, were effective in alleviating unemployment. Obviously then the critical assumption leading to Keynesian UNE was P and W rigidities; REH was not the critical assumption although it is deemed so by New Classicals (Klammer 1984). Secondly the New Classicals would not open any discussion if REH was not accepted. Eager to enter into discussions with them, New Keynesian economists worked with REH (Blinder 1988).

## **1.2.Differences in Elasticities: LM and IS**

Keynes, observing the depression period conditions, had assumed a flat (highly elastic) LM and a steep (highly in elastic) IS. Hence, he had argued that to move away from the depression and to reach full employment (FN), monetary policy would be ineffective while fiscal policy (preferably

raising government expenditures rather than decreasing the tax rate) would be effective. Friedman also challenged this analysis and argued that LM is steep while IS is flat. This meant that according to Friedman monetary policy is effective and fiscal policy ineffective. And the effectiveness of monetary policy to raise  $N$  level lives only one period or SR (Froyen 1990). Friedman's criticisms regarding the relative elasticities of LM and IS were later incorporated to Keynesian economics in a broader perspective. Namely, at low income levels and during depressions, as Keynes had pointed out, fiscal policy is effective. At high income levels and during recessions monetary policy would be more effective. For Keynesian economists, however, the effectiveness would not be confined to one period as Friedman argued but long lived (Branson 1989).

### **1.3.Differences in Long-Run Phillips Curve: The Perpendicular LRPC versus The Negatively Sloped LRPC**

Friedman's AEH had led to a family of short-run Phillips Curves (SRPCs) and a perpendicular long-run Phillips Curve (LRPC) at the NRU level, implying that the economy would always come to equilibrium at NRU due to AEH. Keynesian economists also accepted the presence of a family of SRPCs and a LRPC. The latter, however, is not perpendicular but simply steeper than the SRPCs. Thus, according to Keynesian economists, when AD is raised there will be a relatively big increase in  $N$  and a small increase in  $P_s$  in the SR. In the LR, the increase in  $N$  will be less and the increase in  $P_s$  bigger (Branson 1989). Yet AD will have raised  $N$  permanently even in the LR. A negatively sloped LRPC, steeper than SRPCs means, of course Keynesian economists still assume that workers err in their price expectations even for the LR. They do adjust their nominal wage somewhat in the LR but not by as much as  $P$  rises.

One serious criticism leveled at Keynesian economics by New Classicals concerned the very existence of PC, hence Keynesian macroeconomics. In the '70s two prominent New Classical economists, Lucas and Sargent (1978) noted that the PC had collapsed, and this meant failure of Keynesian economics "on a grand scale". Later, however, New Keynesian econometricians demonstrated that PC had not collapsed but was merely shifting upward and to the left due to the continuous price and wage rises and cost inflation throughout the '70s (Gordon 1985; see also Branson 1989, Blinder 1988).

### **1.4. Differences in Macro and Micro Foundations: ANRUE vs. NANRUE**

The most critical criticism levelled by New Classicals to Keynesian macroeconomics was that it lacked microeconomic foundations and its conclusion UNE was inconsistent with AFNE of microeconomic theory.



Therefore, New Keynesian economists strived to lay the micro foundations for the Keynesian macroeconomics leading to UNE. Since New Classicals as well as New Keynesian economists had accepted Friedman's concept of NRU instead of FN we would term UNE, for the sake of convenience, non-automatic NRU equilibrium (NANRUE) (Klamer 1984, Blinder 1988).

The New Classicals had accepted the traditional Classical microeconomic theory and had discarded Keynesian macroeconomics.

The New Keynesian economists, in turn, accepted Keynesian macroeconomics and its conclusion UNE (NANRUE) and discarded the traditional microeconomic theory based on perfect competition, full flexibility of Ps and Ws, and perfect coordination between markets or the presence of the Walrasian auctioneer. Instead, they accepted imperfect competition, hence P and W rigidities, as well as lack of coordination between markets. P and W rigidities would lead to inadequacies in AD, hence to Keynesian unemployment (Blinder 1988, Mankiw 1990, Gordon 1990). Although the New Keynesian economists decided to work with REH, discarding the Keynesian HEH (the two reasons explained above), they devised many models working with P and W rigidities; all leading to lack of AD, hence to Keynesian UN at least in the SR if not in the LR (Mankiw and Romer, 1995a, 1995b). Many of these models or causes of P and W rigidities would produce Keynesian unemployment only in the SR and even then the effect would not be strong enough. Yet, these models were not mutually exclusive and many could work simultaneously at a given time and others would work at another time. Hence, the summed up result would be Keynesian unemployment of significant dimensions that could, however, be reduced by Keynesian recipes (Blinder 1988, Mankiw 1990). Keynesian recipes could be fiscal or monetary, depending on whether we have depression, a serious recession or a mild recession.

According to the New Keynesian economists, even if we had perfect competition in all markets and full flexibility of Ps and Ws, there could be lack of coordination between markets; a simultaneous and immediate adjustment of all markets to equilibrium Ps and Ws could not be possible. Hence we could again meet with Keynesian unemployment due to the absence of Walrasian auctioneer (eg: Cooper and John 1988). This problem was first taken up by Leijonhufvud (1973) but he had given too much weight to this factor in creating Keynesian unemployment (Blaug 1985). For the New Keynesian economists P and W rigidities is the more important reason.

It should be stressed at this point that Keynes originally explained lack of adequate AD and UNE with uncertainty, and volatility and insufficiency of investments. Thus Keynesian UNE was not SR but LR as well. In contrast, New Keynesian economists accept P and W rigidities as the major

cause of inadequate AD, hence Keynesian UNE. But their assumptions also lead them to accept that in the LR the economy would tend towards ANRUE (Arestis 1989, Davidson 1991). This, however, would take too long, therefore in actual practice Keynesian recipes will be implemented all throughout. This stand is not entirely new but was first accepted by old Keynesian economists or Neo-Keynesian economists in the USA during the '40s up to '60s (prominent members: Samuelson, Tobin, Solow, Modigliani and others). Indeed, in their discussions with Neo-Classicals at the time (prominent members: Pigou, Patinkin) they had agreed on the Neo-Classical Synthesis. Neo-Classical Synthesis visualized that AFNE would be reached by means of "Pigou effect" in addition to the Keynesian "Real Balance Effect" when  $P_s$  and  $W_s$  are lowered. But if in any SR a Keynesian unemployment due to inadequate AD arises, then because AFNE would take too long and be politically and socially tedious, implementation of Keynesian policies is recommended as in Patinkin in 1948, 1963 (Arestis 1994). The only difference is that Neo-Classicals who accepted the Neo-Classical Synthesis believed this to occur infrequently while Neo-Keynesian economists believed it would occur frequently, hence we would be implementing Keynesian policies continually, even continuously (Blinder 1988).

One important difference here is that Neo-Classical Synthesis, hence Neo-Keynesian economists worked with the Keynesian real balance effect and the Pigou effect for the LR AFNE. In contrast, New Keynesian economists stress imperfect competition,  $P$  and  $W$  rigidities as causing SR unemployment, and believe these rigidities will slow down or disappear in the LR leading to LR ANRUE.

## **2.THE BIRTH OF POST-KEYNESIAN ECONOMICS**

During the same period however, many British economists, who had worked with Keynes as a younger generation (eg: Harrod, Joan Robinson Kahn, Kaldor, Kalecki, Shackle, etc) were severely critical of Neo-Classical Synthesis and Neo-Keynesian economists who had accepted AFNE in the LR because this was, in essence, contrary to Keynesian teachings. These British economists who were more faithful to Keynesian assumptions and conclusions were, therefore, called "Orthodox" or "Fundamentalist Keynesian economists". Joan Robinson, a prominent "Orthodox Keynesian", in fact, criticised the views of US Neo-Keynesian economists as "Bastardized Keynesianism" (see: Harcourt 1987). It is interesting to note here that Hicks had first started out as a Neo-Classical Synthesis economist and Neo-Keynesian, *eg.* in his celebrated article in 1937 that introduced the LM-IS. But in the '70's he converted to Post-Keynesian Economics, an outgrowth of Keynes and Orthodox Keynesian economists.

It should be underlined here that some New Keynesian models, such as the “Efficiency Wage” and “Hysteresis” models reach the Keynesian conclusion of unemployment (NANRUE) both in the SR and the LR and are, therefore, called “Super-Keynesian models” (Blinder 1988). But these models work with REH. The former models accept a relationship between labor productivity and the real wage (Akerlof 1984, Yellen 1984, Weiss 1990). The latter, in the “Outsider-Insider relations model”, for instance, argue that when bargaining for wages labor unions are more concerned with raising the wages to satisfy their members who are already employed and are and less concerned with lower wages to expand employment because the unemployed are generally outsiders, *i.e.* not union members (Lindbeck and Snower 1986; reviewed in Blinder 1988, Mankiv 1995).

In the original Keynesian economics, both SR and LR unemployment stem from uncertainty and volatility and inadequacy of investments and it works with HEH not with REH. Therefore, although the conclusion of both SR and LR unemployment is similar, the major causes and assumptions leading to this conclusion are different in the Keynesian system as compared to the Super-Keynesian models.

All of the above explains why many Keynesian economists who felt nearer to Keynes’ original assumptions and conclusions were uneasy about New Keynesian economics and not only with the New Classical. A number of notable British economists, therefore, established in the UK during mid ‘80s what is called the “Post-Keynesian Economics” or the “Post-Keynesian school” (Prominent members: Philip Arestis, Malcolm Sawyer, J.A. Kregel, D. Laidler, Victoria Chick, H.P. Minsky, B.U. Moore, and others; see Arestis and Chick 1992). They were joined by a number of notable US economists (*eg.* A.S. Eichner, and Paul Davidson who was a student of Weintraub). Economists from many other countries also joined (*eg.* Marc Lavoie from Canada).

At first, a group among Post-Keynesian economists attempted to synthesize Keynesian economics with Ricardo and Straffa’s Ricardo. But this proved difficult and contradictory and was later discontinued (Holt). Many Post-Keynesian economists, including the US origin Post-Keynesian economists stressed uncertainty and the money economy as the major reason and back-ground for the working of Keynesian economics (Arestis 1994, Davidson 1991, 1994).

All Post-Keynesian economists believed in the conflict of interests between social groups rather than the Classical harmony of interests. Again, on the whole, Post-Keynesian economists influenced by a group of Orthodox Keynesian economists such as J. Robinson, Kaldor Kalecki, normatively have given a greater weight to improving income distribution

compared to New Keynesian economists; but some gave even a heavier weight.

Post-Keynesian economists, like New Keynesian economists tried to establish microeconomic foundations of Keynes' macro analysis and accepted imperfectly competitive markets, P and W rigidities and absence of the Walrasian auctioneer. Hence many micro models with P and W rigidities were shared. But for New Keynesian economists working with REH, P and W rigidities were the major reason for SR Keynesian unemployment while there would be a tendency to ANRUE in the LR. In contrast, for Post-Keynesian economists uncertainty and inadequacy and volatility of investments were the major reasons for Keynesian unemployment and it would hold for the LR of well as the SR. P and W rigidities also produced Keynesian unemployment but it was the less important reason (Arestis 1994, Davidson 1991, 1994).

### **3.DEVELOPMENT OF POST-KEYNESIAN ECONOMICS**

The main assumptions of Post-Keynesian Economics can be summarized with the following points.

#### **3.1.ASSUMPTIONS**

Post-Keynesian economists, as noted above, worked with assumptions and hypotheses that were in line with Keynes' original teachings. But they also added some further assumptions that represented the real world better and that were not contradictory to or inconsistent with Keynes (Davidson 1994). A list of the major assumptions and hypotheses accepted by Post-Keynesian economists is presented below.

##### **3.1.1.Hetereogeneous Expectations**

Post-Keynesian economists rejected REH advanced by New Classicals and accepted by New Keynesian economists as conspicuously un-Keynesian. Keynes had believed that entrepreneurs with access and material means to information could predict future prices correctly. But workers would systematically underestimate future prices in their wage decisions and not raise nominal wages by as much as price increases. This hypothesis, termed HEH, is accepted by Post-Keynesian economists too. The importance of HEH is that in the case of an increase in AD the ensuing fall in the real wage - both in the SR and LR - would enable an increase in N. This means that demand management can be an effective tool to combat Keynesian UN.

Although HEH is not theoretically very tidy there is evidence that it is the most realistic hypothesis compared to REH of New Classicals and New Keynesian economists and AEH of Monetarists (Rotemberg 1984; Lowell 1986).

### **3.1.2.Uncertainty**

Uncertainty is a very important assumption in the Keynesian system. According to Keynes, it is impossible to predict future with any certainty for an entrepreneur who contemplates making an investment decision. We cannot extrapolate the future with data taken from the past because of future unknowns (Davidson, 1991, 1994). Though investment decisions make ample use of time series and cross-sectional data, the future cannot still be reduced to a set of probability measurements. Hence all investment decisions carry an amount of risk which is not measurable. Investment decisions are not only subjective but also depend on the overall business conditions and psychology about business conditions. Uncertainty also gives rise to and enhances the demand for liquidity.

This again contrasts sharply with the REH of New Classicals who because of REH reject uncertainty and believe that entrepreneurs on the whole would come up with correct “objective” predictions about future in terms of a set of probability measurements. Some individual entrepreneurs, however, may err subjectively away from “objective” expectations and predictions. This could lead to their bankruptcy. But this is to the social good because ineffective and “costly” entrepreneurs will be liquidated (Sargent and Wallace 1976). On the other hand, subjective errors would, on the whole, cancel each other since they are not systematic.

The uncertainty assumed by Keynes and hence Post-Keynesian economists also explains the volatility and inadequacy of investments which, in turn, is the major reason why we meet with unemployment and business cycles.

### **3.1.3.Imperfect Competition; Price and Wage Rigidities**

Another major trait of the Post-Keynesian Economics is that following New Classicals and New Keynesian economists they too have gone into the microeconomic foundations of Keynes’ macroeconomics. Like New Keynesian economists they too have rejected the assumptions of perfect competition, fully flexible Ps and Ws, and the Walrasian auctioneer. And along with New Keynesian economists they have accepted the presence of imperfectly competitive markets and the absence of the Walrasian auctioneer. Therefore, micro New Keynesian models stressing aspects of P and W rigidities or inflexibilities are also accepted by Post-Keynesian economists and *vice versa*. Post-Keynesian economists importantly dwelt on imperfectly competitive credit markets in addition to commodity and labor markets (eg. Moore 1986, Stiglitz and Weiss 1981).

Despite the fact that New Keynesian economists work with REH and Post-Keynesian economists with HEH many micro models are shared by both schools because they both assume that future predictions of

entrepreneurs are correct while both schools accept that at least in the SR workers may err in their expectations. For Post-Keynesian economists this is true also for the LR.

The assumptions concerning REH, HEH and uncertainty, however, lead to major differences in the conclusions reached by New Keynesian economists vs. Post-Keynesian economists. For New Keynesian economists the major reason for lack of inadequate AD and the emergence of Keynesian UN arises from P and W rigidities. But this may be valid in the SR whilst in the LR these rigidities will tend to disappear and hence the economy will move towards ANRUE.

For Post-Keynesian economists who work with HEH and uncertainty the major reason for Keynesian UN is uncertainty and volatility and inadequacy of investments and NANRUE will be valid both for the SR and the LR (Arestis 1994, Davidson 1991, 1994).

P and W rigidities will also cause Keynesian UN, but according to Post-Keynesian economists these reasons are secondary. As was mentioned in the previous section, although the so-called “Super-Keynesian” models by New Keynesian economists, such as “Efficiency Wage” and Hysteresis” models also arrive at the conclusion of both SR and LR Keynesian UN they are different from the Post-Keynesian framework because these models too work with REH, as already mentioned in the first section of this work.

All this highlights a controversial debate between New Keynesian economists and Post-Keynesian economists. Post-Keynesian economists find New Keynesian economists not Keynesian enough because of their acceptance of REH, rejection of uncertainty, relying only on P and W rigidities and the absence of Walrasian auctioneer, and arriving at the conclusion of SR NANRUE but a tendency towards ANRUE in the LR, all contrary to Keynes’ original assumptions, hence conclusions.

In contrast, Alan Blinder (1988) and other New Keynesian economists believe that Keynesianism means accepting that UNE arises due to Keynesian lack of adequate AD, hence New Keynesian economics, as it name implies, is Keynesian enough. For Blinder and others accepting LR tendencies towards ANRUE is a difference on the theoretical level only. It is not important in actual practice, because we would continuously meet with SR Keynesian UN and continuously implement Keynesian recipes to alleviate it. This is the same stand of Neo-Keynesian economists to a similar question that had arisen with respect to Neo-Classical Synthesis.

#### **3.1.4.The Role of Institutions**

Again following Keynes, Post-Keynesian economists assume that institutions play an important role in the economic decisions taken by economic agents as well as economic policies devised by the government.

In the closed economy the more important institutions are mega corporations, labor unions and the government. For the open economy we should include international financial and other economic or otherwise political international institutions (Eichner 1976, Arestis 1994, Davidson 1994).

The New Classicals, following the traditional Classical system make an atomistic analysis. They take a representative economic agent, study its equilibrium, then arrive at the macro equilibrium or economic decision by a simple summation of the individual representative agent who is assumed to be rational and make an optimizing decision.

The New Classicals are not deterred by the presence of the above mentioned institutions because they assume that these institutions would only reflect the sum of optimizing decisions of all the economic agents involved. Thus the presence of institutions can be neglected and assumed away. Not so, however, for Post-Keynesian economists. For them, these institutions play a dominant role in shaping economic decisions and the decisions that are shaped with the help of these institutions do not necessarily reflect a simple summation of the optimizing decisions of the individual agents. Politics, social factors, public opinion would always have a large influence on the decisions taken by these institutions on behalf of their members. When government shapes its economic policies these factors, of course, have the largest influence (Arestis 1994, Davidson 1991, 1994).

The acceptance of the presence of institutions and their effects on economic decisions would make Post-Keynesian Economics again less tidy compared to the New Classical but certainly it is more realistic and represents the real world better (Eichner and Kregel, 1975).

### **3.1.5.Conflict of Interest and Income Distribution**

Another important assumption concerning income distribution had been referred to in the previous section. New Classicals, following the traditional Classical system believed in the harmony of interest between functional groups as Adam Smith believed. Both workers and entrepreneurs would strive to maximize their own welfare or profit based on the self-interest motive. But competition conditions in the market will ensure that the ensuing market equilibrium would maximize the interest of both groups. According to Post-Keynesian economists, however, there is no such harmony but “conflict of interest” and a bargaining on the part of both groups through their institutions. It is hoped that both through bargaining and through government policies we arrive at a decision that satisfies both groups concerned (Arestis 1994, Davidson 1991, 1994). Conflict of interest may be a more realistic assumption compared to the assumption of harmony of interest based on perfect competition. But Post-

Keynesian economists, go further, they not only stress the importance of income distribution in their objective analysis but also normatively believe that improving income distribution has a high priority in the list of economic and social goals to be attained. This definitely places Post-Keynesian economists in the left to left-of-center of the political spectrum. In comparison, many New Keynesian economists are normatively less keen on this goal and they occupy a larger spectrum from left-of-center to center and even right-of-center.

### **3.1.6. International Trade (Open Economy)**

Still another assumption by Post-Keynesian economists is that, again taking heed from Keynes and his active participation in devising the Post-World War II international financial institutions, all macro analysis and models should be open, that is, take into account international economic relations, hence international financial institutions as well. They argue that Keynes sometimes worked only with the closed model in order to explain his macro system in simpler terms (Arestis 1994, Davidson 1994).

### **3.1.7. Money Supply as an Endogenous Variable**

Still another important assumption, hence a property of Post-Keynesian models is that the supply of money is considered endogeneous. In simple terms this means that when business picks up, firms apply to banks for credit; banks in turn, apply to the Central Bank as lender of last resort and the Central Bank feels obliged to expand credit to banks (Moore 1986, Arestis 1994, Davidson 1991, 1994).

In contrast, in most of the other schools of macroeconomics the supply of money is taken as an exogeneous variable determined by the government or monetary authorities. This latter approach highlights the use of monetary policy and its effects in a more pronounced way but is less realistic compared to the Post-Keynesian assumption of endogeneity. It should be stressed here that Keynes in his 1936 book which introduced his macroeconomic system had followed the traditional Classical system and hence also assumed that the amount of money was an exogeneous variable. But in his earlier work, the *Purchasing Power of Money* 1930, he had stipulated that money supply was an endogeneous variable. Thus, Post-Keynesian economists refer to this latter work rather than to Keynes' later *opus*. It should be stressed here that the assumption of endogeneous money does not mean that monetary policy may not be used. The government or monetary authorities may at any time they deem necessary, say in the case of a recession, may also strive to increase money supply exogeneously by means of lowering the interest rates, issuing paper money, or by lower Central Bank reserve ratios for bank credits.



## **3.2.METHODOLOGY**

The main methodological traits of Post-Keynesian Economics can be summarized with the following points.

### **3.2.1.Microeconomic Foundations of Keynesian Macroeconomics**

Firstly, as mentioned in the above section on assumptions, Post-Keynesian Economics, like New Keynesian Economics, tries to establish microeconomic foundations of Keynesian macroeconomics and similarly it accepts imperfectly competitive markets and the absence of Walrasian auctioneer. Hence, again similar to New Keynesian economists, Post-Keynesian Economics uses partial analysis in devising micro models that explain P and W rigidities. The attempt to lay microeconomic foundations is a vast improvement over the “Hydraulic Keynesianism” as it is termed by Alan Coddington (1976) of staying only at the macro level, as was the case in Keynes. This should not, however, be considered a negative for Keynes. He was hard pressed with the 1929-34 depression to find a remedy for depressions and business cycles as quickly as possible. Thus he obviously had no time to go into the lengthy empirical analyses of laying the microeconomic foundations of all of his macro concepts and relationships. What is more remarkable is that, after Keynes introduced his macroeconomic system, econometric and empirical analyses made later showed that all the macro concepts and relationships Keynes had visualized were verified to be correct (Ackley 1963).

But, as had been criticized by New Classicals, surely microeconomic foundations for Keynes’ macroeconomic system had to be established and consistency of the conclusions of macroeconomic and microeconomic analyses had to be achieved.

### **3.2.2.Actual Historical Time instead of Logical Time**

Secondly, Post-Keynesian Economics deals with actual or historical course of economic events, with actual shocks and adjustment of the economy to these shocks over the actual course of time, or “historical” time. This is methodologically different from “logical” time and a logical study of equilibrium in case of a shock (Davidson, 1991, 1994).

We may, in this respect compare the case of an outside shock when we work with Walrasian general equilibrium and the movement over “time” to the equilibrium point in Walrasian methodology. Such a movement over time is purely “logical”, it has no relation to actual time and history.

Since Post-Keynesian Economics strives to read the movement of the actual economy and since it accepts more realistic but less theoretically tidy hypotheses such as HEH vs. REH, actual shocks and historical time vs. logical time as well as the effect of institutions on the decision of

economic agents, the Post-Keynesian macro economics becomes further blurred. In contrast, New Classical economics is theoretically a very tidy paradigm. But Post-Keynesian economists have preferred to produce a realistic and relevant paradigm and would not shed relevance and realism of their paradigm in favor of theoretical tidiness (Eichner and Kregel, 1976).

### **3.2.3. Continuous Disequilibrium**

The same properties of Post-Keynesian Economics also make it a study of continuous disequilibrium. Again when comparing it with New Classical economics as antithesis, the New Classical economics and Walrasian general equilibrium is a study of logical equilibrium. If there is a shock that moves the economy away, the forces that would be emanated in the economy would bring it back to the equilibrium point again over “logical” time. This is not the case in Post-Keynesian Economics. In Post-Keynesian Economics, in actual practice, there are always shocks occurring and the economy continuously adjusting. Hence the economy is continuously in disequilibrium due to these shocks. Keynes himself used simple macro-static analysis and equilibrium only in order to explain his macro system better. But in fact he believed in continuous shocks, adjustments, and disequilibrium.

### **3.2.4. Future Cannot Be Predicted**

The same properties of Post-Keynesian models and methodology also mean that we cannot measure and predict the future with any certainty. Econometric models are not tools for the precise prediction of future. They will only show us what may happen when the parameters involved take some definite values or some quantitative policies are pursued (Davidson 1991, 1994). Therefore we should never hope to predict future with any certainty and we should never rely we can “fine tune” the economy in any precise manner. We may only have approximations to the goal chosen in implementing policies and revisions of policies again to move further approximately to a better point towards our goal in terms of say N or P. The belief of early Keynesian economists in fine-tuning in the ‘60s was therefore, too optimistic; “coarse-tuning” is the more realistic concept (Blinder 1988).

### **3.2.5. Basic Optimism**

Post-Keynesian economists like most Keynesian economists, Keynes himself and New Keynesian economists, however, are all, in essence, optimistic. This means that Keynesian models are relevant, they realistically explain the causes of the problems that occur in the economy, say UN or inflation, and implementation of Keynesian policies will go a long way in alleviating or mitigating the problem, even if in some cases,

we may not be able to remove it completely. In contrast, a very small number of New Keynesian economists, for instance, basically agree with the New Keynesian objective analysis and conclusions with respect to SR NANRUE but, may shun from recommending that government take any action against it. This is because normatively they may have little confidence in the government and believe that when the government formulates and implements policy it may give rise to more problems than those it wants to solve (Blinder 1988, Arestis 1994, Davidson 1994).

### **3.3. ATTEMPTS FOR BUILDING A POST-KEYNESIAN MACRO MODEL**

The models offered by Post-Keynesian Economics go hand-in-hand with New Keynesian economists with respect to micro level study of reasons behind P and W rigidities. As in the case of New Keynesian economics there are numerous models for every possible P and W rigidity, and these models are common for both Post-and New Keynesian. Post-Keynesian economists, however, have also stressed rigidities in the credit or finance market. They have also elaborated on the role of the mega corporations in raising prices and leaving the workers with under-estimated price expectations. This is not, however, necessarily a systematic error on the part of the workers, it is simply another reason for lower real wages in future. Many of these micro models are mutually inclusive, some, however, are mutually exclusive. New Keynesian economists rely on the combined effect of many mutually inclusive models taking place simultaneously or in procession to explain Keynesian unemployment. Post-Keynesian economists, however, rely more on uncertainty, inadequacy and volatility of investments in addition to P and W rigidities expounded in the micro or sectoral models.

The New Keynesian economists have stopped thus far at the micro level models and have not come up with a macro-level model that carries the traits, properties, assumptions of the New Keynesian school. In contrast, Philip Arestis, a prominent Post-Keynesian, *et. al.* have come up with a macro model that does carry the main traits, properties and assumptions of Post-Keynesian Economics (Arestis, Driver, Rooney 1985/6, Arestis 1989 and Arestis 1992), Space does not permit us to go into its details because it would lead to an entirely new and lengthy chapter. But we should note here that one major reason why we have such a macro-level Post-Keynesian model is because Post-Keynesian economists are closer to Keynesian assumptions and this has enabled them to devise a macro model by making the basic Keynesian macro model a spring-board.

It is harder for New Keynesian economists, who work with REH, dismiss uncertainty, volatility of investments and accept a LR tendency of ANRUE to devise a “Keynesian” macro model that yields NANRUE.

#### **4.CURRENT STATE OF POST-KEYNESIAN ECONOMICS**

In this last section an appraisal of Post-Keynesian Economics will be offered and its relevance will be evaluated. We agree with Post-Keynesian economists that realism and relevance are more important than theoretical tidiness. When policy recommendations of different schools are compared, their place in the political spectrum also acquires importance. The litmus test of a paradigm for relevance is whether it explains the causes of the major problem or problems of the economy accurately, and whether, when its policy recommendations are implemented, the problem or problems we are facing are removed completely, or are at least mitigated in due time. Our interpretation of the criterion of relevance, therefore, closely follows that of Blinder (1988). For a paradigm to be relevant in this sense, its assumptions and hypotheses must be realistic, and it must be comprehensive and consistent. In the previous section we have already noted that the assumptions and hypotheses behind Post-Keynesian Economics are most realistic compared not only to Monetarists and New Classicals but also the New Keynesian school. It is also comprehensive and consistent, though theoretically not as tidy as, say the New Classical. These should make Post-Keynesian Economics most relevant compared to other schools, including New Keynesian.

Still, however, we witness that at present New Keynesian school is more widespread and influential compared to Post-Keynesian. One possible reason is that the former school sprang up in the USA while the latter basically in the UK; and USA today is much more influential worldwide compared say to the times when Keynes lived. But this should not be the sole or even the major reason why Post-Keynesianism is less popular.

The reason which would likely explain the difference in popularity is that in their normative value judgments Post-Keynesian economists assign a heavy weight to improving income distribution while New Keynesian economists, on the whole, are less concerned with this goal. This is normal because in the UK and Europe the “social factor” is generally very important and more widely accepted compared to in the USA. But what makes it difficult to achieve this goal, say by a direct increase of wages, social security and welfare measures is that since the ‘90s the world has entered a process of globalization; at least we have much greater liberalization of international trade and much greater international competition. This, in turn, requires that labor costs should be kept in control; particularly Europe – and Japan – should discard their lavish social welfare systems and make their labor market more flexible. The exigency of present day conditions, therefore, could cause many academicians, experts, administrators, politicians to shun away from Post-Keynesian Economics because of these normative values. In contrast, New Keynesian school does not emphasize the normative goal of improving income

distribution as much as Post-Keynesian economists; they do so only more than the New Classical. Whether income distribution can and should be improved by means of improving the social welfare system, hence raising labor costs; or else whether international trade, competition and greater growth and employment with restricted social welfare system is preferable is a crucial point which needs to be carefully analysed. Therefore, to become more relevant to the exigencies of present day developments, the move to globalization, increased international trade and competition, Post-Keynesian economists should reduce their normative emphasis on the goal of improving income distribution through increased wages and social welfare. It should be pointed out that in this respect Post-Keynesian economists are generally more to the left of political spectrum than Keynes himself. Keynes had accepted that a higher wage would have the Classical effect of increasing labor costs and reducing employment demand. But it would also raise macro marginal propensity to consume, hence the level of aggregate demand, which in turn, would partly offset the Classical result. Similarly, Keynes argued a progressive income tax would have the same effect as it improves income distribution. These assertions and policy recommendations emanating from them place Keynes himself to the left of Classics and within a range from center to left-of-center. In comparison, Post-Keynesian economists are in between the left-of-center and the left of political spectrum. This excludes American Post-Keynesian economists who are around left-of-center and do not go as far as left. So a less emphasis on the goal of improving income distribution on the part of Post-Keynesian economists under today's global economic conditions would not be un-Keynesian.

## REFERENCES

- ACKLEY, H.G., 1963, *Macroeconomic Theory*. Macmillan.
- AKERLOF, G., 1994, "Gift Exchange and Efficiency Wage Theory: Four Views," *American Economic Review (AER)*, No. 74, May.
- ARESTIS, P., 1994, *The Post-Keynesian Approach to Economics: An Economic Theory and Policy*. Edward Elgar Publishing Ltd.
- \_\_\_\_\_, 1989, "On the Post-Keynesian Challenge to Neo-Classical Economics; A Complete Quantitative Macro Model for the UK Economy," *Journal of Post-Keynesian Economics (JPKE)*, Summer.
- \_\_\_\_\_, and CHICK, V., 1992, *Recent Developments in Post-Keynesian Economics*, Edward Elgar Publishing Ltd.
- \_\_\_\_\_, DRIVER, C.F. and RODNEY, J., 1985/6, "The Real Segment of a UK Post-Keynesian Model," *Journal of Post-Keynesian Economics (JPKE)*.

- \_\_\_\_\_, and EICHNER, A.S., 1988, "The Post-Keynesian Institutional Theory of Money and Credit", *Journal of Economic Issues (JEI)*, Dec.
- BLAUG, M., 1985, *Economic Theory in Retrospect*. Cambridge University Press.
- BLINDER, A.S., 1988, "The Fall and Rise of Keynesian Economics," *Economic Record (ER)*, Vol. 64, No. 187, Dec.
- BRANSON, W.H. 1989, *Macroeconomic Theory and Policy*, Harper and Row.
- CODDINGTON, A., 1976, "Keynesian Economics: The Search for First Principles," *Journal of Economic Literature (JEL)*, Dec..
- COOPER, R. and JOHN, A., 1988, "Coordinating Coordination Failures in Keynesian Models," *Quarterly Journal of Economics (QJE)*, Vol.100, No.3, August.
- DAVIDSON, P., 1991, *Controversies in Post-Keynesian Economics*. Edward Elgar Publishing Ltd.
- \_\_\_\_\_, 1994, *Post-Keynesian Macroeconomic Theory: A Foundation for Successful Economic Policies for the 21st. Century*, Edward Elgar Publishing Ltd.
- DUNN, S.P., 2000, "Wither Post-Keynesianism", *Journal of Post-Keynesian Economics (JPKE)*, Vol 22, No.3, Spring.
- EICHNER, A.S., 1976, *The Megacorp and Oligopoly: Micro Foundations of Macro Dynamics*, Cambridge University.
- \_\_\_\_\_, and KREGEL, J.A., 1975, "An Essay on Post-Keynesian Theory: A New Paradigm in Economics," *Journal of Economic Literature (JEL)*, Dec.
- FISCHER, S., 1977, "Long Term Contracts, Rational Expectations and the Optimal Money Supply Rule," *Journal of Political Economy (JPE)*, Vol 85, No.1, Feb.
- FRIEDMAN, M., 1977, "Inflation and Unemployment: New Dimension in Politics", *Journal of Economic Literature (JEL)*, June.
- FROYEN, R.T., 1990, *Macroeconomics*, Macmillan.
- GORDON, R.J., 1977, "Can Inflation of the 1970s Be Explained," *Brookings Papers on Economic Activity*, Vol.8, No.1.
- \_\_\_\_\_, 1985, "Understanding Inflation in the 1980s," *Brookings Papers on Economic Activity*.
- \_\_\_\_\_, 1990. "What is New Keynesian Economics," *Journal of Economic Literature (JEL)*, Vol. XXVIII, Sept.

- HARCOURT, G.C., 1987, "Bastardized Keynesianism," *The New Palgrave*. Ed. by John Eatwell, Murray Milgate and Peter Newman, Macmillan.
- KLAMER, A., 1984, *New Classical Macroeconomics*, Wheatsheaf Books Ltd.
- LEIJONHUFVUD, A., 1973, *On Keynesian Economics and Economics of Keynes: A Study in Monetary Policy*. Oxford University Press Inc.
- LINDBECK, A., SNOWER, D., 1986, "Wage Setting, Unemployment and Insider-Outsider Relations," *American Economic Review (AER)*, No.76, May.
- LOWEL, M.E., 1986, "Tests of Rational Expectations Hypothesis," *American Economic Review (AER)*, March.
- LUCAS, R.E. and SARGENT, T., 1978, "After Keynesian Macroeconomics," *After the Phillips Curve: Persistence of High Inflation and High Unemployment*, Federal Reserve Bank of Boston Conference Series, No.19.
- MANKIW, N.G., 1990, "A Quick Refresher Course in Macroeconomics," *Journal of Economic Literature (JEL)*, Vol. XXVIII, Dec.
- \_\_\_\_\_ and ROMER, D., 1995a. *New Keynesian Economics, Volume 1*. The MIT Press.
- \_\_\_\_\_ and \_\_\_\_\_ 1995b. *New Keynesian Economics, Volume 2*. The MIT Press.
- MOORE, B.J., 1986, "How Credit Drives the Money Supply: The Significance of Institutional Developments," *Journal of Economic Issues (JEI)*, June.
- ROTEMBERG, J.J., 1984, "Interpreting Some Statistical Failures of Some Rational Expectations Macroeconomic Models," *American Economic Review (AER)*, No. 74.
- SARGENT, T. and WALLACE, N., 1976, "Rational Expectations and the Theory of Economic Policy", *Journal of Monetary Economics(JME)*, April.
- STIGLITZ, J.E., and WEISS, A., 1981, "Credit Rationing in Markets with Imperfect Information," *American Economic Review (AER)*, June.
- TAYLOR, J.B.: 1980, "Aggregate Dynamics and Staggered Contracts," *Journal of Political Economy (JPE)*, Vol. 88, No.1, Feb.
- WEISS, A.: 1990, *Efficiency Wages: Model of Unemployment, Layoffs and Wage Dispersion*. Princeton University Press.

YELLEN, J.E., 1984, "Efficiency Wage Models of Unemployment,"  
*American Economic Review (AER)*, No.74, May



- **PUBLIC FINANCE**

# THEORETICAL FRAMEWORK OF DECENTRALISATION IN INTERGOVERNMENTAL FISCAL RELATION<sup>1</sup>

Abdurrahman TARAKTAŞ<sup>\*\*</sup>

## 1. Introduction

Decentralization has become a recipe for development, and very few reforms have been as widespread as those at the local level. On the basis of this is the view that increasing the revenue and expenditure responsibilities of local governments can contribute to economic growth by increasing efficiency in the allocation of resources and provision of services in the public sector. This view is based on the extensive theoretical literature of Musgrave, Tiebout, Oates, Brennan and Buchanan. Accordingly, fiscal decentralisation enables the efficient allocation of resources by making it possible to produce public goods and services in line with the wishes and needs of the local people. In addition, individuals have the opportunity to choose local governments that offer the most appropriate tax-public service combination. This leads to competition among local governments to provide more and higher quality public services at lower tax rates. At the central level, since such competition cannot occur, fiscal decentralization will contribute to economic growth by increasing technical efficiency in the provision of public goods and services.

The theoretical literature on fiscal decentralization is often based on developed countries. The institutions and practices necessary for the success of fiscal decentralization are generally very weak in developing countries. In developing countries with low income levels, the fiscal deficits of the public sector and the public's need for basic public services are quite high. Developing countries, challenged by the demanding society with the encouragement of international organizations, are able to implement not so carefully designed unrestricted fiscal decentralization reforms. Local governments in these countries are pushing their budgets as much as possible in order to carry out basic infrastructure activities with insufficient resources and do not hesitate to borrow. Unpaid debts are assumed by the central government, increasing public deficits and triggering inflation. On the other hand, since local governments in

---

<sup>1</sup> This study was produced from the author's "Time Series Analysis of Relationships Between Fiscal Decentralization, Economic Growth and Inflation in Turkey" titled doctoral thesis, accepted at Anadolu University Institute of Social Sciences in June 2010.

<sup>\*\*</sup> (Assist. Prof. Dr.); Anadolu Üniversitesi, Eskişehir, Turkey.  
E-mail: [ataraktas@anadolu.edu.tr](mailto:ataraktas@anadolu.edu.tr)

E-

developed countries are able to access more resources, fiscal decentralization reforms are aimed at improving the quality and scope of public goods and services offered.

In this study, the components and effects of decentralisation in intergovernmental fiscal relations are discussed in a theoretical framework.

## **2. Components of the Fiscal Decentralisation**

Many countries have an intergovernmental fiscal system that regulates various levels of public administration and how to share fiscal responsibilities between these levels. There are also significant differences between countries in the allocation of expenditures and revenues to local governments. The administration system of each country is a product of its historical, social and cultural development. Differences in state structures are also a natural consequence of these factors. These differences reflect the historical, geographical character of each country and the extent of government intervention in the economy. Historically, institutional differences make it difficult to identify best practice in intergovernmental relations and to make comparisons that reach generalizing conclusions (OECD, 2003). However, the experience of other countries can be used as a guide that offers important lessons in identifying the strengths and weaknesses of the intergovernmental systems.

The concept of fiscal decentralization refers to changes in the intergovernmental fiscal system. In order for the change in the intergovernmental fiscal system to be considered as fiscal decentralisation, the change should bring about an increase in the local authorities' fiscal powers and responsibilities. However, it is not necessary to increase the income and expenditure responsibilities together (Falleti, 2004: 4).

There are four components of decentralisation in intergovernmental fiscal system; as allocation of expenditures, self-revenues, intergovernmental fiscal transfers and borrowing. Since fiscal decentralisation refers to the change in the components of the intergovernmental system in favor of local governments, its components can be counted as allocation of expenditure responsibilities and resources to local governments, and the imbalances between expenditures and revenues of local governments can be counted through intergovernmental transfers and/or local borrowing arrangements (UNDP, 2005: 2). Therefore, these four components of fiscal decentralization are closely linked and even intertwined. A change in one has significant effects on others.

In the following part, the components of the intergovernmental fiscal system will be examined within the framework of the economic principles of fiscal decentralisation. Firstly, it will be investigated which expenditures are made by which management levels are effective and efficient. Then, from an income perspective, how an effective and fair tax system can be established between government levels will be examined. Finally, we will discuss how to create an effective and fair intergovernmental system through intergovernmental transfers and borrowing and to eliminate the mismatch between income and expenses (Voorhees, 2005: 4).

## **2.1. Allocation of Expenditures**

The allocation of expenditure responsibilities to local governments constitutes the first stage of fiscal decentralisation. Here, it is necessary to determine which service will be performed effectively by which government level. There is no standard solution for the sharing of expenditure responsibilities. Who will undertake which service in practice is determined by some historical and political factors in the country where preferences are made rather than economic criteria (UNDP, 2005: 3). There are some generally accepted principles for allocating expenditure responsibilities to local governments through fiscal decentralization, despite differences in practices between countries and the complexity of public services. These should be considered for efficiency in allocation; openness, subsidiarity, economies of scale and externalities.

Expenditure responsibilities should be defined as clearly as possible to increase accountability and prevent conflict of authority for each level of management. The clarity is to determine which service will be produced by which level of management or which role will be undertaken in jointly executed ones. The first step of clarity is the determination of authority. The determination of the entitlement includes the determination of the limits within which the expenditures will be managed and at the responsibility of the relevant management level. The second step after the authorization is the regulation of accountability. This step includes transparency of activities and determination of sanctions (Usui, 2007: 8). The lack of a clear definition of expenditure responsibilities has some negative consequences. First of all, the revenues to cover the expenditures cannot be determined clearly. Secondly, local authorities will be able to engage in short-term populist projects instead of long-term expenditure (Ebel and Yilmaz, 2001: 28).

Theoretically, the size of the optimal presentation area of each service varies. Oates defined the principle of decentralization as the efficiency in

the provision of public services when provided by the management level, which has control over the smallest geographic area where the benefits and costs can be internalized (Oates, 1972: 55). Local governments are in a position to better perceive and resolve the problems faced by a local community than central government. When goods and services are offered by the management level closest to the public, they can be made more appropriate to the wishes and preferences of the public. In this way, transparency, efficiency and accountability in service provision are increased by being close to citizens (Voorhees, 2005: 8-13).

The fact that local governments cannot provide economies of scale in the provision of some services limits the transfer of expenditure responsibilities to local governments (OECD, 2003: 1). Economies of scale express cost gains as a result of expanding the scale of a production or provision activity. Where scale economies apply, per capita costs decrease as the amount of goods produced or the number of beneficiaries provided increases. The existence of economies of scale may vary according to the quality of goods or services. For example, as the number of people watching television increases, costs decrease. However, this is not possible in services such as surgical intervention and formal education (Vazquez et al, 2006: 17). Tullock (1969) suggests that local governments can also benefit from the cost gains of economies of scale. According to him, the production and provision of public goods and services should be separated. Local governments should be able to purchase some services from private manufacturers producing with economies of scale. Thus, the optimal area will remain the same and the benefits of economies of scale will be utilized.

Ensuring efficiency in resource allocation requires linking the provision of public services and the allocation of expenditures with the preferences of the people benefiting from the service, and consolidating or internalizing areas affected by the externalities of services. When determining expenditure responsibilities, care should be taken to ensure that the benefits and costs do not extend beyond the area where the service is provided or consumed, that is, within the area of responsibility of the relevant unit. What is meant here is the spillover of the benefits and costs of producing or not producing goods and services. The area where the benefits and costs are spread, the central government of the whole country and the responsibility area of the local government is the provision of the related goods and services. In some cases, in order to ensure efficiency in resource allocation, it may also be possible to provide external service in cooperation with the central government and local government, or by establishing a special management unit (Varcan, 2008: 44).

## **2.2. Allocation of Self-Revenues**

Once spending responsibilities have been identified, the issue of how to finance these responsibilities becomes important. Therefore, the second important dimension of fiscal decentralization is the allocation of self-revenues, based on the principle of public administration's priority of expenditure.

In order to improve transparency and accountability through fiscal decentralization, it is argued that local spending responsibilities should be designed to be financed mainly by local governments' self-revenues. Intergovernmental transfers and local borrowing are sources of income that should be applied under special circumstances. The basis of this assumption is the idea that financing with self-revenues could link the benefits and costs of public services at the local level. Accordingly, when voters pay direct taxes and / or fees to local governments, they will demand greater accountability of their managers and bureaucrats. Ineffectiveness of self-income may lead to voters taking central administration as the interlocutor and breaking the mutual relationship with local governments. In addition, dependence on intergovernmental transfers or local borrowing may weaken local governments' revenue generation efforts and make their fiscal management difficult (Usui, 2007: 8).

It is not easy to transfer taxation authority to local governments. In addition to their weak capacity, the openness of their economies is also a problem for tax management. While designing an effective self - income system, the issues such as the efficiency of the domestic market, administrative costs, stability and flexibility, national equality and the benefit - cost relationship should be taken into consideration.

Taxes are one of the most important factors affecting the mobility of economic activity between regions. Although the international circulation of the taxpayer is costly and difficult, interregional movement within the same country is relatively easy. Where many local governments have tax authority, there is a need to coordinate the determination of tax rates among these administrations. When designing tax laws, it should be taken into consideration that the resources among the local governments are mobile. According to economic theory, the taxation of inactive and evenly distributed factors should be left to local governments. The best examples are real estate and motor vehicle taxes (Voorhees, 2005: 5). In addition, increasing the income responsibilities of local governments may increase the number of tax creditors faced by taxpayers and may cause tax annoyance (Varcan, 2008: 32). In order to prevent this, local income

systems should be designed to minimize the costs and bureaucracy they face while paying taxes, taking into account the taxes paid by the taxpayers to the central government and the taxes paid to the local governments.

The revenues allocated to local governments should have the stability and flexibility characteristics together. Since taxes, which are expanding through economic activities, are mostly collected by the central government, local governments expect fiscal support from the center in unexpected situations. For example, property taxes are among the most important sources of local governments. However, the lack of developed real estate markets in most countries creates problems in real estate tax collection. In an inflationary environment, local governments do not earn as much income from real estate tax as they desire, as real estate values are not determined up to date (Ebel and Yılmaz, 2001: 9).

It is assumed that transparency and accountability in local governments can be enhanced by correlating the benefits and costs of local public goods and services. Unlike the full public goods and services undertaken by the central government, it is easier to identify those benefiting from local public goods and services. When the costs of these local public goods and services are predominantly financed from the beneficiaries of these services, they may become more sensitive to the fact that local public goods and services are cheaper and of higher quality, and that local governments providing goods and services are more transparent and accountable (Davey, 2002: 6-7). This increased sensitivity is a prerequisite for achieving the expected gains from fiscal decentralisation.

### **2.3. Regulation of Intergovernmental Fiscal Transfers**

The imbalances in the budgets of local governments are eliminated by intergovernmental fiscal transfers and / or borrowing of local governments. Intergovernmental fiscal transfers are one of the important policy instruments that need to be carefully designed in order to create an intergovernmental fiscal system that is efficient, equitable with fiscal decentralisation and borrowing is applied only in reasonable cases. Furthermore, the design of intergovernmental fiscal transfers is a complex and diverse country experience (Ter-Minassian: 1997: 8).

Establishing an appropriate and effective intergovernmental fiscal transfer system requires knowledge and expertise on the types, purposes and local conditions of intergovernmental fiscal transfers. Intergovernmental transfers are mainly divided into two groups: income sharing arrangements and grants (Bahl et al, 2001: 1).

Revenue sharing arrangements are generally applied in the form of giving shares to local governments based on a certain tax or from the whole tax income pool, depending on the source of income or according to a certain formula (Ter-Minassian: 1997: 9). Although the share of revenues is stable and cost-free, it does not give flexibility to local governments in terms of revenue management and eliminates the possibility of increasing revenues according to the need for expenditure (Mase, 2003: 12-13). This may negatively affect the willingness of local governments to make their expenditures effective. Grants are used as a national objective to ensure the minimum levels of provision of some basic public services. Elimination of horizontal fiscal imbalances by intergovernmental fiscal transfers requires regular measurement of fiscal capacities and service delivery costs. This condition demonstrates the importance of the role of central government in the design of an efficient fiscal decentralization.

#### **2.4. Regulation of Local Borrowing**

Regulation of local borrowing is the fourth component of fiscal decentralisation. Although borrowing is an important policy tool that should be resorted to only under certain special circumstances according to public finance theory, its weight in local government budgets is increasing day by day. On the basis of this development, insufficient local self-revenues and intergovernmental fiscal transfers, populist investment expenditures of the local government politicians in the election period are causes of local government debt. The fact that the debts of local governments are assumed by the central government raises the problem of moral hazard. Therefore, although it is a positive situation in terms of local autonomy, the possibility of the borrowing of local governments from the market may lead to an increase in public debt (Ebel and Yılmaz, 2001: 40). In terms of fiscal decentralization, local autonomy and debt management issues need to be balanced. When local borrowing is used for the purposes of intergenerational equalization, financing of capital investment expenditures and harmonization of income and expense flows, it is considered as a suitable public finance instrument for local governments.

The benefits of various investment projects, such as education and infrastructure, are widespread. This means that not only the present generations, but also the future generations can benefit from these services. The principle of utilizing public finances reveals the need for future generations to participate in the financing of these investment projects. Therefore, borrowing provides the opportunity to extend payments for investment projects to the life of the project and to integrate them into



future benefit flows. Therefore, local borrowing enables intergenerational connections in local government investment expenditures. Local governments sometimes need to make large public investments. It is often not possible to finance such capital investment expenditures with the revenues of local governments. Postponing significant infrastructure investments may have a negative impact on local economic performance. For some reasons, there may be differences between the expenditures to be made by local administrations during the year and when the revenues will be obtained. Postponing expenditures may create interruptions to the important services provided by local governments and may have negative consequences that cannot be compensated. These problems can be solved by local borrowing (Ebel and Yılmaz, 2001: 39-40). As capital markets develop, voters of local governments will learn more about the fiscal health of governments. Therefore, political accountability and transparency will increase.

### **3. Effects of the Fiscal Decentralisation**

The view that economic growth will be achieved by increasing economic efficiency in the public sector constitutes the economic justification of fiscal decentralisation. Up to this point, public finance theory has addressed the objective of economic growth more indirectly. The assumption that economic growth can be achieved in the private sector by increasing the quantity and quality of economic inputs such as labor, capital and natural resources is generally accepted. The role of the public sector in this process has been defined as support or non-obstruction. Studies generally focus on the effects of taxation on savings and investment incentives, how to increase the relative value of public investment projects with the theory of benefit cost analysis, and how spending on education and health system and basic infrastructure investments will improve private markets. Over time, as the importance and magnitude of the relationship between public sector activity and macroeconomic performance became apparent, the debates on fiscal decentralization gained weight (Vazquez and McNab, 2003: 1597-1598).

Fiscal decentralization has been suggested to have the power to increase economic growth in two ways; providing allocation efficiency and technical efficiency. It also takes place in the literature as demand and supply or consumer and producer efficiency. (Vazquez and McNab, 1997: 4-5). Consumer efficiency refers to the situation in which consumers can access the goods and services they desire at the most affordable prices. In the public economy, consumer efficiency means that the spending policies

are most compatible with the preferences of taxpayers. Technical or producer efficiency means the provision of goods or services of greater quantity or better quality with the same expenditure, or the provision of the same goods or services at a lower cost (Qiao, 2001: 7). In the following part, the ways in which fiscal decentralisation affects economic growth will be discussed in the context of allocation efficiency and technical efficiency.

### **3.1. Allocation Efficiency Effect of Fiscal Decentralisation**

In determining the functional responsibilities of different levels of government, the Musgravist distinction of state functions, is accepted as the starting point. The resource allocation function of the public sector is concerned with the provision of goods and services that the free market fails to produce effectively. The allocation efficiency can be defined as the efficiency gain resulting from the use of resources for the most useful purposes (Breuss and Eller, 2003: 7). Samuelson (1954) considered public goods at the spatial level and stated that the provision of pure public goods at the local level was ineffective. According to Musgrave (1983), the allocation function, which constitutes the essence of fiscal decentralisation, is the differentiation of policies according to the preferences of citizens among the states.

While the benefits of some public goods and services spread throughout the nation, most public goods and services benefit within certain geographical areas. It is also possible for such goods and services to be provided by the central government. However, this may lead to a uniform level of provision in all local units. If the preferences of citizens across the country are the same, then a centralized provision would be the appropriate method. Central provision will not be effective when preferences for public goods and services differ (Roussel, 1998: 28).

Charles M. Tiebout (1956) put together a theoretical model under the name of “fiscal decentralization hypothesis” on how to effectively deliver local public goods and services in the event of disaggregation of choice, and opposed Samuelson's view that public goods cannot be allocated effectively. According to this hypothesis, fully mobile and informed individuals will move to the regions of local governments that best satisfy their preferences for local public goods and services with different economic and demographic characteristics. For example, some individuals will want to move to safe areas if they care about public safety. In Tiebout's model, local governments compete for individuals by offering them their desired public goods and services (Mitra, 1999: 5). According to Tiebout

(1956: 418), the voter-consumer will prefer the community that best satisfies the preference structure for public goods. The greater the number of communities and the greater the differences between them, the greater the likelihood that the elector consumer will fully fulfill the preference position.

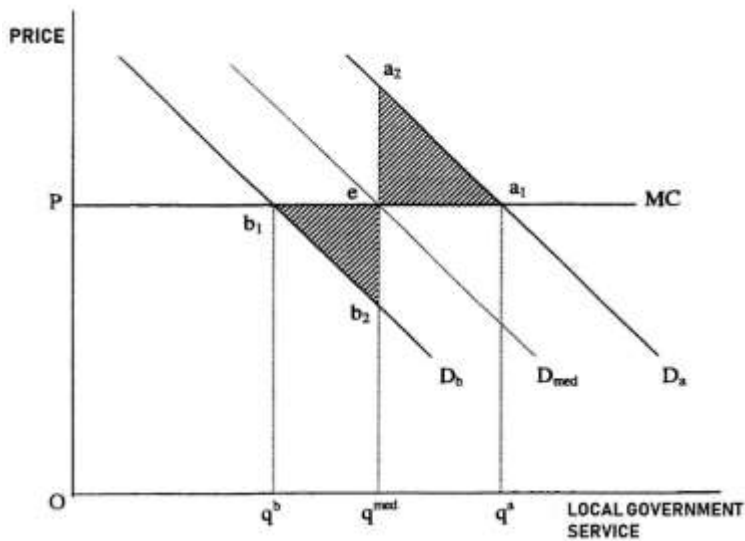
Tiebout's work is based on cost-free mobility and fully informed individuals. According to the model, there is a developed network of communities that offer different levels of public service and tax combinations. Individuals have full knowledge of the service composition and tax price in all communities. Individual mobility makes it easy for individuals to vote with their feet and choose their place of residence in these competing communities to express their individual preferences. Thus, effective allocation of public resources will be ensured by the preferences of individuals. This solution is similar to the solution available in the free market. Taxation acts as a preference disclosure mechanism by replacing the price in the market. If each local government manages its own revenues and expenditures, individuals will be able to demonstrate their mobility in the region, not only about the provision of public goods and services, but also their preferences for financing and tax demands. This type of competition is not at the central level (Roussel, 1998: 29-37). Therefore, localized delivery will be able to increase consumer welfare by balancing consumer demand and service supply.

Oates (1972) expanded and generalized Tiebout's model. According to him, the most important element in the theorem is the potential that localized provision can provide for the efficiency of the allocation of public goods (Mitra, 1999: 16). According to Oates (1972: 35); "... for a public good—the consumption of which is defined over geographical subsets of the total population, and for which the costs of providing each level of output of the good in each jurisdiction are the same for the central or for the respective local government— it will always be more efficient (or at least as efficient) for local governments to provide the Pareto-efficient levels of output for their respective jurisdictions than for the central government to provide anyspecified and uniform level of output across all jurisdictions."

The contribution of Oates' model is that, in the absence of factor mobility, the uniform presentation of public goods in all regions is ineffective in the presence of consumers who are geographically distinct, with different demands for public goods and services (Bodman and Ford, 2006: 7). Oates' model is more concerned with the linkage between

policymakers and voters than inter-regional relations. In other words, in a centralized structure, the outputs will be determined close to the position of the general median voter, while in a localized structure the output structure and level will be determined according to the preferences of the local median voter (Busemeyer, 2007: 6). This can be explained by the following figure.

**Figure 1. The effects of centralization of local management services on welfare**



**Source:** Mitra, 1999: 7

The  $D_a$ ,  $D_b$  and  $D_{med}$  curves in Figure 1 represent the demand curves for the local public service of the three types of individuals A, B and Median. Assuming that the level of provision of local public goods and services in the community is determined by a majority vote, according to this scenario, those demanding  $D_a$  and  $D_b$  levels are forced to consume local public goods and services at  $q^{med}$  level. The ideal levels would be  $q^a$  and  $q^b$ , respectively. Assuming that Lindahl pricing is not possible, since  $q^{med}$  is less than the  $q^a$  and more than the  $q^b$ , for A and B, there is a loss of prosperity as much as the areas of the triangles “ $a1ea2$ ” and “ $b1eb2$ ” respectively. If local governments are able to produce each public property at the discretion of the individual benefiting from it, there will be perfect harmony in the provision of public services. In other words, each public service should be produced by the level of government that can take into account the differences between preferences at most (Mitra, 1999: 7).

Theoretically, central governments can also differentiate public goods and services on a community basis. However, being away from local preferences may add more information, control and implementation costs to the central provision. It is assumed that local governments have better knowledge of preferences and economic conditions in their constituencies (Bodman ve Ford, 2006: 7). In addition, according to Oates' relevance principle, public services should be provided by the lowest level of management that can benefit from these services, determine the amount to be provided and establish the relationship between those who have to pay (Oates, 1972: 34). More visible and tangible taxes will allow taxpayers to take a more critical approach when voting for budget expansion. Funds are spread throughout the nation, even if the benefits of central government projects belong to a particular region. In this case, if the same project was undertaken at the local level, the share in the central presentation against the amount payable would be quite low. In this case, since marginal cost is less than marginal benefit, there may be reluctance to limit unnecessary budget expansion (Roussel, 1998: 30).

Oates's view that local governments have more information advantage than central government goes back to Hayek. Hayek (1945) argues that, each individual has a unique knowledge of the conditions of space and time, which is advantageous over others. This information can only be useful when an individual makes his or her decisions on the basis of this information, or when social decision-making takes this information into account. The ability of fiscal decentralisation to provide economic efficiency is based on the fact that each level of management has knowledge of its own circumstances and the possibility and desire to use that information. At the same time, local people with the advantage of knowledge of local activities are also allowed to better adapt to local preferences (Granado, 2003:14).

Weingast (1995) and, McKinnon (1997), argues that fiscal decentralisation promotes economic growth by contributing to the protection and development of markets. Properly designed intergovernmental fiscal relations will provide local governments with the incentives to stimulate markets. Hence, fiscal decentralisation undertakes a function that removes barriers along the way for initiatives. The intensity of uniform legal and institutional arrangements from the center can disrupt economic development in a region. Decentralization can be made faster and more clearly by making arrangements more adaptable to the special conditions of the region with localized authority. Secondly according to Crucq and Hemminga (2007: 7), the implementation of policies can

mobilize local resources. Local people and organizations will be more willing to participate in local initiatives when they feel connected and responsible for plans and policies for local development. The fiscal and psychological interests of the actors will increase their continuity in initiatives and projects.

Vazquez and McNab (1997), have further expanded Oates' model. They argue that even if the preferences of all individuals in the society are the same and mobility is restricted, local administrations are more effective in providing services than central government. According to them, taxpayers' priorities will be more willing to use funds such as education and health care, while central government funds will be more vulnerable to economic growth, such as national security. Policies that provide inputs to the production process, such as infrastructure and human capital, are more sensitive to local conditions and are more effective in achieving economic growth than policies set at the center, which ignore geographical differences. They also argued that the secondary effects of increasing the welfare of individuals by better satisfying their preferences, work effort, savings and investments may have a positive effect on economic growth.

### **3.2. Technical Efficiency Effect of Fiscal Decentralisation**

It is a natural consequence of fiscal decentralisation to achieve economic growth by increasing producer efficiency. Provided that the marginal product of public service is positive, if local governments can produce more or higher quality output than central government at the same level of expenditure, they will lead to increased revenue and consequently economic growth (Qiao, 2001: 7).

If any combination of public expenditure and income promotes growth at the national level, it will have an impact on economic growth at all levels of government. The extent to which a combination of public expenditure and revenue will affect economic growth will depend on the degree of relative technical efficiency. For example, if education affects economic growth, the impact on economic growth will be greater when this service is delivered by the most effective government level. If more efficient delivery of a service at the local level is possible, the assumption that fiscal decentralisation increases technical efficiency will apply (McNab, 2001: 16).

In the free market process, the value that an individual gives to a good is put forward through the price system. If the price is too high, the individual will not pay for the product. However, such a process is not

necessary due to the special nature of public goods and services. If this information is voluntarily tried to be obtained from individuals, there may be an incentive to underestimate the benefits. In this case, the state authorities will be obliged to accurately estimate the demand for public goods and services with varying chances of success. Their failure will lead to inefficiency in the provision. The main question in the technical efficiency is how to accurately calculate the demand for a socially produced service in the public sector (Roussel, 1998: 21-22).

Tiebout (1956) answers this question with a competitive model. In the model, it is assumed that the authorities of the local administrations compete for the citizens and the taxes they pay by making changes in the level, composition and quality of public goods and services. Tiebout states that citizens shop between cities offering their preferred combination of public goods and services and tax price. According to Tiebout, the same applies to public goods, just as individuals exhibit mobility while shopping for private goods. This exchange behavior will be the case if citizens exhibit interregional mobility and a large number of local government units exist. If taxes reflect the prices of public goods, the allocation of public resources can be as effective as in the private economy. Because the citizens will vote for their demands. According to Tiebout, local authorities will try to keep taxes as low as possible, while providing attractive public services.

According to Schwab and Oates (1991), one of the main misconceptions about public goods and services is the assumption that production functions are typical. However, communities have little control over the final output even if they reach the same provision opportunities. For example, in two communities the number of police patrols and classrooms may be the same. However, there may be significant differences between the levels of security and education in these two communities. This is due to the fact that the final outputs of public goods and services depend not only on provision possibilities but also on the structure of the community in which they are presented. This view reveals that the supply side of Tiebout's model is also important, and that social disintegration enters the production function of public goods and services (Mitra, 1999: 17).

There are also welfare costs for decision-making in segregated communities. In a community of individuals with different preferences, collective decision-making can impose costs on individuals who do not choose the level of output chosen. Buchanan and Tullock call these costs

the external costs of collective decision-making, and claim that these external costs are directly linked to social disintegration. Thus, decision-making at the local level in communities with high external costs of decision-making may lead to a reduction in costs (Mitra, 1999: 4).

Brennan and Buchanan (1980) extended Tiebout's competition model with the Leviathan constraint hypothesis. With this hypothesis, Brennan and Buchanan investigate the relationship between competing governments and the size of the public sector. In the model, the state is depicted as a unilateral actor whose aim is to maximize income. According to Buchanan (1977: 13), the growth of the public sector in the second half of the 20th century is indicative of a process that he calls profit-making policy. Accordingly, politicians are expanding public spending to increase their chances of re-election by misleading their political gains and voters.

Brennan and Buchanan see fiscal decentralization as a solution to state failures that result from impeccable collective choice mechanisms and bureaucratic monopoly. Their argument is that fiscal decentralization may limit the inefficient expansion of the public economy. Leviathan's desire to grow in the public sector can be restrained by fiscal decentralization. In short, fiscal decentralization can eliminate the monopolistic control of central government and create a large number of small public administration units competing just like producers in the free market (Mitra, 1999: 18-19). The intergovernmental competition resulting from the interregional migration opportunities provides a tougher budget discipline and a reduction in the total size of the public sector. In this way, over-presentation of public goods and services and inefficiency of public sector can be prevented (Thießen, 2000: 13). Vertical and horizontal competition between administrations will also reduce the rent expenses paid by taxpayers by limiting the capacity of bureaucrats to become income maximizers. In some central government policies such as import quotas and tax privileges, economic rent is more likely to occur (Pose and Bwire, 2003: 5-6). In this case, if fiscal decentralization can reduce corruption, it can also boost economic growth.

According to Oates, such efficiency-enhancing competition depends on the ability of citizens to compare goods and services provided by governments and to hold all management levels accountable for their decisions (Bodman and Ford, 2006: 6). If local administrators are elected, their responsibilities and accountability will increase as a result of decentralisation. Public authorities will be more willing to use public resources more effectively and close to their constituents to do their best



for economic development. Otherwise they cannot be selected. Unlike central elections, voters measure public services in other local governments in the selection of local governments in their regions. When local governments finance the service provided, they will produce it cost-effectively, to the extent that the marginal benefit is equal to the marginal cost. A decentralized system provides local governments with the means and means to tackle specific problems in their region (Yamoah, 2007: 19).

One of the ways fiscal decentralization can increase technical efficiency is to encourage experiments and innovations in the provision of public goods and services. Oates calls this situation experimental federalism. The pressure from efficiency-enhancing competition will encourage local governments to develop and experiment with administrative innovations in order to achieve more efficient delivery opportunities and to present a more attractive spending package with minimal tax rates (Oates, 1999: 1132). If trials related to different service provision processes provide a reduction in costs, they will generate gains from intergovernmental competition to the relevant government. Competition can put pressure on local governments to develop more effective technology and production techniques, as do the firms in the free market. According to Oates, an extremely centralized administration produces little or no competition. Therefore, there is no incentive to be innovative and effective. Innovation implementation processes are often identified with a high degree of risk. Working on a small scale, such as local governments, can reduce risks and increase flexibility (Pose and Bwire, 2003: 6). When local communities develop and implement economic development programs in a decentralized system, these programs will first be implemented on a small scale. If the program is successful, local governments in other parts of the country will also apply. However, if the program fails, only a few small communities will be affected, rather than the whole nation. With fiscal decentralisation, local communities will become research laboratories. Local trials will enable them to be produced with effective costs by providing technological contribution to the process of public goods and services (Yamoah, 2007: 20).

#### **4. Conclusion**

Fiscal decentralization has become an increasingly debated topic in academic and political circles. Although no consensus has been reached on its design and its consequences, many countries have not hesitated to implement comprehensive decentralization reforms. The conceptual and practical consideration of the concept has led to new meanings. The basis

of these different interpretations and practices is that each country has local government systems shaped by its own socioeconomic and historical conditions.

Although the design and results of fiscal decentralization practices differ considerably due to the specific structures of the countries, it is seen that there are some common effectiveness conditions. Accordingly, openness, displacement, economies of scale and externalities should be taken into consideration during the allocation of expenditures, which constitute the first step of fiscal decentralisation, among government levels. While allocating revenues to local governments, it is necessary to maintain the effectiveness of the domestic market, to reduce administrative costs, to ensure stability, flexibility and national equality, and to establish a cost-benefit relationship between local services and local revenues. Establishing an effective local fiscal system through intergovernmental transfers is possible by ensuring vertical and horizontal financial balances. It is also important to ensure the efficiency of local borrowing, which is the last component of fiscal decentralization. Restrictions should be imposed on local governments to apply to borrowing outside conditions such as intergenerational equalization, financing capital investment expenditures and harmonizing income and expenditure flows.

The expected effects of fiscal decentralization are closely related to the design of its components. Fiscal decentralization reforms need to be designed in a way that takes account of local differences in the provision of public services, enhances the link between expenditures and revenues and improves accountability and transparency. The institutional structure of the country and the economic principles of fiscal decentralization should be considered together. Time and determination are needed for the effective functioning of institutional arrangements. The quality of a decentralized system is measured by the maturity of its institutions, the structure of regulatory laws and policies, and their ability to keep pace with changes.

## References

- Bodman, P. and Ford, K. (2006). *Fiscal Decentralisation and Economic Growth in the OECD*. Discussion Papers, 7. Macroeconomics Research Group. 173-209.
- Brennan, G. and Buchanan, J. M. (1980). *The Power to Tax: Analytical Foundations of a Fiscal Constitution*. Cambridge University Press.

- Breuss, F. and Eller, M. (2003). *Efficiency And Federalism in The European Union The Optimal Assignment of Policy Tasks To Different Levels of Government*, Working Paper, Nr. 50. Research Institute For European Affairs, Wien University of Economics and Business Administration.
- Buchanan, J. M. (1977). *Freedom in Constitutional Contract*. Texas A&M University Press.
- Busemeyer, M. R. (2007). *The Impact of Fiscal Decentralisation on Education and Other Types of Spending*, Discussion Paper, 07 /8. Max Planck Institute for the Study of Societies, Cologne.
- Crucq, P. and Hemminga, H. (2007). *Decentralization and Economic Growth per capita in Europe*. EC 178. University of Groningen.
- Davey, K. ed., (2002). *Fiscal Autonomy And Efficiency, Reforms in The Former Soviet Union*. Open Society Institute, Local Government And Public Service Reform Initiative. Budapest.
- Ebel, R. D. and Yilmaz, S. (2001). *Concept Of Fiscal Decentralization And Worldwide Overview*, *International Symposium Québec Commission on Fiscal Imbalance Conference Paper*, Québec.
- Granado, F. (2003). *A Study of The Relationship Between Fiscal Decentralization And The Composition of Public Expenditures*. Unpublished thesis. Andrew Young School of Policy Studies of Georgia State University.
- Hayek, F. (1945). *The Use of Knowledge in Society*. *American Economic Review*. Vol. 35, No. 4.
- Mase, K. (2003). *Equitable Share? An Analysis Of South Africa's System Of Fiscal Transfers To Local Government in Terms Of How It Addresses Vertical And Horizontal Fiscal Imbalances*, Unpublished thesis, International Development Department, School of Public Policy, University of Birmingham.
- McKinnon, R. I. (1997). *Market-Preserving Fiscal Federalism in the American Monetary Union*, in *Macroeconomic Dimensions of Public Finance: Essays in Honor of Vito Tanzi*, M. Blejer and T. Ter-Minassian, eds. Routledge, London.

- Mitra, A. (1999). *Local Government Structure and Population Heterogeneity*. Unpublished thesis. Northern Illinois University Department of Economics, Illinois.
- Musgrave, R. A. (1983). Who Should Tax, Where, and What? in *Tax Assignment in Federal Countries*, C. E. McLure, Jr. ed., Centre for Research on Federal Financial Relations, Australian National University, Canberra.
- Oates, W. (1972). *Fiscal Federalism*. Harcourt-Brace. New York.
- Oates, W. (1999). An Essay on Fiscal Federalism. *Journal of Economic Literature*, 37.
- OECD. (2003). *Fiscal Relations Across Levels of Government*. OECD Economic Outlook.
- Pose, A. R. and Bwire, A. (2003). *The economic inefficiency of devolution*. Working Paper. Department of Geography and Environment, London School of Economics.
- Qiao, B. (2001). *The Trade-Off Between Growth And Equity in China's Decentralization Policy*. Unpublished thesis, Andrew Young School of Policy Studies of Georgia State University,
- Roussel, S. L. (1998). *Decentralization of Public Finance: Centralizing Forces in Developing Countries*. Unpublished thesis. Faculty of the University of Southern California.
- Samuelson, P. A. (1954). The Pure Theory of Public Expenditure, *Review of Economics and Statistics*, 36,
- Schwab, R. M. and OATES, W. E. (1991). Community composition and the provision of local public goods : A normative analysis. *Journal of Public Economics*. Vol. 442.
- Taraktas, A. (2010). *Türkiye'de Mali Yerelleşme, Ekonomik Büyüme ve Enflasyon Arasındaki İlişkilerin Zaman Serileri Analizi*. Unpublished thesis. Anadolu University Institute of Social Sciences.
- Ter-Minassian, T. ed. (1997). *Fiscal Federalism in Theory and Practice*. IMF- Washington
- Tiebout, C. (1956). A Pure Theory of Local Expenditures. *The Journal of Political Economy*. Vol. 64:5.

- Thießen, U. (2000). *Fiscal Federalism in Western European And Selected Other Countries: Centralization Or Decentralization, What is Better for Economic Growth?*. Discussion Paper, No. 224. Deutsches Institut für Wirtschaftsforschung- DIW.
- Tullock, G. (1969). Federalism: problems of scale. *Public Choice*, 6(1), 19-29.
- UNDP. (2005). *Fiscal Decentralisation and Poverty Reduction*. UNDP Primer.
- Usui, N. (2007). *Critical Issues of Fiscal Decentralization*. Asian Development Bank ERD Technical Note, No. 21.
- Varcan, N. ed. (2008). *Yerel Yönetimler*, Anadolu University, Eskişehir.
- Vazquez, J. M., McLure, C. and Vaillancourt, F. ed. (2006). Revenues and Expenditures in an Intergovernmental Framework. *Perspectives On Fiscal Federalism*. The World Bank, Washington DC.
- Voorhees, W. (2005). Basic Economics of Fiscal Decentralization, *Handbook of Public Sector Economics*, Taylor & Francis Group, LLC.
- Vazquez, J. M. and McNab, R. M. (1997). *Fiscal Decentralization, Economic Growth, and Democratic Governance*. Working paper 97-07, International Studies Program, Andrew Young School of Policy Studies, Georgia State University.
- Vazquez, J. M. and McNab, R. M. (2003). Fiscal Decentralization and Economic Growth, *World Development*, Vol. 319, Elsevier,
- Weingast, B. R. (1995). The Economic Role of Political Institutions: Market-Preserving Federalism and Economic Growth, *Journal of Law, Economics, and Organization*, 11.
- Yamoah, A. B. (2007). *The Effects of Fiscal Decentralization On Economic Growth in U.S. Counties*. Unpublished thesis. Graduate School of The Ohio State University.

# TAX WHISTLEBLOWING MECHANISM IN TURKEY AND USA

Ulvi SANDALCI\*\*

## 1. Introduction

Governments need certain revenues in order to meet their public needs. Tax revenues are the most important among these revenues. Therefore, collecting tax in full and complete is crucial for the state. When collecting tax revenues, states are subjected to costs incurred from the administrative structure as well as the costs independent from the administrative structure. It is necessary to minimize these costs, that is to say tax revenues of the treasury must be collected with minimal cost. Apart from these costs, there are other reasons for partially or completely missing of tax revenues. One of these is tax evasion. Non-declare income or under declaration is considered within the scope of tax evasion. In order to prevent this, governments are trying to detect tax evaders through inspections and to minimize tax evasion by punishment. However, inspections are not enough alone in the fight against tax evasion. This is because the administration cannot possibly inspect all individual taxpayers. This will be both time-consuming and costly. Therefore, the tax whistleblowing mechanism is an effective tool for closing this gap.

Tax whistleblowing can be defined as a notification made to the government by honest taxpayers, who know the tax evaders. Thanks to the tax whistleblowing, time and money will be saved due to the tightened control over the tax evaders. In the study, tax whistleblowing mechanisms in the USA, and Turkey were investigated comparatively as well as investigating the role of tax whistleblowing in the prevention of tax evasion and its effect on tax revenues.

## 2. Tax Whistleblowing in Turkey

The term whistleblowing refers to meanings such as denunciation, reporting, informing and revelation; whereas the whistleblower award refers to payment paid for the claim. Tax whistleblowing is to notify the competent authority in written or verbally by the whistleblower (informer) of any economic activities that cause tax loss and tax evasion due to the acts of taxpayers against the tax laws (Budak, 2009: 45).

Tax whistleblowing and whistleblower awards have been implemented in Turkey due to reasons mainly such as fight against the informal economy, establishing a tax justice, dissemination of tax culture, the provision of adequate resources for the financing of public expenditures,

---

\* (Research Assistant); Kütahya Dumlupınar University, Faculty of Economics and Administrative Sciences, Public Finance, Kütahya, e-mail: [ulvi.sandalci@dpu.edu.tr](mailto:ulvi.sandalci@dpu.edu.tr)

encouraging the revelation of tax-exempt resources and rewarding those who help in this regard. In this context, the Law No. 1905 dated 26/12/1931 on "Movable and Real Estate, Their Usufruct Rights and Awards to be Paid to Whistleblowers of Continuous Taxes" was issued on December 31, 1931 and effective from this date.

According to the Law No. 1905, the whistleblower must meet certain conditions in order to be able award. In line with these conditions, the whistleblowing should be made within the time limit (5 years) (Türkey, 2015). The conditions required by the law for the demand and payment of the award for the claim;

- The whistleblower must not hide his/her identity in order to be able to inspect the claim.
- The whistleblower must not give up the claim before the inspection is over.
- If the claim was anonymous, the whistleblower should reveal his/her identity before the tax audit is over.
- It doesn't matter whether the whistleblower is connected with the tax loss and evasion.
- If there are more than one whistleblowers, the link between the claims and the tax base differences are investigated. If both claims are linked, then the claim award is given to the first whistleblower.
- The whistleblower must clearly state that he/she wishes the claim award. Otherwise no reward will be issued.
- It is necessary to base the claim on concrete events and evidence. However, the difference between the tax base found at the end of the tax audit and the claim must be related.

Individuals may inform the competent authorities about the tax losses and evasion by a written or verbal report. Verbal reports can be made via the phone number of the Tax Communication Center (VİMER). The tax whistleblowing can be made by hand or by mail, or by phone or e-mail by specifying the identity and address. There is no separate agency that deals with tax whistleblowing and awards in Turkey. Regarding the tax whistleblowing, Tax Office (Claims and Complaints Inspections Branch Directorate) and Revenue Administration (Audit and Compliance Management Department) operate as authorized bodies in relation to tax whistleblowing (Yaşın, 2016). Together with these institutions, other relevant public institutions and organizations may apply to the Prime Ministry Communication Center (BİMER) and the Turkish Grand National Assembly Petition Commission (Türkey, 2015).

Regarding the whistleblowing made by the citizens, the tax inspection staff shall prepare a tax inspection report and a whistleblower award report. "Tax Inspection Report" and " Whistleblowing Award Report" are prepared after the tax inspection. In the whistleblowing award report (Tax Vision, 2016), the following matters should be included in the decision regarding the payment of the award:

- Whether or not to give an award to the whistleblower,
- If not, the reason for not giving an award,
- If an award will be given, the tax base on which the claim award was calculated,
- Whether the amount prescribed by law will be paid at the time of accrual, and the reason if not will be paid,
- The distribution of the awards, if there are more than one whistleblower,
- Other issues that must be declared, if any,
- Inclusion of the claim notice in the report.

The amount of award to be paid to the whistleblowers is clearly stated in the same law. According to Article 6 of Law No. 1905, "A certain amount of award is given to whistleblowers, who reveal transaction concealed by false tax-declaration, keeping two books or other means of concealing in relation to continuous taxes such as income, livestock, inheritance, consumption and stamp taxes in addition to those unregistered taxes from buildings and lands", a claim award is given to the whistleblowers according to the following amounts:

**Table 1: Whistleblowing Awards**

Up to 500 TL	15%
For more than 500 TL, up to 5000 TL	30%
For more than 5000 TL, up to 15000 TL	20%
For more than 15000TL	10%

**Source:** Revenue Administration, 2017

Although the award rates are between 10% and 30% as shown in the table, the first three options -excluding the 10% one- are no longer applicable because the total amount of tax and penalty of that rates had no monetary value. For this reason, the general rate in the claim award is 10%. Of the award calculated in accordance with the law, 1/3 is paid upon tax assessment (finalization), and 2/3 is paid during the collection phase.

In order for the whistleblowing award to be given, the claim must be related to the continuous taxes. Continuous taxes are the liabilities that



continue in more than one period due to the recurrence of the taxable event. For example: Income Tax, Corporate Tax and Value Added Tax are taxed continuously. The whistleblowing award covers the continuous tax bases and tax loss penalties related to these tax bases. According to this, non-continuous taxes and penalties such as late fee of continuous taxes, default interest, irregularity and special irregularity and one-time additional taxes are not covered by the whistleblowing award (Gıralı, 2010: 145).

The whistleblowing award to be given to whistleblowers is not subject to the income tax since it's not covered in the seven income items in accordance with the Code 2 of the Income Tax Law No. 193. However, these award payments are subject to the inheritance and transfer tax as they are covered by the inheritance and transfer tax law numbered 7338 (Yaşın, 2016).

With the Law No. 1905 and the circulars/general writings of the Ministry of Finance and the Council of State decisions published up to this day states the individuals ineligible for the rewards. Accordingly, the following whistleblowers cannot receive an award:

- Officers dealing with tax examinations,
- The members of the commission established by tax laws,
- The tax courts, district administrative courts and the officers in council of state.
- Experts consulted on tax related issues,
- Professional Accountants, Financial Advisors and Certified Public Accountants

The number of claims made in Turkey for the years 2005-2016, the number of rewarded people, and the total amount of rewards payments made to these persons, in line with the Law No. 1905 and the circulars/general writings of the Ministry of Finance and the Council of State decisions published up to this day, are shown in the table below:

**Table 2:** Tax Claim and Whistleblowing Rewards Data in Turkey

YEARS	Number of Claims Received	Number of People Rewarded	Amount of Total Rewards Paid
2005	3,350*	72	515,332 TL
2006	3,172*	73	612,466 TL
2007	27,509	87	613,450 TL
2008	40,236	135	1,187,345 TL
2009	44,443	127	782,715 TL

<b>2010</b>	42,037	146	1,938,992 TL
<b>2011</b>	22,548	173	4,219,672 TL
<b>2012</b>	23,396	196	3,082,853 TL
<b>2013</b>	28,118	462	7,105,157 TL
<b>2014</b>	32,690	296	6,202,554 TL
<b>2015</b>	38,052	338	6,045,626 TL
<b>2016</b>	37,888	240	3,142,130 TL
<b>2017</b>	36.166	454	12.870.004 TL

**Source:** Revenue Administration Annual Reports

**Note:** \* indicates only the claims via petition.

Looking at Table 2, it can be seen that the number of claims received in the period of 2005-2016 increased until 2009 and decreased in 2010 and 2011. After 2011, there was a steady increase in the number of claims. In 2016, there was a slight decrease in the number of tax claims. When we look at the number of awarded people for tax claims between 2005 and 2016, it is seen that there was a decrease in 2009, 2014 and 2016, unlike the continuous increase except these years. In the same period, it is observed that there are significant fluctuations in the total amount of awards paid to whistleblowers. Accordingly, the amount of rewards paid over the years increased in some years and has shown a decrease in some years. It can be argued that this is caused by the tax bases resulting from the tax claims are different in amounts. When we evaluate the table in general, we can say that the number of claims received, the number of people who get paid for the claims increased year by year. Although the amount of the award has changed from year to year, it has increased in 2017.

### **3. Tax Whistleblowing in the United States**

In the United States, tax evasion regulations date back to 1876, about 150 years ago. Significant changes were made on the tax claims in 1996, and finally, in 2006, new regulations were made with the Internal Revenue Code (Section 7623). In line with the amendments in 2006, the IRS Whistleblower Office (WBO) was established in 2007 under the IRS (Internal Revenue Service), an independent body authorized in tax claims (Yaşın, 2016: 10).

In 2006, in the 406th Code of the Tax Relief and Health Care Act, important amendments were made in the IRS award program for whistleblowers. A new framework has been established for the assessment of claims in the light of these regulations. The IRS Whistleblower Office (IRS Whistleblower Program, 2016: 5) was established to make these

assessments (IRS Whistleblower Program, 2016: 5).

As a result of the revision made in 2006, the section 7623 of Article 406 of the law was changed to 7623 (a), and 7623 (b) was added to it. Accordingly, when the tax, penalty, interest and disputes exceed 2 million dollars with a few exceptions, the IRS shall pay an award between 15 to 30 percent of the collected amount. No upper limit is set according to 7623 (b). The claim award is set at a minimum of 15% and some factors are taken into consideration in determining this claim award.

To determine the amount of the award, WBO primarily assesses the extent of the contributions made by the whistleblowers. Table 3 below shows the negative and positive factors that affect the determination of the claim award.

**Table 3: Influential Factors in Determining the Whistleblower Office Awards**

<b>Positive Factors</b>	<b>Negative Factors</b>
Immediate action of the whistleblower	Whistleblower's delayed provision of information that negatively affects IRS to make audit.
The whistleblower detecting a previously unknown transaction or problem.	Whistleblower's contribution to the tax incompatibility.
Notification of taxpayer's behavior that the IRS has difficulty detecting	The whistleblower may benefit from tax incompatibility, without planning or initiating this.
Provision of clear, regular and realistic details that will inform the IRS	Whistleblower interfering with negotiating ability of the IRS to investigate the claim
Help and co-operation of the whistleblower during the inspection, investigation and trial	Whistleblower violating the IRS directives that result in the IRS spending additional resources
Notification of taxable assets that can not be otherwise determined by the IRS	Whistleblower's violation of the terms of the privacy agreement with the IRS.
Revelation of transactions or relations between persons that cannot otherwise be identified by the IRS	Violation of the Notice 6103 (n)
If the information given by the whistleblower affect the behavior of the taxpayer and improves the behavior of the taxpayer, the Whistleblower Office takes this issue positively in determining the amount of reward.	If the whistleblower provides false and misleading information, Causes negative impact on Whistleblower Office's determination of awards

**Source:** IRS Whistleblower Program, 2015

Based on an analysis of the positive and negative factors listed in Table 3, the WBO sets an award by 15, 18, 22, 26 or 30 percent. The minimum award rate is 15 percent and the maximum rate is set at 30 percent. The intermittent percentage figures are determined by WBO according to the positive or negative effect of the whistleblower's information on the revelation of the incident.

If it is found that the whistleblower has planned and initiated actions that cause tax evasion, the WBO will reduce the whistleblower award based on the whistleblower's contribution to the plan. While analyzing the factors affecting reward payout, WBO;

- Categorizes the whistleblower's involvement as primary, moderate or major as a planner or participant,
- The amount of the reward can be reduced by 67% to 100% if the whistleblower is the primary planner or participant. If the whistleblower is a major planner and participant, the reward amount can be reduced by 66 percent to 34 percent. Finally, if the whistleblower's participation or planning level is moderate, a reduction in the reward amount is between 0% and 33%.
- If the whistleblower is found guilty of criminal behavior arising from the planning and initiating a tax evasion action, the WBO will refuse to pay the claim award regardless of whether the informer's role as planner and initiator is primary, moderate or significant.

The IRS follows a regular and standard way in tax claim applications. In order to be able to demand whistleblower award, whistleblowers should make claims to a particular institution under specific form and conditions. The claims must be made to the WBO, the central unit authorized for claim, by filling in the form "IRS Form 211" (Yaşın, 2016: 11).

According to The Right to Confidentiality of Taxpayers, whistleblowing taxpayers have the right to ask the IRS not to disclose the information they provide unless they are allowed by the law. In addition, taxpayers have the right to take measures against their employees, those who prepare their statements and other persons.

IRM instructs IRS employees to disclose the identity of the whistleblowers only to the individuals who "need to know". These people are the ones who should carry out official duties in accordance with Internal Revenue Code Sec. 6103. At the same time, it is emphasized that to ensure maximum security, the files containing the information of the whistleblower must be stored safely until submitting the required information and these information should be kept in double shielded envelopes.

In spite of all this, there are cases where it is not possible to keep the name of the whistleblower completely confidential. The whistleblower may need to testify as a witness during the trial. In such cases, the identity of the whistleblower is revealed since it is not possible to investigate and inspect without disclosing the identity of the whistleblower. In such cases, IRM (Internal Revenue Manual) mandates that such conditions are rare and requires the IRS to inform the whistleblower before continuing the investigation (West, 2012 :41).

The rewards to be paid depend on the collected income, so first of all the income must be collected. The IRS waits for the alleged tax evasion to exhaust all legal remedies before payment of the reward. The finalization of the cases can last for 5-7 years (<http://pwbcpas.com>, 2017).

**Table 4:** Time from Receipt to Closure of Claims

2014				2015				2016			
7623(a)		7623(b)		7623(a)		7623(b)		7623(a)		7623(b)	
1	2	1	2	1	2	1	2	1	2	1	2
240	4.81	-	-	155	3.18	49	2.19	602	2.59	159	2.63
1. Number of Claims Subject to Awards											
2. Average Number of Years for Awarding											

**Source:** IRS Whistleblower Program Fiscal Year 2016 Annual Report to the Congress

Table 4 shows information on the average payment period of the award payments that will be made as a result of tax whistleblowing. According to the table, the reward payment process, which took about 5 years in 2014, has fallen to 2.5 years in 2016. It is also important whether the awards are calculated according to IRC section 7623 (a) or 7623 (b). When determining the award, calculations are made in accordance with IRC section 7623 (b) for assessments exceeding \$2 million, and the amounts less than this are subject to IRC section 7623 (a). Approximately 82% of award payments made between 2014 and 2016 are made according to IRC section 7623 (a).

**Table 5:** WBO Whistleblowing Statistics

Years	Numb er of Claim s Receiv ed	Numb er of Rear ded People	Investi gations Exceed ing 2 Millio n USD	Total Rewards Paid	Tax Collected	Tax Collected / Awards Paid (%)
2009	-	110	5	\$5,851,608	\$206,032,872	2.8
2010	7,577	97	9	\$18,746,327	\$464,695,459	4.0
2011	7,474	97	4	\$8,008,430	\$48,047,500	16.6
2012	8,634	128	12	\$125,355,799	\$592,489,294	21.1
2013	12,172	122	6	\$53,054,302	\$367,042,420	14.4
2014	14,365	101	9	\$25,281,628	\$309,990,568	16.9
2015	12,078	99	11	\$103,468,267	\$501,317,481	20.6
2016	13,396	418	16	\$61,390,910	\$368,907,298	16.6
2017	11,946	242	19	\$33,979,873	\$190,583,750	17.8

2018	12,286	217	-	\$312,207,590	\$1,441,255,859	21.7
------	--------	-----	---	---------------	-----------------	------

**Source:** IRS Whistleblower Program (2013-2018) Annual Report

The data in Table 5 show that there was an increase in the number of rewarded people, total amount of rewards paid, and tax revenues collected as a result of tax claims between 2009 and 2016, as a result of the works carried out by the WBO. When we look at the ratio of the total amount of rewards paid to the collected tax amount, it is seen that the ratio of 2.8% in 2009 has risen up to 20% in the following years. According to these data, approximately US \$400 million reward payment has been made to the whistleblowers in 2009-2018 in the USA. Also, roughly 4.49 billion US dollars of unregistered tax revenues have been collected.

Another noteworthy aspect in the table is the significant increase in reward payments made in 2012 compared to other years. This is because, in 2012, the Swiss-based USB bank's former employee Bradley Charles Birkenfeld received a reward of US \$104 million for reporting the tax incompatibilities in the bank (Yaşın, 2016: 13).

Between 2009 and 2018, the ratio of the number of people who received the whistleblowing award to the number of claims received changed from 1.2% to 3.1%. In other words, 1.2% and 3.1% of the claims are composed of the information subject to a reward or the information provided with request for an award.

The size of the tax revenues resulting from the claims is another important issue. Because, for any reason, the collection of taxable income, which hasn't been collected for a reason, is an additional source of income for the states. Accordingly, the share of tax revenues in the US total tax revenues is significant.

**Table 6:** Share of Revenue Generated as a Result of Tax Whistleblowing in the Total Tax Revenues in the USA

Years	Total tax revenue Million \$	Revenue from the tax claims Million \$	Revenue derived from tax claims / Total tax revenue (%)
2009	3,318,6	206,032	6,2
2010	3,515,7	464,695	13,2
2011	3,708,7	480,047	1,2
2012	3,888,4	592,489	15,2
2013	4,283,0	367,042	8,5
2014	4,500,5	309,990	6,8
2015	4,754,1	501,317	10,5
2016	4,821,5	368,907	7,6
2017	5,263, 3	190,583	3,6

**Source:** OECD, 2017; IRS Whistleblower Program (2013-2018) Annual Report

Table 6 contains information on income from tax claims and US total tax revenues between 2009 and 2015. In this period, both the total tax revenues and the tax claim revenues are observed to increase. When we look at the share of the income from the tax claims in the total tax revenues,

it is seen that the rate changes from year to year. Indeed, this is believed to be related to the size of tax evasion issue. Indeed, the larger the additional tax base, the greater the income collected. Considering the fact that the US total tax revenues are estimated to be around US \$5.2 trillion in 2017, the share of the collected \$190 million as result of the tax claims is about 3,6 % of total tax revenue.

In the United States, there has been debate as to whether this income will be taxed at the rate of 35% of regular income or 15% of the capital stock. This problem has been clarified as the result of the tax judgment decision, and it has been decided that the tax amount will be assessed within the scope of income tax and the upper limit will be subjected to 35% taxation (Yaşın, 2016:12).

#### **4. Conclusion**

The nondeclaration of income or underdeclaration of income results in injustice by reducing tax incomes and increasing the tax burden on honest taxpayers. To prevent this, governments take some measures. However; it alone is not enough. Therefore, it is also the responsibility of the citizens in this regard. For this reason, it is important to report the administration to those who do not pay or incomplete tax because of both the prevention of injustice and the increase of the incomes of the state.

The most comprehensive studies on tax whistleblowing were made in the United States. Indeed, the US tax whistleblowing law, which dates back to 1876, underwent changes over time, and in 2006 the IRS Whistleblower Office was established. WBO is an important step in this regard as an independent organization that collects and reviews tax whistleblowing under one roof and pays rewards. Another important regulation was made regarding the whistleblowing reward. The upper limit of the award rate to be paid to tax whistleblowers in order to encourage tax whistleblowing has been increased from 15% to 30%. The increase in the reward rate also increased the number of tax whistleblowing. Indeed, in 2016, 418 people received a total of \$61,390,910 reward payment and a tax revenue of \$368,907,298 was collected.

The tax whistleblowing in Turkey started to function with the law numbered 1905, which was issued in the 1930s. However, this law, which is the basis of tax whistleblowing, is ineffective since it is not revised according to the conditions of the day. The tax whistleblowing mechanism in Turkey has not been known well by citizens over the years and has not been effective on tax losses and evasion. In order to ensure this effectiveness, the law that is the basis of the tax whistleblowing authority must be revised and changed according to the conditions of the day. In addition, a separate agency should be established for tax claims and citizens' tax whistleblowing perceptions should be changed in a positive

direction.

According to the results of our study of tax whistleblowing in Turkey and United States, tax whistleblowing has a significant --albeit varying from country to country-- impact on tax losses and tax evasion, especially on the informal economy. The whistleblowing reward paid to the whistleblower citizens has an important role in the effectiveness and success of this institution. The mechanism of tax whistleblowing, which varies from country to country, contributes to the provision of tax justice and the even fair distribution of the tax burden. However, it leads to increases in macroeconomic incomes and social welfare of the countries by reducing the informal economy. In order for these increases to continue and to ensure justice in income distribution, it is necessary for countries to constantly revise tax whistleblowing offices in accordance with the conditions of the day and to improve citizens' perceptions regarding the tax whistleblowing positively.

## References

- BUDAK, Tamer, (2009), “Türk Vergi Hukukunda İhbar Ve İhbar İkramiyesi”, *İstanbul Üniversitesi İktisat Fakültesi Maliye Araştırma Merkezi Konferansları*, Prof. Dr. Şerafettin Aksoy'a Armağan, 52. Serial.
- Gelirler Genel Müdürlüğü Faaliyet Raporu (2004), Organizasyon Metod Şubesi Müdürlüğü, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2005) , Strateji Geliştirme Daire Başkanlığı, Yayın no: 14, Mayıs 2006, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2006) , Strateji Geliştirme Daire Başkanlığı, Nisan 2007, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2007) , Strateji Geliştirme Daire Başkanlığı, Yayın No:64, Nisan 2008, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2008) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 93, Nisan 2009, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2009) Strateji Geliştirme Daire Başkanlığı, Yayın No: 112, Nisan 2010, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2010) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 132, Nisan 2011, Ankara.
- Gelir İdaresi Başkanlığı Faaliyet Raporu (2011) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 151, Nisan 2012, Ankara.



Gelir İdaresi Başkanlığı Faaliyet Raporu (2012) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 167, Nisan 2013, Ankara.

Gelir İdaresi Başkanlığı Faaliyet Raporu (2013) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 187, Nisan 2014, Ankara.

Gelir İdaresi Başkanlığı Faaliyet Raporu (2014) Strateji Geliştirme Daire Başkanlığı, Yayın No: 199, Şubat 2015, Ankara.

Gelir İdaresi Başkanlığı Faaliyet Raporu (2015) , Strateji Geliştirme Daire Başkanlığı, Yayın No: 216, Şubat 2016, Ankara.

Gelir İdaresi Başkanlığı Faaliyet Raporu (2016) Strateji Geliştirme Daire Başkanlığı, Yayın No: 247, Şubat 2017, Ankara.

GINALI, Ayşe, (2010), “Vergi İhbarı Sonucu Ödenecek İhbar İkramesinin Usul ve Esasları”, Mali Çözüm Journal, September – October 2010, 101. Issue

GİB, <http://www.gib.gov.tr/yardim-ve-kaynaklar/yararli-bilgiler/muhbir-ikramiyesi-oranlari> (Date Accessed, 10.06.2017)

[https://www.irs.gov/pub/whistleblower/Whistleblower\\_Annual\\_report\\_FY\\_13\\_3\\_7\\_14\\_52549.pdf](https://www.irs.gov/pub/whistleblower/Whistleblower_Annual_report_FY_13_3_7_14_52549.pdf)

Internal Revenue Manual, Section 25.2.2.7.4.4 Reduction In Award And Denial Of Award, [https://www.irs.gov/irm/part25/irm\\_25-002-002.html#d0e1402](https://www.irs.gov/irm/part25/irm_25-002-002.html#d0e1402)

Internal Revenue Manual (08-07-2015), Section 25.2.2.12 [Confidentiality of the Whistleblower, https://www.irs.gov/irm/part25/irm\\_25-002-002.html#d0e1743](https://www.irs.gov/irm/part25/irm_25-002-002.html#d0e1743)

Internal Revenue Manual (06-18-2010), Section 25.2.2.11 Appeal Rights under IRC 7623(b), [https://www.irs.gov/irm/part25/irm\\_25-002-002.html#d0e1743](https://www.irs.gov/irm/part25/irm_25-002-002.html#d0e1743)

[Internal Revenue Service](http://pwbcpas.com/blog/2017/02/06/irs-reports-a-significant-increase-in-whistleblower-awards/) (2017), Reports a Significant Increase in Whistleblower Awards, <http://pwbcpas.com/blog/2017/02/06/irs-reports-a-significant-increase-in-whistleblower-awards/>

[Internal Revenue Service](https://www.irs.gov/pub/whistleblower/fy16_wo_annual_report_final.pdf) (2013), Fiscal Year 2013 Report to the Congress on the Use of Section 7626

[Internal Revenue Service](https://www.irs.gov/pub/whistleblower/fy16_wo_annual_report_final.pdf) (2016), IRS Whistleblower Program Annual Report to the Congress, [https://www.irs.gov/pub/whistleblower/fy16\\_wo\\_annual\\_report\\_final.pdf](https://www.irs.gov/pub/whistleblower/fy16_wo_annual_report_final.pdf)

OECD, Total Tax Revenue, [http://www.oecd-ilibrary.org/taxation/data/revenue-statistics/comparative-tables\\_data-00262-en](http://www.oecd-ilibrary.org/taxation/data/revenue-statistics/comparative-tables_data-00262-en)

Taxpayer Bill of Rights (2014), Your Rights as a Taxpayer, <https://www.irs.gov/pub/irs-pdf/p1.pdf>

Tax Justice Network (2007), Identifying Tax Havens And Offshore Finance Centres, [https://www.taxjustice.net/cms/upload/pdf/Identifying\\_Tax\\_Havens\\_Jul\\_07.pdf](https://www.taxjustice.net/cms/upload/pdf/Identifying_Tax_Havens_Jul_07.pdf)

The Law No. 1905 “Movable and Real Estate, Their Usufruct Rights and Awards to be Paid to Whistleblowers of Continuous Taxes”, dated 26/12/1931

TÜRKAY, İmdat, (2015), Vergi Kayıp ve Kaçağının İhbarı ve Muhbire Ödenecek İhbar İkramiyesi, Seçkin Publishing, June 2015 / 2. Edition

YAŞIN, Mehmet, (2016), “Türk-Amerikan Vergi İhbar Ve İkramiyesi Kurumlarının Karşılaştırılması, Sorunlar Ve Çözüm Önerileri”, Vergi Dünyası (1. Baskı), Eylül.

WEST, Ron, Skarbnik John. H. and Brunetti Frank. L., (2012), “A Primer For Tax Whistleblowers”, Taxes-The Tax Magazine, April, ss.27-72.

- **MEDIA AND COMMUNICATION**

# CRITICAL DEBATES ON GLOBALIZATION AND MEDIA

## Küreselleşme ve Medya Üzerine Eleştirel Tartışmalar

Dilan ÇİFTÇİ\*

### 1. Introduction

Globalization refers to the dynamic processes. Therefore, this dynamic notion of globalization as a process developed to break down interactions between individuals, societies, organizations and cultures across the globe. This process needs to be explained as a social process although it includes political and economic interactions inside of it. Globalization in a short explanation compresses space and time while minimizing distance with technology. In this sense, the globalization of media on the other hand, refers to the different modes of communication. Internet is a vital component of globalization of the media since it shapes the minds of users. Dynamic process of globalization has been at the forefront in changing the media activities. This known as a media technology. With these larger extend of media, globalization technology offers a new opportunities for employees and differentiated labor efforts. Thus media professionalization became a challenging process for media markets. In addition to that globalization is significant to all businesses as it allows them to communicate and operate better where facilities, operations made by technological advancements. Globalization technology and mass media make institutions globalized and reflects convergences. This paper discusses the key debates of globalization and international political economy; it is the main issues and ways in which media organizations can position their strategies in the prevailing context of technological advancements

### 2. Globalization Debates

Radice (1999) described the globalization with respect to its meaning and implications. Basically, Radice (1999) indicated that, with the help of the extreme increase in globalization, foreign direct investment (FDI) and other measurable activities started to introduce more deeply. As a result of these Radice (1999) concentrated on two compulsory factors, which are also important; first it is challenges to the established orders not only in real world of politics but also, business framework, and second is undermining the ability of governments to manage their economies. On the special focused on the second one Radice (1999) titled that establishing post-war Keynesian lines and contributing to create economic crises could

---

\* Near East University, TRNC

be the only way of government used to manage their economy in the crises of economic policy of the 1970s and 1980s.

Radice (1999) emphasized eight distinct debates on the globalization in international political economy, which some of them are based on economic framework, and the other remaining parts are based on political framework. The most important debate of Radice (1999) was the building alternatives to neo-liberal globalization. Radice (1999) articulated that bywords; “Whatever the long-term prospects for the Anglo-Saxon model of capitalism, the term dominance of neo-liberalism is only too apparent.” (Radice, 1999: 10) Moreover Radice (1999) claimed that with the skeptical critique of globalization, which is mostly about the deregulation of global and finance directly related with to have mix national, regional and global initiatives. With regards to this sentence Radice (1999) mentioned that skeptical approach to globalization assumes that in economic way capacity to forces of globalization includes convincing financiers and markets to safeguard the benefits of liberalization.

Berberoğlu (2003) focused on the dimensions of globalization based on the three major approaches to guide the contraction of the great imperial powers in recent history. Berberoğlu (2003) cited on the Kennedy’s (1987) explanations about liberal approach; world historical process was determined the major world power today. (2003) stressed that “in the absence of application of a theory of economic systems to define states in accordance with their socioeconomic base in production” (Berberoğlu, 2003: 15). Moreover, for the world-system approach; Berberoğlu (2003) indicated the Wallerstein (1989) ideas by supporting that in order to be having better approach to global world economy seeing classes as groups within a state is obligatory.

In addition to that Berberoğlu (2003) argued that the world-system approach tried to provide appropriate infrastructure of contemporary global political-military development, which should contextual for capitalist economy. On the other hand, Berberoğlu (2003) believed that the most influential approach to the debates on globalization is that Marxist approach. For Berberoğlu (2003), Marxist approach dealt with the logic which basically based on the fundamental class relation among capital and labor. Furthermore, Berberoğlu (2003) differentiated that Marxist approach among all other approaches because of the operations on a global scale; more precisely exploitation is more identical for today’s situation.

In his article Guillén (2001) used five debates on literature on globalization in order to comprehend term more clearly. These five debates had broad spectrum of social, political and cultural themes. Among these five debates the most attractive one is the does globalization produce

convergence and related to this paradigm the debates between globalization and modernity should be separated from each other. In spite of these different types of debates in his article Guillén (2001) really mentioned about the globalization is a global culture in the making or not. Moreover according to Guillén (2001) globalization with global culture bases the idea of go back to McLuhan's metaphor global village. Furthermore, according to Guillén (2001) with the help of the increasingly interconnected world started to be rise. There is a various examples of this interconnectedness, however the most popular ones are; global warming, AIDS pandemic and globalization of media. In addition to that Guillén (2001) mentioned that convergence of societies is a uniform pattern of economic, political and even cultural organization. In most important part of his article, Guillén (2001) claimed that globalization is not a feeble phenomenon, which it is neither a civilizing force , nor a destructive one.

Kiely (2005) focused on diverse way of understanding of globalization. With the help of the increasing information technologies and communication; the term globalization should not be considered as recent topic and new phenomenon. Moreover, Kiely (2005) accepted that; improvement in information technologies had not direct or unique bridge between the trade and government. However; as Kiely (2005) pointed that surprisingly there is a strong deal across countries in terms of the importance of liberalization process. As Kiely (2005) emphasized that the two different attitudes on the hyper-globalization thesis; he criticized the positive attitudes of liberals and negative attitudes of radicals, then make an argumentation that; by globalization there is an active and passive role of state on capital flow. Kiely (2005) with regards to skeptical thesis articulated that; the importance of neoliberal dominance shaped by neo-Keynesian era.

### **3. Media in the Globalized Age**

Within the globalization discussion over the past decade, the direction of a news creative or cultural economy, industrial profile of many media organizations has colored. Increasingly, even in some countries the cultural economy became the major frontiers of expansion of not only output but also employment, that is called as resurgence of a so-called new economy. Here, regardless by above mentioned debates and discussion on globalization and market-oriented expansion, with the globalization of the media there is a turn of events in contemporary capitalism by collection of manufacturing and service sectors, which need a high level of organizational and technological flexibility, transactions-intensive interfirm relations and the production of design-intensive outputs. Here, the high-technology manufacturing segmentation fit the description of the cultural economy and objects of intense scrutiny which is present

economic development and growth as well (Lash and Urry 1994; Scott 2000; Healy 2002).

The modern cultural economy in globalization debates broadly symbolized by cultural product industries. In other words, cultural product industries generate subjective meaning which has sign-value to the consumer within their utilitarian purpose (Scott, 2005). Significantly, Bourdieu (1971) highlights that the cultural economy industries have socially symbolic connotations which ensemble of sectors offering. These offering can be classified under the two categories, which are service outputs on edification, information and entertainment as motion pictures, recorded music, museums and print media, and manufactured products of distinctive forms of individuality, self-affirmation and social display such as fashion clothing or jewelry.

The cultural economy, then, constitutes a rather incoherent collection of industries, though for our purposes, these are bound together as an object of study by three important common features. First, they are all concerned in one way or another with the creation of aesthetic and semiotic content. Second, they are generally subject to the effects of Engels' Law, meaning that as disposable income expands, consumption of these outputs rises at a disproportionately higher rate (Beyers 2002). Third, they are frequently subject to competitive pressures that encourage individual firms to agglomerate together in dense specialized clusters or industrial districts, while at the same time their products circulate with increasing ease on global markets (Scott, 2005: 462).

As Guillén (2001) emphasizes the global village, today, multi-media corporations and global network enlarged from a diversified multi-national media organizations in different areas of the world. Some scholars pointed out the ramifications of media corporatization and ownership concentration (Bagdikian, 1983, 2000, 2004; Bennett, 2004; McChesney & Schiller, 2003; McChesney, 2007, 2008; Thussu, 2006; Hesmondhalgh, 2007). According to Arsenault and Castells (2008) contemporary processes of globalization, digitization, networking and cultural differentiation of media convinced new forms of organization, production and distribution operate in multi-national media businesses such as Time Warner, Disney, News Corp., Bertelsmann, NBC, CBS, Viacom, and diversified media-holdings Google, Microsoft, Yahoo!, Apple.

The origins of these big media corporations similar with the other types of corporations have been Western-oriented, which most majority of media organizations focus on the regional and local information. On the other hand, it is important to argue that with the help of the globalization and hyper-globalization thesis, these local and regional players actively play a

role in not only importing but also re-appropriating foreign products and formats. Moreover, corporate transnational media organizations pursue local partners to serve these re-appropriated content to larger amount of audiences (Arsenault & Castells, 2008).

While capital and production are globalized, the content of media is customized to local cultures and to the diversity of target audiences. So, in ways that are typical of other industries, globalization and diversification work hand in hand. In fact, the two processes are intertwined. Only global networks can master the resources of global media production; but their market share depends on their ability to localize their content and/or to connect to national and local distribution channels. Capital is global; identities are local. Globalization and diversification are thus jointly solidifying the formation of a global network of interlocked media businesses, the backbone of which is formed by a select number of multinational media conglomerates. This process is further complicated by the introduction of new media markets, facilitated deregulation, the proliferation of new delivery platforms, the digitization of information, and the related convergence of the Internet, media, and telecommunications networks (Arsenault & Castells, 2008: 708).

It is always valid discussion that power differentials in social relations based on radical distribution and production of transnational capitalism that who can speak, when and how is fixed. "The ability to transcend spatial limitations on commerce [with communication technology] has increased the variety, importance, and organization of various up-front and after-market windows worldwide when calculating potential sales revenue" (Havens, 2006: 38). In other words, globalized media permit transnationals with an advantage of various types of labor costs, tax policies, interest rates, access to ancillary services.

As explained above globalization debates, global predominance of flexible production schemes faced with the new relocation of production to new industrial sites which is the case mostly in the developing countries productivity processes. According to Fröbel, Heinrichs, & Kreye (2004) this new trends of transnationalization label global structural movement, which reveals the debates on the new international division of labor in the countries where local production controlled by transnational capital merged.

The development of the world economy has increasingly created conditions (forcing the development of the new international division of labour) in which the survival of more and more companies can only be assured through the relocation of production to new industrial sites, where labour-power is cheap to buy, abundant and well-disciplined; in short, through the transnational reorganization of production (Fröbel, Heinrichs, & Kreye, 2004:15).



Furthermore, Miller, Govil, MacMurria, Maxwell, and Wang (2005) expressed that film industry in globalized age shows similar patterns with the structure of production relations which they called as new international division of cultural labor. This new term of international division of cultural labor has the parallelism with the transitional capitalism and media production. To illustrate this, “hallmark of pan-Asian cinema is a push towards market consolidation, creating an enlarged, unified film market that sustains investment in medium-to-large scale movies and marketing” (Davis & Yeh, 2008: 110). In other words, cross-media structures give a way to creative producers, managers and local work forces in the transnational system who worked actively in differentiated market levels. Hence, Therborn (2008) stated that transnational media corporation production generates motivation of capitalist cultural hegemony by creating media commodities, ideologies, and profits. In this sense, Davis and Yeh (2008) expressed the global dimension of restructuring media product and cheap laboring as “with complex links between film, video, television, telecommunications, animation, publishing, advertising, and game design” (Davis & Yeh, 2008: 65). On the other hand, transnational production needs more competition among small media firms in terms of wages, benefits and working conditions that forced by national governments, such as in China employers ask employees to work 10-16 hours a day and seven days a week (Miller, et al., 2005). Together with Chinese case it is crucial to say that Apple may be one of the most appreciated companies in the world, however it has outsourcing practices in China and elsewhere. Here, the issue of material source of media production is another discussion need to be addressed.

The production of media and their content are not “merely a simple reflection of the controlling interests of those who own or even control the broad range of capital plant and equipment which make up the means by which cultural goods are made and distributed. Within the media are men and women working within a range of codes and professional ideologies, and with an array of aspirations, both personal and social. The ambitions can be idealized; much cultural production is routine, mundane, and highly predictable” (Golding & Murdoch, 1991: 25-26).

#### **4. Discussion and Conclusion**

To compare and contrast these articles; it could be said they evaluated globalization completely different points of view. Radice (1999) dealt with eight major debates of globalization and has the clarification of the critique on globalization into one part; which is economic globalization. On the other hand Berberoğlu (2003) dealt with the three crucial approaches to the topic of globalization, which would be benefited for the literature especially to be rescued misunderstanding and prototype viewpoint of term. The most important stand for Berberoğlu (2003) was Marxist

approach; because he stressed out that the globalization affects the market and labor ever-deeper than the all other aspects. Also Berberoğlu (2003) explained that “the globalization of capital and the development of capitalism and capitalist relations of production in the less developed countries resulting in the super exploitation of a working class” (Berberoğlu, 2003; 23). With this respect Berberoğlu (2003) had offense of the globalization by giving negativizes of it in market place in the light of Marxist theory.

While Kiely (2005) focused on the existing idea of interconnectedness by increasing information technologies (Çiftçi, 2018), Radice (1999) pointed out the flows of foreign direct investment that causes the resurgence of flexible Anglo-Saxon capitalism. On the other hand, Radice (1999) and Guillén (2001) have the different perspectives of the sense and nonsense in the globalization debate, both of them criticized the understanding of the globalization and the wrong interpretation of the internationalization. Also both of them argued the market role and implementation on the term globalization. Moreover, contrary to all other articles Kiely (2005) in his article believed that within the some framework, globalization is an outcomes shaped by various motives including social and political aspects. Furthermore Kiely (2005) in his article has further discussion that globalization is political project which is combined with to neo-liberalism. On the contrary Berberoğlu (2003) and Radice (1999) categorized globalization as an economic project, which is related with capitalism.

Furthermore, while none of the author concentrated on the military context in globalization, Berberoğlu (2003) in his article includes the world-system approach, especially underlying Wallerstein argument that; providing appropriate infrastructure of contemporary global-political military development, which should contextual with capitalist world economy. Although Radice (1999), Kiely (2005) and Guillén (2001) in some part mentioned about the nation-states and their undetermined positions within conventional global framework, they do not defined the military fate among globalize world. In that sense It might be said that Berberoğlu (2003) by dealing with three distinct approach with their differentiated face on globalization had wider and sophisticated comprehension to globalization and globalize phenomenon, which leads to conclusion of straw men version of globalization on the economic bases, Kiely (2005) and Guillén (2001) explained about the global consciousness, which was existed in globalization process, more precisely Kiely (2005) exemplified these global consciousness could correspond with the Guillén’s global culture idea.

Guillén (2001) indicated that particularistic identities is evidence of against global culture, however he also mentioned that there is a religious

mosaic with global cultural production and consumption of music, images and information. Furthermore, when the contexts of articles were analyzed, there are some apparent contrasts between them. Berberoğlu (2003) and Radice (1999) contradicted with the Guillén's (2001) argument with respect to Guillén (2001) supported that with globalization there is increased portion of the knowledge of other's situation not just economic means, especially with cultural and social means, in contrast, Radice (1999) and Berberoğlu (2003) claimed that globalization brought the global class conflict with its results respectively. Nevertheless, Kiely (2005) tried to explain the globalization political bases and supports the neo-liberal policies and refers that globalization is the outcome with under the integral part of neo-liberal policies.

As it is clear according to each writer's explanations on the situation the perspectives of the writers are differentiated with their understanding of the globalization. By explaining the future situation and existing event Guillén (2001) implemented the globalization according to realist perspectives as well as liberal understanding by looking the idea of global culture. On the other hand by explaining class struggle, exploitation of labor and the relations between capitalist and labor both Radice and Berberoğlu tended to understand globalization based on Marxist theory. On the contrary by focusing the political effects of neo-liberalism and economic integration for the states and governments Kiely (2005) accepted globalization not as globalization theory, according to him it is political outcome. Since this explanation was made by author, Kiely (2005) could be considered as Marxist thinkers with regards to globalization context.

Consequently, Radice's (1999) article provides better understanding of debates on globalization by using eight vital debates on topic. Also, it is true to say that Radice's (1999) argumentation about capitalism would be the reality for the future; actually it was reality since ten years ago. Comparing to other articles, Radice (1999) article examined the effects of globalization on the well grounds. Furthermore, in my opinion Berberoğlu (2003) with more or less same argumentation with Radice has great importance by clarifying on fundamental tensions into three major points of the IPE approach for today. As it is mentioned above, Kiely (2005) also have the good deal with the exaggerating problem on the information connections and interconnectedness of globalization. Also it is essential to say that Kiely (2005) has the good conclusion that globalization is not adequate to interpret whole changes in world order. On the other hand, it is vital for the globalization debates that Berberoğlu (2003) point that with the inevitable results of globalization a world market economy and state-based political system failed to see socio-economic polarization which means gap between North through South or rich to poor. In short, these articles discussed debates on globalization and they brought variety on this

subject. It is essential to say that none of them had wrong explanation with respect to make a statement. However, Radice article gives the existing fundamental tensions between capitalist and labor also gave the some introductory information to possible scenario for the future. On the other hand, it is also crucial to say that both Guillén and Kiely have true implementation that there is a misunderstanding of the globalization.

## References

- Arsenault, A. H., & Castells, M. (2008). The structure and dynamics of global multi-media business networks. *International Journal of Communication*, 2, 43.
- Bagdikian, B. (2004). *The new media monopoly*. Boston: Beacon Press.
- Bagdikian, B. H. (2000). *The media monopoly* 6th Edition. Boston: Beacon Press.
- Bagdikian, B. H. (1983). *The media monopoly*. Boston: Beacon Press.
- Bennett, W. L. (2004). Global media and politics: Transnational communication regimes and civic cultures. *Annual Review of Political Science*, 7(1), 125-148.
- Berberoglu, B. (2003). *Theories of the global economy and global empire, Globalization of capital and the nation-state: imperialism, class struggle, and the state in the age of global capitalism*, Lanham: Rowman & Littlefield.
- Bourdieu, P. (1971). Le marché des biens symboliques. *L' Année Sociologique*. 22:49-126.
- Çiftçi, D. (2018). Communication, Persuasion and Cognition: The Review on Application of the ELM-Model in Political Communication of North Cyprus. *Akdeniz İletişim*.
- Davis, D. W., & YEH, Y. Y. (2008). *East Asian screen industries*. British Film Institute.
- Fröbel, F.; Heinrichs, J.; Kreye, O. (1986): *Umbruch in der Weltwirtschaft. Die globale Strategie: Verbilligung der Arbeitskraft, Flexibilisierung der Arbeit, neue Technologien*. Rein- bek: Rowohlt.
- Guillén, M. (2001). Is Globalization Civilizing, Destructive or Feeble? A Critique of Five Key Debates in the Social Science Literature. *Annual Review of Sociology*, 27:235-260.
- Golding, P., & Murdoch, G. (1991). Culture, communications, and political economy. In J. Curran & M. Gurevitch (Eds.), *Mass media and society* (pp. 15–32). London: Edward Arnold.
- Havens, T. (2006). *Global television marketplace*. British Film Institute.

- Healy, K. 2002. What's new for culture in the new economy. *Journal of Arts Management, Law and Society*. 32:86-103.
- Hesmondhalgh, D. (2007). *The cultural industries* (2nd ed.). Thousand Oaks, CA: Sage.
- Kiely, R. (2005). Globalization theory or capitalist globalization? (Chapter 2), *Empire in the age of globalization: US hegemony and neoliberal disorder*, London: Pluto, pp.7-38.
- Lash, S., and J. Urry. 1994. *Economies of signs and space*. London: Sage.
- McChesney, R. (2008). *The political economy of media: Enduring issues, emerging dilemmas*. New York: Monthly Review Press.
- McChesney, R. W. (2007). *Communication revolution: Critical junctures and the future of media*. New York: New Press.
- McChesney, R. W. & Schiller, D. (2003). *The political economy of international communications: Foundation for the emerging global debate about media ownership and regulation* (Technology, business and society programme paper; no. 11). Geneva: United Nations Research Institute for Social Development.
- Miller, T., Govil, N., McMurria, J., Maxwell, R., & Wang, T. (2005). *Global hollywood 2* (pp. 1-442). bfi Publishing.
- Radice, H. (1999). Taking Globalization Seriously. *Socialist Register*, Vol.35.
- Scott, A. J.(2000). *The cultural economy of cities: Essays on the geography of image-producing industries*. London: Sage.
- Scott, A. J. (2004). Cultural-products industries and urban economic development: prospects for growth and market contestation in global context. *Urban affairs review*, 39(4), 461-490.
- Therborn, G. (2008). 4 Identity and capital cities. *The Search for a European Identity: Values, Policies and Legitimacy of the European Union*, 59.
- Thussu, D. K. (2006). *International communication: Continuity and change* (2nd ed). New York: Oxford.

- **MICRO FINANCE**

# DETERMINANTS OF CHILDHOOD OBESITY: EVIDENCE FROM TURKEY

Burcu Düzgun-Öncel\*, Deniz Karaoğlu\*

## 1. Introduction

Obesity has been increasing all over the world in the recent decades and is recognized as one of the most important health problems in the world. Obesity contributes a variety of negative outcomes such as reduction in quality of life (Ball and Crawford, 2005; Forste and Moore, 2012; Xiao et al., 2013; Walsh and Cullinan, 2015), increase in morbidity and premature mortality (Cohen et al., 2006; Aizawa and Helble, 2017; Emamian et al., 2017); increase in health care and other costs (Anderson et al., 2003; Cohen et al., 2006). Socioeconomic status (SES) has an impressive association with obesity (Dinsa et al., 2012). Obesity is negatively related to income (McLaren, 2007; Xiao et al., 2013; Bhuroshy and Jeewon, 2014), education (McLaren, 2007; Vernay et al., 2009), social class (Cohen et al., 2005; Rennie and Jebb, 2005) and occupational status (Ball and Crawford, 2005; McLaren 2007; Vernay et al., 2009). Furthermore, the prevalence of obese or overweight children has also increased remarkably, and child and adolescent obesity is one of the most important public health problems. Childhood obesity can cause psychosocial problems and cardiovascular risk factors such as high blood pressure, high cholesterol, and abnormal glucose tolerance or diabetes (Ogden et al., 2010), and on well-being and educational attainment of children (Datar and Sturm, 2006; Averett and Stifel, 2007; Kaestner and Grossman, 2009). Obesity is strongly associated with age, sex, family income, and urbanization (Duzgun Oncel and Karaoğlu, 2019).

Childhood obesity has adverse long term and short-term consequences for health and is associated with increased health risks and decreased quality of life, as well as declining adult health and greater health care costs (Frederick et al., 2014). In this sense understanding the causes for child obesity is important in designing national health policies across a variety of sectors to reduce the burden that it causes. Therefore, in this chapter, we examine the determinants of childhood obesity in Turkey, a middle income, developing country using the 2013 round of Demographic Health Survey (DHS) data set. Like in the other developed and developing countries, childhood obesity rates show increasing trend in Turkey. WHO

---

\* Department of Economics, Marmara University, Turkey, [burcu.duzgun@marmara.edu.tr](mailto:burcu.duzgun@marmara.edu.tr)

\* Department of Economics, Gebze Technical University, Turkey, [hdyurtseven@gtu.edu.tr](mailto:hdyurtseven@gtu.edu.tr)

Corresponding Author

European Childhood Obesity Surveillance Initiative (COSI) reports that in 2013 22.5% of 7–8 year-olds in the country are overweight or obese<sup>1</sup>.

There are few studies that investigate the variation in childhood obesity in Turkey. In addition, those studies are generally conducted at regional basis. For instance, Yuca et al.(2010) conduct a descriptive analysis in Eastern regions of Turkey. Their focus is children between 6 and 18 years old. The authors conclude that child and adult obesity are more prevalent among children from lower SES families. Likewise, Koçoğlu et al. (2003) investigate the prevalence of obesity in Sivas, which is located in eastern region of Turkey, for children between 11 and 14 years old. They find that obesity is more common among children from richer families. Türkkahraman et al. (2006) conduct a similar study for Antalya, a city in Turkey located in the Mediterranean region of Turkey. The authors state that increase in child's birthweight increases the risk of obesity. In addition, the authors conclude that frequency of obesity decreases as number of children in the household raises.

To our knowledge, in Turkey, there is no previous study which examines the determinants of childhood obesity by using a rich micro data set, conducted at a country based level and by implementing further regression techniques. Moreover, in addition to household level variables, we control for regional macroeconomic indicators, namely regional Gross Domestic Product (GDP) per capita and regional unemployment rate, which can be referred as indicators of wealth at macro level. Therefore, this study allows for policy suggestions for preventing childhood obesity at both micro and macro level. Furthermore, this study is the first that investigates the determinants of childhood obesity for young children (children under 5) in Turkey by using the latest round of Turkish Demographic and Health Survey (DHS) data set. Thus, we believe that this study will establish a good setting for further researches on preventing childhood obesity in Turkey.

In our analysis, we focus on young children, namely children under 5 years old. Following the World Health Organization (WHO) criteria, we use weight for height z-score as indicator of obesity for young children<sup>2</sup>. WHO recommends if child's weight for height z-score is more than 2, then the child is at risk of being overweight/obese. In the empirical analysis, we use multivariate logistic techniques to test the effects of household resource indicators, namely, parental education level, household wealth index, parental employment status, place of residence and number of

---

<sup>1</sup> Source: <http://www.euro.who.int/en/health-topics/disease-prevention/nutrition/news/news/2018/3/who-contributes-to-new-plans-to-tackle-childhood-obesity-in-turkey>

<sup>2</sup> WHO states that BMI for age is relevant obesity indicator for children between 6-18 years old.



household members. In addition, we control for the child's anthropometrics such as birth order and birth weight, as well as nutritional status, namely duration of breastfeed that the child takes. Last, we include macroeconomic indicators at regional basis (NUTS-1 level) to see whether macroeconomic indicators have any effect on childhood obesity.

Our results suggest that except wealth and place of residence, household resource indicators do not play a significant role in explaining the prevalence of overweight/obesity in children. Although we find that increase in mother's years of schooling decreases the child's probability of being overweight/obese, the effect is insignificant. We also find that young children with employed mothers are less likely to be overweight/obese, however, this effect is insignificant either. The results indicate that duration of breastfeed has the highest impact on the young child's probability of being overweight/obese. Place of residence also plays an important role in explaining the variation in childhood obesity. Empirical results show that children living in urban areas are less likely to be overweight/obese compared to the children living in urban areas. Last, we find that level of GDP per capita does not affect the young child's probability of being overweight/obese. In contrast, children living in regions with higher unemployment rates are less likely to be overweight/obese.

The rest of the paper is organized as follows: Section 2 provides literature review on childhood obesity. Section 3 describes data and presents descriptive statistics. Section 4 introduces methodology and presents the empirical results. Section 5 presents concluding remarks and policy implications.

## **2. Literature Review**

There is a vast literature on the relationship between SES and childhood obesity both in country level and survey based regional level. In a descriptive study, Anderson et al. (2003) present evidence on changes in the home environment, specifically the increase in mothers' labor supply have an impact on childhood obesity and children are more likely to have weight problems in relatively poorer families. Stamatakis et al. (2005) analyze the obesity trends between 1974 and 2003 and whether these trends are related to parental social class and household income for UK. Their results suggest that obesity prevalence has been increasing rapidly and children from lower income households have more probability to be obese or overweight. Obesity among children from manual classes and children from lower income households seems to be increasing more rapidly than among children from nonmanual classes and higher income households (Stamatakis et al., 2005). Sundblom et al. (2008) investigate the association between SES and child obesity for Sweden. Although having lower obesity

rates than Europe, boys are more likely than girls to be overweight and children from less advantaged socioeconomic groups show higher prevalence of overweight and obesity.

Shrewsbury and Wardle (2008) describe the cross-sectional association between SES and obesity in school-age children from western developed countries by using relevant publications. Despite diversified results, most of the studies show inverse relationship between SES and obesity. If parental education is the SES indicator this negative association is stronger (Shrewsbury and Wardle, 2008). Murasko (2009) examines the interactive effects among family socio-economic status and height on obesity in children in US by using BMI as obesity measure. The results claim that taller children have more propensity towards obesity and family SES and obesity are negatively correlated. Baum and Christopher (2009) study the behavior of age- obesity gradient with respect to SES by using National Longitudinal Survey of Youth for US. Obesity rate is inversely related to childhood SES and gradient increases with age and race/ethnicity and advantaged family backgrounds during childhood have remarkable impacts on conditions in adulthood. By using The National Health and Nutrition Examination Survey for US between 2005 and 2008, Ogden et al. (2010) find that all boys and girls and non-Hispanic white and non-Hispanic black girls in highly educated households are less likely to be obese compared with their counterparts in households where the head has less than a high school degree. Ogden et al. (2014) examine trends in childhood obesity between 2003 and 2012, and provide detailed obesity trend analyses among adults and find out that federal nutrition programs are successful in decreasing obesity rates among low-income preschool-aged children.

There are also regional studies that use county based-surveys in order to present the association between SES and childhood obesity. For instance, Villa-Caballero et al. (2006) aim to examine the prevalence of obesity and its relationship with SES for Mexican schoolchildren in Tijuana, Baja California. They present higher prevalence of obese and overweight children in lower income and education groups. Greves et al. (2010) estimate risk of child obesity associated with multiple census tract SES measures and race within a large urban U.S. county for 6-18 years old children. Lower household income, lower home ownership, increase in number of less educated women in the household and single parent household rise the probability of child obesity. Rogers et al. (2015) assesses whether race/ethnicity remained an independent predictor of childhood obesity when accounting for variations in SES among communities in Massachusetts by using 68 school districts. Their results show that low income is highly associated with obesity status however, interaction between income and ethnicity is insignificant.

### 3. Data and Descriptive Statistics

We conduct empirical analysis by using the latest round (2013 round) of Demographic Health Survey (DHS) data set for Turkey, prepared by Hacettepe University, Institute of Population Studies (HIPS). DHS provides information on resource indicators, such as parental education level and employment statuses, as well as household's wealth index, number of household members and place of residence. We can also observe child's anthropometric measures that are used for calculating the indicators of both overweight/obesity. Hence, DHS data set provides good setting to investigate the effect of household resource indicators on childhood obesity. In addition, it provides information about child's other anthropometrics such as birth order and birthweight, which can be related to obesity. In addition to household level variables, we control for macroeconomic indicators at regional basis, namely Gross Domestic Product (GDP) per capita and regional unemployment rate (%) at NUTS-1 level. DHS data set provides the name of the region where the child lives. Based on the region that is reported in the data set, we collect NUTS-1 level GDP per capita and regional unemployment data from Turkish Statistical Institute (TUIK) database for the year 2013.

In the very first step of the empirical analysis, we recode the entire data set. Then, we merge household and individual (females in the household) data sets. We end up with 5,928 female observations. In order to overcome the possible biases related to the identical nutrition status, we exclude children who are younger than 6 months old from the sample<sup>3</sup>. We also exclude the observations of children whose weight or height measures are not available. In this study, we aim to compare the young children who are overweight/obese with young children who have normal weight. Since low ranges of weight for age z-scores imply being underweight, we exclude the observations of the young children whose weight for age z-score is less than -2 in order to avoid any biases in our policy suggestions<sup>4</sup>.

The most challenging task is to define obesity among young children, since different sources suggest different ranges for childhood obesity. According to WHO, if young child's weight for height is more than 3 standard deviation (SD) above the WHO Child Growth Standards median, then the child is obese. In addition, the child is referred as overweight if his/her weight for height is more than 2 SD above the WHO Child Growth Standards median. Nevertheless, in general, 85<sup>th</sup> and 95<sup>th</sup> centiles of BMI for age and sex are determined as cut-off points for overweight and obesity

---

<sup>3</sup> Infants 0-6 months old are only breastfed or are given infant formula. Therefore, we do not observe any variation in nutrition for those children (Karaoğlu and Saraçoğlu, 2018).

<sup>4</sup> WHO states that young children whose weight for age z-score is less than -2, are referred as underweight.

respectively (Cole et al, 2000). Cole et al. (2000) also determine international acceptable definition of childhood obesity and overweight by using six national cross-section representative surveys from Brazil, United Kingdom (UK), Hong Kong, the Netherlands, Singapore and the United States (USA). Rather than weight for height, they use BMI for age as the indicator of childhood obesity and overweight. However, in a recent study Lanigan et al. (2019) state that for children under 2 years old, weight for height is better outcome for obesity rather than BMI. Thus, there is still debate about the exact definition of obesity among children. Since WHO criteria is accepted worldwide, we use weight for height as obesity indicator for young children.

We first determine whether the child is obese or not. For this purpose, we compute the weight-for-height z-score for each child by using “zscore06” command in STATA version 13.0<sup>5</sup>. We exclude the observations of the children whose weight for height is greater than 7 in absolute value, since those observations are considered as outliers (Assaad et al, 2012). Since the percentage of children whose weight for height z-score is more than 3 in our data set is relatively low (3.49 per cent). We include young children who are overweight (whose weight for height z-score is greater than 2) in our treated sample in order to have more robust results, since overweight children are also at risk of obesity. In the end, our sample consists of 1,875 young children. According to the weighted statistics, 12.66 per cent of the young children are overweight/obese in our sample.

Table 1 provides descriptive statistics for whole sample, overweight/obese and non-overweight/non-obese young children respectively. We first control for anthropometric measures of the child, namely birth order and birthweight. Descriptive statistics suggest that means of both birth order and birthweight significantly differ between obese/overweight children and the others. The statistics indicate that first born children tend to be more overweight/obese than the later born children. In addition, children with higher birthweights are more likely to be overweight/obese. Since our obesity indicator, weight for height is adjusted for young child’s age and gender, we do not control for these factors in the empirical analysis.

Recent literature states that children who are breastfed more, are less likely to be obese in their later life (See Arenz et al.(2004), Armstrong and Reilly (2002), Yan et al.(2014)). Table 1 confirms this expectation. Non-overweight/non-obese children are significantly more breastfed (in

---

<sup>5</sup> A z-score measures how and in which direction a child’s anthropometric measurement deviates from the median provided in 2006 WHO Child Growth Standard for his/her gender.

months) compared to overweight/obese children. Regarding the place of residence, our descriptive statistics show that being overweight/obese is significantly more prevalent in urban areas. Likewise, in contrast to our expectations, we observe that children from less crowded families and children whose parents have higher education levels are more likely to be overweight/obese. Cawley and Liu (2012) state that children with employed mothers are at higher risk of being obese since that are more likely to eat food away home by using the USA time use survey data. However, we do not observe a significant variation between both group in terms of mother's employment status, except for unemployed mothers. Descriptive statistics indicate that children with unemployed mothers are less likely to be obese than the others. For father's employment status, we observe that children with employed fathers are more likely to be obese/overweight. Regarding the household's wealth index, we observe overweight/obesity is more prevalent among children from wealthier families. Finally, the statistics suggest that frequency of overweight/obesity is more prevalent among wealthier regions, namely the regions with higher GDP per capita and lower unemployment rates.

**Table 1. Descriptive Statistics**

Control Variables	Whole Sample	Obese and overweight Children	Non-Obese and Non-Overweight Children	p-value
<b>Anthropometric Measures</b>				
Birth Order	2.44 (1.57)	2.13 (1.11)	2.47 (1.61)	0.004
Birth Weight	3192.8 (656.9)	3342.6 (670.7)	3175.18 (653.28)	0.001
<b>Nutrition Status</b>				
Months of breastfeed	14.46 (9.33)	12.85 (7.54)	14.66 (9.51)	0.021
<b>Household Resource Indicators</b>				
Urban	0.74 (0.44)	0.80 (0.4)	0.74 (0.44)	0.0516
Number of HH Members	5.21 (2.04)	4.77 (1.59)	5.26 (2.08)	0.0015
<i>Parental Education</i>				
Mother's Years of schooling	7.57 (3.48)	8.18 (3.59)	7.50 (3.46)	0.0145
Father's Years of Schooling	8.24 (3.52)	9.17 (3.62)	8.14 (3.5)	0.0002
<i>Parents' Employment Status</i>				

Mother Employed	0.20 (0.4)	0.20 (0.4)	0.21 (0.40)	0.9655
Mother Unemployed	0.05 (0.23)	0.07 (0.27)	0.05 (0.22)	0.1522
Mother Inactive	0.74 (0.44)	0.72 (0.45)	0.74 (0.44)	0.4891
Father Employed	0.87 (0.34)	0.91 (0.29)	0.86 (0.34)	0.0640
Father Unemployed	0.05 (0.21)	0.02 (0.15)	0.05 (0.22)	0.1074
Father Inactive	0.01 (0.11)	0.01 (0.11)	0.01 (0.11)	0.9434
<i>Household's Wealth Index</i>				
Wealth Index 1 (Lowest)	0.26 (0.44)	0.15 (0.35)	0.28 (0.45)	0.0001
Wealth Index 2	0.26 (0.44)	0.21 (0.41)	0.27 (0.44)	0.1194
Wealth Index 3	0.19 (0.40)	0.21 (0.41)	0.19 (0.39)	0.6279
Wealth Index 4	0.15 (0.36)	0.25 (0.43)	0.14 (0.35)	0.0001
Wealth Index 5 (Highest)	0.13 (0.34)	0.18 (0.39)	0.13 (0.33)	0.0288
<b>Macroeconomic Indicators</b>				
Regional GDP per capita (NUTS 1 Level)	19323.8 (8140.3)	22507.06 (8491.3)	18960.6 (8022.07)	0.0000
Regional Unemployment (NUTS 1 Level)	0.10 (0.03)	0.09 (0.02)	0.10 (0.03)	0.004
Number of Observations	1,875	192	1,683	

*Source: 2013 round of DHS data set*

#### 4. Methodology and Empirical Results

We investigate the determinants of childhood obesity by using multivariate logistic regression techniques. In the empirical analysis, we focus on association of probability of being overweight/obese with child's anthropometrics, variation in breastfed status, household resource indicators and macroeconomic indicators at regional basis.

We establish the empirical model as follows:

$$\Pr(O_i = 1) = \beta_0 + A'_i \beta_1 + \beta_2 B_i + HR'_i \beta_3 + ME'_i \beta_4 + \varepsilon_i \quad (2)$$

In equation (2), left hand side shows the child's probability of being overweight/obese. We define the variable O as follows:

$$O_i = \begin{cases} 1 & \text{if weight for height z score} > 2 \\ 0 & \text{otherwise} \end{cases}$$

The vector  $A_i$  includes child  $i$ 's his/her birth order and birth weight. The variable  $B_i$  is a continuous variable that shows how many months the child is breastfed. The vector  $R_i$  includes the household resource indicators. The household resource indicators we include in the analysis are: Whether the child lives in urban area (dummy variable equals to 1 if the child's place of residence is urban), number of household members, parental education level, parental employment status and household wealth index. Last, the vector  $ME_i$  contains macroeconomic indicators, namely regional GDP per capita and regional unemployment rate. Finally, the vector  $\varepsilon_i$  refers to unobservable terms. Table 2 presents the odds ratios and associated confidence intervals that result from logit regression analysis.

**Table 2. Logit Estimation Results (Odds ratios are presented)**

VARIABLES	(1)	(2)
	Odds Ratios	Confidence Intervals (95%)
<b>Anthropometric Measures</b>		
Birth Order	0.907	0.706 - 1.164
Birth Weight	1.000**	1.000 - 1.001
<b>Nutrition Status</b>		
Months of Breastfeeding	0.978*	0.955 - 1.002
<b>Household Resource Indicators</b>		
Urban	0.517**	0.309 - 0.865
Number of household members	0.970	0.835 - 1.128
<i>Parental Education</i>		
Mother's Years of Schooling	0.969	0.901 - 1.041
Father's Years of Schooling	1.051	0.987 - 1.119
<i>Parental Employment Status</i>		
Mother Employed	0.897	0.561 - 1.435
Mother Unemployed	1.600	0.737 - 3.469
Father Employed	0.417	0.0785 - 2.212
Father Unemployed	0.465	0.0495 - 4.361
<i>Household's Wealth Index</i>		

Wealth Index 1 (Lowest)	0.343*	0.113 - 1.044
Wealth Index 2	0.782	0.357 - 1.713
Wealth Index 3	0.711	0.346 - 1.463
Wealth Index 4	1.594	0.855 - 2.971
<b>Macroeconomic Indicators</b>		
Regional GDP per capita	1.000***	1.000 - 1.000
Regional Unemployment	0.0000202**	0.0000000019 - 0.215
Number of Observations	1,056	

*Source: Authors' Calculations from 2013 DHS.*

Our results support the importance of breastfeeding to combat with risk of obesity in the future as suggested by (See Arenz et al.(2004), Armstrong and Reilly (2002), Yan et al.(2014)). Table 2 shows that as duration of breastfeed increases, probability of being overweight/obese significantly decreases (odds ratio<1). Therefore, policies that promote the rise in breastfeed duration should be improved further also to decrease the prevalence of childhood obesity in Turkey.

Logit estimation results suggest that except wealth index and place of residence, resources of the household do not play a significant role in explaining the variation in childhood obesity. We observe that children from the lowest wealth index are 65 per cent less likely to be overweight/obese compared to the children from highest wealth index. Likewise, increase in regional unemployment rates, which can be considered as indicator of the region's wealth at macro level, leads to significant decrease in prevalence of childhood obesity. The positive association between wealth and probability of being overweight/obese is consistent with previous findings of Karaoğlu and Tansel (2018) for adult obesity. The authors suggest that this positive association may occur since richer people can spend more on various unhealthy as well as unhealthy food. However, we observe that variation in regional GDP per capita, which is another indicator of wealth at macro level, does not affect the probability of being overweight/obese (odds ratio=1).

Place of residence plays an important role in explaining the variation in childhood obesity. Logit estimation results show that children living in urban areas are less likely to be overweight/obese compared to the children living in rural areas. This result can be explained by either the greater knowledge regarding the dangers of obesity in urban areas or easier access to healthcare services in those areas as Karaoğlu and Saraçoğlu (2018) suggest.

Surprisingly, our results do not suggest a significant association between parental SES and likelihood of being overweight/obese among



young children. We observe that young child's probability of being overweight/obese decreases by 3 per cent if mother's years of schooling increases, however, the effect is insignificant. Our results also indicate that probability of being overweight/obese decreases if the mother is employed, however this effect is insignificant either. Therefore, we can conclude that mother's education level and employment status do not play a significant role in explaining the variation in childhood obesity, unlike previous studies on developed countries such as Cawley and Liu (2012), Madden (2017). We also find that child's anthropometrics do not have significant effect on child's probability of being obese. For instance, the likelihood of being overweight/obese having normal weight do not differ by child's birthweight as odds ratio equals to 1.

## **5. Conclusion**

This chapter investigates the determining factors of childhood obesity in Turkey by using the most recent round of DHS data set. We first calculate the child's anthropometric measures, namely, weight for age and weight for height z-scores and refer children as at risk of overweight/obesity if calculated weight for height z-score is greater than 2. Following the WHO criteria, we use weight for height as indicator of obesity, rather than BMI for age since we focus on young children (children under 5 years old). Our objective is to compare the overweight/obese children with children with normal weight, therefore we exclude underweight (the children whose weight for age is less than -2) children in our sample to prevent possible biases in empirical results.

Although our primary objective is to examine the association between parental SES and resources that the household may provide the child, the empirical results provide almost no evidence on the relationship between parental SES and prevalence of childhood obesity. Empirical results suggest that probability of being overweight/obesity decreases if the mother has higher levels of education or if the mother is employed, however those associations are insignificant. Therefore, we can conclude that mother's SES does not have significant effect on child's excessive calorie intake, or it does not prevent children from leading sedentary life style.

Our results support that children from regions where unemployment rate is high and children from families with less income are less likely to be obese. This result shows that richer people spend more on unhealthy food more as Karaoglan and Tansel (2018) suggest. The results also indicate that children who reside in urban areas are less likely to be obese most probably due to easier access to healthcare services or having more knowledge about the dangers of obesity. Hence, accessing to healthcare services should be improved more in rural areas. Furthermore, parents

should be informed about healthy nutrition processes and the dangers of sedentary life style.

The results are consistent with the literature regarding the duration of breastfeeding. Breastfeeding clearly decreases the prevalence of overweight/obesity among young children as suggested by previous researches for developed countries mentioned in the text. Therefore, policies that promote the rise in breastfeed duration should be improved further also to decrease the prevalence of childhood obesity in Turkey.

In conclusion, although obesity is alarming health problem in all the world, in Turkey childhood obesity is still rare. However, it shows an increasing trend over time. The study shows that childhood obesity is not associated with parental SES. Therefore, campaigns against obesity should target all the families from different SES, not only low-SES families. The results point out the fact that policy makers should pay more attention to the dangers of excessive calorie intake and sedentary life-style. Our results reveal that lack of breastfeeding is the most important risk factor for obesity. Family health centers should increase the awareness of people regarding the importance of breastfeeding.

### References

- AIZAWA, T., & HELBLE, M. (2017), "Socioeconomic Inequality in Excessive Body Weight in Indonesia", *Economics and Human Biology*, 27, 315-327.
- ANDERSON, P. M., BUTCHER, K. F., &LEVINE, P.B., (2003), "Economic Perspectives on Childhood Obesity", *Economic Perspectives*, 27:30-48.
- ARENZ, S., RUCKERL, R., KOLETZKO, B., &VON KRIES, R., (2004), "Breast-feeding and childhood obesity—a systematic review". *International Journal of Obesity*, 28(10), 1247.
- ARMSTRONG, J., & REILLY, J. J. (2002), "Breastfeeding and Lowering the Risk of Childhood Obesity". *The Lancet*, 359(9322), 2003-2004.
- ASSAAD, R., KRAFFT, C., HASSÏNE, N. B., & SALEHÏ-ISFAHANÏ, D. (2012), "Inequality of Opportunity in Child Health in the Arab World and Turkey", *Middle East Development Journal*, 4(02), 1250006.
- AVERETT, S.L., &STIFEL, D.C., (2007), "Food for Thought: The Cognitive Effects of Childhood Malnutrition in the United States", Mimeo: Lafayette College.
- BALL, K. & CRAWFORD, D., (2005), "Socioeconomic Status and Weight Change in Adults: A review", *Social Science and Medicine*, 60:1987-2010.

- BAUM, C.L., & RUHM, C.J., (2009), "Age, Socioeconomic Status and Obesity Growth", *Journal of Health Economics*, 28, 635-648.
- BHUROSHY, T., & JEEWON, R., (2014), "Overweight and Obesity Epidemic in Developing Countries: A Problem with Diet, Physical Activity, or Socioeconomic Status", *The Scientific World Journal*, Paper id: 964236.
- CAWLEY, J., & LIU, F., (2012), "Maternal Employment and Childhood Obesity: A Search for Mechanisms in Time Use Data, *Economics & Human Biology*, 10(4), 352-364.
- COHEN, D. A., FINCH, B.K, BOWER, A. & SASTRY, N., (2006), "Collective Efficacy and Obesity: The Potential Influence of Social Factors on Health", *Social Science and Medicine*, 62, 769-778.
- COLE, T. J., BELLIZZI, M. C., FLEGAL, K. M., & DIETZ, W. H. (2000). "Establishing a Standard Definition for Child Overweight and Obesity Worldwide: International Survey. *BMJ*, 320(7244), 1240.
- DATAR, R., & STURM, R., (2006), "Childhood Overweight and Elementary School Outcomes", *International Journal of Obesity*, 30, 1449-1450.
- DINSA, G.D., GORYAKIN, Y., FUMAGALLI, E. & SUHRCKE, M., (2012), "Obesity and Socioeconomic Status in Developing Countries: A Systematic Review", *Obesity Reviews*, 13, 1067-1079.
- DUZGUN-ONCEL, B., & KARAOGLAN, D., (2019), "Socioeconomic Determinants of Adult Obesity: Decomposition Analysis on Turkey", in *Current Issues in Turkish Economy: Problems and Policy Suggestions*, Peter Lang BAU Publications, Berlin.
- EMAMIAN, M. H., FATEH, M., HOSSEINPOOR, A.R., ALAMI, A. & FOTOUHI, A., (2017), "Obesity and its Socioeconomic Determinants in Iran", *Economics and Human Biology*, 26, 144-150.
- FORSTE, R., & MOORE, E., (2012), "Adolescent Obesity and Life satisfaction: Perceptions of Self, Peers, Family, and School", *Economics and Human Biology*, 10, 385-294.
- FREDERICK, C. B., SNELLMAN, K. & PUTNAM, R.D., (2014), "Increasing Socioeconomic Disparities in Adolescent Obesity", *PNAS*, 111, 1338-1342.
- GREVES GROW, H. M., COOK, A. J., ARTERBURN, D.E., SAELENS, B. E., DREWNOWSKI, A., & LOZANO, P., (2010), "Child Obesity Associated with Social Disadvantage of Children's Neighborhoods", *Social Science and Medicine*, 71:584-591.

- KAESTNER, R., & GROSSMAN, M., (2009), "Effects of Weight on Children's Educational Achievement", *Economics of Education Review*, 28, 651-661.
- KARAOĞLAN, D., & SARAÇOĞLU, D. Ş., (2018), "Socio-Economic Factors Affecting Early Childhood Health: The Case of Turkey", *Child Indicators Research*, 11(3), 1051-1075.
- KARAOĞLAN, D., & TANSEL, A., (2018), "Determinants of Body Mass Index in Turkey: A Quantile Regression Analysis from a Middle Income Country", *Boğaziçi Journal*, 32(2), 1-17.
- KOÇOĞLU, G., OZDEMİR, L., SÜMER, H., DEMİR, D. A., CETİNKAYA, S., & POLAT, H. H. (2003), "Prevalence of Obesity among 11–14 Years Old Students in Sivas-Turkey. *Pakistan Journal of Nutrition*, 2(5), 292-295.
- LANIGAN, J., TEE, L., & BRANDRETH, R., (2019), "Childhood Obesity". *Medicine*.
- MADDEN, D., (2017)., "Childhood Obesity and Maternal Education in Ireland", *Economics & Human Biology*, 27, 114-125.
- MURASKO, J.E., (2009), "Socioeconomic Status, Height, and Obesity in Children", *Economics and Human Biology*, 7:376-386.
- MCLAREN, L., (2007), "Socioeconomic Status and Obesity" *Epidemiologic Reviews*, 29, 29-48.
- OGDEN, C.L., LAMB, M.M., CAROLL, M.D & FLEGAL, K. M., (2010), "Obesity and Socioeconomic Status in Children and Adolescents: United States, 2005-2008", NCHS Data Brief, no:51.
- OGDEN, C.L., CARROLL, M.D., KIT, B.K. & FLEGAL, K.M., (2014), "Prevalence of Childhood and Adult Obesity in the United States, 2011-2012", *JAMA*, 311:806-814.
- RENNIE, K.L., & Jebb, S.A., (2005), "Prevalence of Obesity in Great Britain" *Obesity Reviews*, 6:11-12.
- ROGERS, R., EAGLE, T.F., SHEETZ, A., WOODWARD, A., LEIBOWITZ, R., SONG, M., SYLVESTER, R., CORRIVEAU, N., KLINE-ROGERS, E., JIANG, Q., JACKSON, E. A. & EAGLE, K. A. (2015), "The Relationship between Childhood Obesity, Low Socioeconomic Status, and Race/Ethnicity: Lessons from Massachusetts ", *Childhood Obesity*, 11, 691-695.
- SHREWSBURY, V., & WARDLE, J., (2008), "Socioeconomic Status and Adiposity in Childhood: A Systematic Reviews of Cross Sectional Studies 1990-2005", *Obesity*, 16, 275-284.

- STAMATAKIS, E., PRIMATESTA, P., CHINN, S., RONA, R., & FALASCHETI, E., (2005), "Overweight and Obesity Trends from 1974 to 2003 in English Children: What is the Role of Socioeconomic Factors?", *Archives of Disease in Child*, 90, 999-1004.
- SUNDBLOM, E., PETZOLD, M., RASMUSSEN, F., CALLMER, E., & LISSNER, L., (2008), "Childhood Overweight and Obesity Prevalences Levelling off in Stockholm but Socioeconomic Differences Persist", *International Journal of Obesity*, 32:1525-1530.
- TÜRKKAHRAMAN, D., BİRCAN, I., TOSUN, O., & SAKA, O., (2006)., "Prevalence and Risk Factors of Obesity in School Children in Antalya, Turkey. *Adolescence*, 1, 2.
- VERNAY, M., MALON, A., OLEKO, A., SALANAVE, B., ROUDIER, C., SZEGO, E., DESCHAMPS, V., HERCBERG, S. & CASTETBON, K. (2009), "Association of Socioeconomic Status with Overall Overweight and Central Obesity in Men and Women: The French Nutrition and Health Survey 2006", *BMC Public Health*, 9:paper no 215.
- VILLA-CABALLERO, L., CABALLERO-SOLANO, V., CHAVARRIA-GAMBOA, M., LINARES-LOMELI, P., TORRES-VALENCIA, E., MEDINA-SANTILLAN, R., & PALINKAS, L. A., (2006), "Obesity and Socioeconomic Status in Children of Tijuana", *American Journal of Preventive Medicine*", 30, 197-203.
- WALSH, B., and CULINAN, J., (2015), "Decomposing Socioeconomic Inequalities in Childhood Obesity: Evidence from Ireland", *Economics and Human Biology*, 16, 60-72.
- WORLD HEALTH ORGANIZATION (2016), *Report of the Commission of Ending Childhood Obesity*, Geneva.
- XIAO, Y., ZHAO, N., WANG, H., ZHANG, J., HE, O., SU, D., ZHAO, M., WANG, L., ZHANG, X., GONG, W., HU, R., YU, M., DING, G., CONG, L., & YE, Z., (2013), "Association Between Socioeconomic Status and Obesity in a Chinese Adult Population", *BMC Public Health*, 13, paper no 335.
- YAN, J., LIU, L., ZHU, Y., HUANG, G., & WANG, P. P., (2014), "The Association between Breastfeeding and Childhood Obesity: A Meta-Analysis, *BMC Public Health*, 14(1), 1267.
- YUCA, S. A., YILMAZ, C., CESUR, Y., DOĞAN, M., KAYA, A., & BAŞARANOĞLU, M., (2010), "Prevalence of Overweight and Obesity in Children and Adolescents in Eastern Turkey". *Journal of Clinical Research in Pediatric Endocrinology*, 2(4), 159.

- **MARKETING**

# **CURRENT AND EFFECTIVE LEADERSHIP MODEL: ENTREPRENEUR LEADERSHIP**

Esra ÖZKAN PİR\*

## **1. Introduction**

The survival of people and the maintenance of societies depends on the satisfaction of individual and social needs on a regular and continuous basis. Requirement satisfaction is a concept associated with creating benefit in economics. All economic activities are based on human needs and efforts to satisfy these needs, namely production (Şimşek and Çelik, 2011: 5).

Considering the advanced organizational structures in the world, the fact that the workforce has an innovative and entrepreneurial spirit is one of the reasons for the success of these organizations. Even in relatively less volatile industries, organizations are trying to achieve creative thinking in order to survive. The most important way of this is that employees at all levels of large and small organizations can adopt entrepreneurial attitudes and behaviors (Renko et al., 2015: 54).

Entrepreneurship is seen as the initiator of social change and renewal process as well as its importance in economic process. The formation of the entrepreneurial spirit is seen as a similarity to the social structure. The social environments / cultures in which entrepreneurship is rooted and the nature and change potential of entrepreneurial act are the main focus of sociological perspectives (Aytaç and İlhan, 2007: 102). Successful entrepreneurs are those who contribute significantly to the economy of the country and play an important role in the development and prosperity of countries. A country is as powerful as its successful entrepreneurs. In this context, supporting entrepreneurship, which plays an important role in the economic and social development of a country, will be effective in the development of that country.

The success of a business can be seen as a reflection of the effective leadership skills of the top management without distinction of scale and type (Daily et al., 2002). Entrepreneurial leadership as a form of leadership is concerned with the actions to establish a business at the individual level, actions to monitor innovation at the organizational level, and actions to take advantage of recognized opportunities at the market level (Alvarez and Barney, 2002). Because it is understood that there is a certain level of interaction between leadership and entrepreneurship in ensuring competitiveness (Ruvio et al., 2010: 148; Gupta et al., 2004: 242).

---

\* (Dr.Öğr.Üyesi); Erzincan Binali Yıldırım Üniversitesi, Erzincan, Türkiye. E-mail: esraozkanpir@gmail.com

Nowadays, it is not enough for managers to have only leadership skills or entrepreneurship characteristics in order to be successful in business. In order for executives to succeed in their organizations, they need to have leadership characteristics as well as entrepreneurship features. This situation revealed the concept of entrepreneurial leadership. Entrepreneurial leadership is a new and modern type of leadership formed by combining leadership characteristics with entrepreneurial spirit.

In this study, the concept of entrepreneurial leadership is examined in the theoretical framework and the importance of entrepreneurial leadership is emphasized.

## **2. Entrepreneurs and Basic Entrepreneurship Concepts**

### **2.1. Entrepreneur**

The concept of entrepreneur who calls the boss, business owner or new business people in daily use is in the electronic dictionary of Turkish Language Institution (2019) is defined as;

- a) entrepreneur, undertaker by invest capital in trade, industry and so on
- b) anyone who starts a job for production

Entrepreneurs are defined as people who make entrepreneurship. In order to be able to make an entrepreneur, research, planning, organization and coordination studies are carried out and necessary knowledge-skills, workplace, personnel, equipment etc. inputs and financial resources need to be brought together. Entrepreneur is a person who demonstrates and promotes a particular project by developing it in accordance with the concept of entrepreneurship (Meriç, 2013:8). Entrepreneur is an individual who takes financial and social risks in order to increase economic efficiency and obtain results for both monetary and individual satisfaction (Hisrich and Peters, 2002).

Ulhoi adds the concept of marketing to other entrepreneurial definitions and identifies the entrepreneur as the person who started the entrepreneurial activity as the person who started and found a business with the idea of marketing for the new business to be established (Ulhoi, 2005). Entrepreneur is the production factor that deserves production profit as its own income but also assumes the risk of loss (Şimşek ve Çelik, 2011: 25).

There is disagreement among researchers about the scope of the concept of entrepreneur. Some researchers define the entrepreneur as independent, flexible and relatively small business owners, while others say that each business owner is an entrepreneur. In the literature, the first type of entrepreneurs are categorized as "self-employed and small business owners". (Lundström and Stevenson, 2005).



Entrepreneur should exhibit a strategic attitude when undertaking entrepreneurial activities. At this point, entrepreneurship provides a basis for competitive advantage and technological development (Gupta et al., 2004: 243). When the concept of entrepreneur is mentioned, special behaviors, qualities and skills are often revived in perception. When the concept of entrepreneurship is used, a specific process encompasses new economic activities (Stokes et al., 2010). In theory, it is possible to differentiate between business owners and entrepreneurs, but in practice this distinction cannot be made easily. Because there is an intense pass-through between the processes and levels they experience, even if they differ by definition (Wennekers and Thurik, 1999).

It is seen that Isenberg (2011) and Aulet and Murray (2013) emphasize two qualities as being ambitious and innovativeness while defining entrepreneurs. Similarly, Stam (2015: 1760) stated that “ambitious” entrepreneurs tend to have stronger growth, higher innovation and globalization than average entrepreneurs. For Schumpeter, the entrepreneur is the person who must be innovative. Innovation means a new combination of resources available. According to Schumpeter, there are 5 types of entrepreneurial behavior (Cici, 2013:16);

- Production of a new service or product.
- Development of new forms of production for the product to be produced.
- The discovery of a new market.
- Discovery of a new source of raw materials.
- Reforming the industry.

Based on all these definitions, it can be said that an entrepreneur is a person who has the ability to establish business by seeing opportunities, market this business in the best way, make profit by taking risks, and pursue technological innovations as an innovative personality, decision-making, adventurer and leadership (Cici, 2013:17).

## **2.2. Entrepreneurship**

The concept of entrepreneurship, which has been a part of human life from the past to the present, has gained more importance with the effect of globalization in the 20th century. Activities such as hunting, gathering and other activities such as fire, wheel, etc. are used to meet the needs of people and make a living can be considered as the first examples of entrepreneurship in history (Saritaş and Duran, 2017: 148). Entrepreneurship, which plays an important role in economic development, has been the subject of many studies. Irish economist Richard Cantillon introduced this concept to the literature with his book

“Essai sur la Nature du Commerce en General” (1734) (Volkmann et al., 2010: 2).

Entrepreneurship is a concept that has come up frequently in recent years and has developed policies on all countries. Although the impact and importance of entrepreneurship is accepted by all, there is no compromise definition. Schumpeter, one of the important economists of the 20th century, which forms the framework of entrepreneurship and emphasized the importance of entrepreneurship in literature; In "The Theory of Economic Development", "Capitalism, Socialism and 8 Democracy" and "Business Cycles" books.

Entrepreneurship has been perceived as a machine that has led to the emergence of economic and social developments. Edward Lazear, an economist from Stanford University, described the entrepreneur as the most important player to set up the game alone in a modern economy (Naktiyok, 2004; Acs and Audretsch, 2005: 3). The concept of entrepreneurship is derived from the French word 'entreprendre' which means to do something, to undertake. The first person to use the concept is the French economist Richard Cantillon. Cantillon used this concept to describe anyone who organizes the business and takes all the risks to make a profit (Havinal, 2009: 96). Gartner and Carter (2003) describe entrepreneurship with organizational skills, while Carree and Thurik (2003) associate this term with people's character structures. According to Hisrich and Peters (2001), entrepreneurship is the process of creating added value as a result of the allocation of necessary labor and time and the risks to be incurred.

As can be seen, there are many definitions in the literature about the concept of entrepreneurship and entrepreneurs and these definitions differ according to the disciplines to which they belong. For an economist, an entrepreneur is defined as a person who brings together factors of production, creates added value, demonstrates change and innovation, and for a psychologist an entrepreneur is a person who has the desire to achieve or achieve a goal, to escape from the authority of others, or to act with these motives (Tutar, 2008: 8).

According to the definition that the participants agreed upon as a result of the series of conferences held by Harvard Business School in 1983, entrepreneurship is; (Serinkan and Arat, 2013: 51):

- Usually realizing new business opportunities,
- Providing the risk taking method compatible with the project,
- In order to ensure the realization of the project with success, human, financial, raw material and material resources by quickly activating the necessary communication and management skills in

the enterprise, individuals or individuals is the effort to create value.

### **3. Importance of Entrepreneurship**

In the modern world, there are rapid changes in the political, economic and technological era. Parallel to this, the companies are growing and changing rapidly. These changes bring new opportunities and risks. Entrepreneurs are attracting everyone's attention with their contributions to the national economy and the modern world economy by evaluating new business opportunities. Entrepreneurs are seen as heroes who take great risks to promote the benefits of new products to the world market (Wickham, 2006: 14). The development and development of a country depends on adapting to changing and developing conditions and raising entrepreneurs who contribute to economic growth (Meriç, 2013:17).

The most important activity for entrepreneurship is innovation and creativity. Now customers' dreams are guessed and even new products are presented to the customer. Of course, it is not possible for an bussiness to make such a comprehensive innovation alone. In this context, it has become a necessity for entrepreneurship to do business with new enterprises, new capitalists, new industries and to open new markets (İrmiş ve diğ., 2010: 6). Entrepreneurs are the backbone of production. Therefore, one way of eliminating the difference in development is to increase the number of entrepreneurs and to strive for a regular distribution by region (Tanoğlu, 2008).

Entrepreneurs are the locomotives of the market economy, increase productivity in sectors and accelerate economic growth as they create rapidly growing sectors. In this respect, the entrepreneur has an important role in the regulation of economic activities, employment creation and production activities. The importance of entrepreneurship in developing countries such as Turkey are larger (Onay, 2013: 18). Entrepreneurship has significant impacts on economic and social life in terms of innovations and creating new jobs, establishing new businesses, increasing economic growth and welfare of the society. Therefore, entrepreneurship is important for individuals, organizations and countries (Kaygın, 2011:14). Entrepreneurial activities play a major role in the development of stagnant economies, the creation of new business areas and the solution of employment problems, but also contribute to the developments in technology. Entrepreneurship is now seen as an essential tool both for the growth of developing economies and for the developed economies to operate on a global scale (Acs, Morck and Yeung, 2001: 235-245; Jack and Anderson, 1999: 115).

Shane and colleagues (2003) believe that the entrepreneurship process is important for a variety of reasons. First, entrepreneurship drives

technical change and innovation and is therefore the foundation of economic growth. Second, as Austrian economists explain, entrepreneurial activity is a process that balances supply and demand. Third, it is an important process that transforms new knowledge into goods and services. Fourth, it has become an important profession and it is necessary to understand its role in mental capital, human development (Kaygin, 2011:15).

#### 4. Foundations of Entrepreneurship

Entrepreneurial thinking is the accumulation of knowledge that provides instant decision-making advantages to quickly adapt to largely unpredictable environmental changes in an organization (Antonicic and Hisrich, 2004: 521; Graetz, 2002: 427). Entrepreneurial thinking is not only effective on society but also on industry. Because entrepreneurial thinking is a group of reactions and thoughts that bring creativity together (Cowdrey, 2012: 8). These creative ideas contribute to the development of society following the industry.

Researchers have spent a great deal of time and effort to make a clear definition of 'entrepreneurial personality'. Although these studies describe many of the common characteristics exhibited by entrepreneurs, none have examined separately the characteristics necessary for success. Below is a brief summary of the entrepreneurial profile (Scarborough, 2014: 4).

- **Request for Responsibility:** Entrepreneurs feel a deep personal responsibility for the results of the initiatives they start. They prefer to keep their resources under control and use them to achieve their own goals.
- **Common Risk Preference:** Entrepreneurs are not people who take crazy risks, but people who take risks in a cost-effective way. Entrepreneurs look at the situation from a different perspective and think that their goals are realistic and achievable. In other words, successful entrepreneurs are risk-takers, not risk takers, who systematically remove barriers to the success of their initiatives as much as possible. One of the most successful ways to eliminate risks is to create a efficient business plan for the enterprise.
- **Trusting your talent to be successful:** Entrepreneurs are generally confident that they will succeed and are confident that they have chosen the right career plan.
- **Stability:** Some people call this characteristic as the ability to focus intensively on achieving a single, long-term goal. Successful entrepreneurs show a high level of stability, especially in the face of difficult situations.

- **Request for Instant Feedback:** Entrepreneurs like the difficulty of running a business and want to get continuous feedback on how they go.
- **High Level Energy:** Entrepreneurs are more energetic than average people. This energy can be an important factor given the incredible efforts required to start a new company. Long hours and hard work is a rule rather than an exception, and this tempo can be tiring.
- **Towards the Future:** Entrepreneurs have a well-defined ability to look for opportunities. They look to the future and are more interested in what they can do in the future than what they did yesterday. Real entrepreneurs focus on the future rather than past and be proud of their success.
- **Ability to Organize:** Entrepreneurs know how to bring the right people together to perform a task. Bringing people and businesses together effectively enables entrepreneurs to make their predictions a reality
- **Value of Success Rather than Money:** Success is the key motivation for entrepreneurs, money is just a score of achievements, which is an indicator of success. What motivates entrepreneurs is much deeper than the desire for wealth.

Entrepreneurs are people who are looking for new opportunities in an uncertain and volatile business environment and are thinking about making the best use of them. Mindsets are seen as promising in this respect. Thinking styles are easy-to-work strategies developed to adapt to the interaction and experience of the individual and his / her environment (Mathisen and Arnulf, 2014: 82). McGrath and MacMillan (2000) see entrepreneurial thinking as a way of thinking that exists in businesses that focus on and focus on the benefits of uncertainty. Organizations with the ability to successfully overcome uncertainty tend to perform better. For this reason, entrepreneurial thinking is a factor that contributes to competitive advantage (Roomi and Harrison, 2011: 23).

From the perspective of strategic entrepreneurship, entrepreneurial thinking is about capturing opportunities and being alert. In other words, entrepreneurial thinking requires focusing on identifying opportunities, evaluating opportunities, and allocating resources for expected outcomes. The ability to be vigilant and to seize opportunities is shaped by the knowledge and skills that under the influence of the entrepreneur's experience (Obeng et al., 2014: 503).

## 5. Entrepreneur Leadership

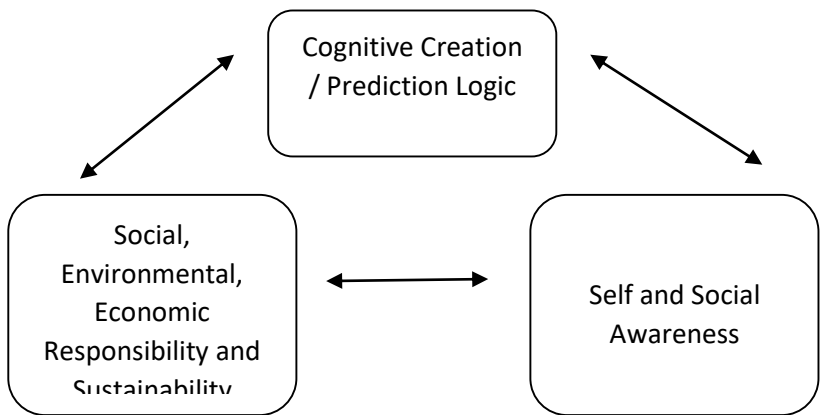
### 5.1. Entrepreneurship Leadership Concepts

According to Alvarez and Barney (2002), entrepreneurial leadership is a type of leadership consisting of actions to establish a business at the individual level, actions to follow innovations at organizational level and actions to take advantage of distinctive opportunities (Altuntaş, 2014: 11). Entrepreneurial leadership can be defined as the ability of an organization to influence audiences by emphasizing the opportunities for seeking opportunities and advantage in order to strategically manage the existing resources (Covin and Slevin, 2002). Renko (2015) states that entrepreneurial leadership enables to influence and manage the performance of group members by recognizing and exploiting entrepreneurial opportunities to achieve organizational goals (Renko et al., 2015: 55).

When the literature is examined, it is seen that the concept of entrepreneurial leadership is formed as a result of the integration of the concept of leadership with the concepts of entrepreneurship (Schumpeter, 1934), entrepreneurial orientation (Miller 1983) and entrepreneurial management (Stevenson, 1983). Entrepreneurship leadership is defined as influencing and guiding employees' performance towards achieving organizational objectives, including recognizing and using entrepreneurship opportunities. (Renko et al., 2015: 55). Entrepreneurial leaders are those who can see opportunities that others cannot. The focus of entrepreneurial leadership is to explore opportunities (Santora et al., 1999; Zijlstra, 2014: 13).

Greenberg et al. (2011: 11) described the entrepreneurial leadership model as shown in Figure 1.

**Figure 1: Entrepreneurial Leadership Model**



Entrepreneurial leadership refers to the entrepreneurial status of the leader. In other words, entrepreneurial leadership can be used for a leader with the characteristics of taking risks, taking advantage of opportunities, being innovative, productive, interconnected and strategic. In short, entrepreneurial leadership is a combination of leadership and entrepreneurship. Entrepreneurial leaders are creative leaders who identify and explore opportunities for innovation and risk taking (Currie et al., 2008: 3). These leaders are leaders who have the ability to influence other management resources in demonstrating opportunities and advantages in research behavior (Zijlstra, 2014: 13). In other words, entrepreneurial leaders are innovative leaders who create value in the market and engage in entrepreneurial activities (Surie and Ashley, 2008: 4).

From this perspective, entrepreneurial leadership can be characterized by the necessity of supporting an entrepreneurial talent, protecting innovations that threaten existing business models, making sense of opportunities, questioning dominant logic, returning to simple questions that seem deceptive, and linking entrepreneurship and strategic management thinking (Covin and Slevin, 2002). Entrepreneurial leadership means determination and risk acceptance among followers when opportunities are discovered and used among leaders, as well as opportunities that enable efficient use of existing resources. In fact, entrepreneurial leadership includes all the skills necessary for executives to continuously create value based on organizational objectives. Entrepreneurial leaders think that entrepreneurship is essential to gain competitive advantage (Lee and Venkataraman, 2006: 114).

## **5.2. Importance of Entrepreneur Leadership**

Managers should be entrepreneurial leaders for the success and continuity of the business. Therefore, entrepreneurship training has become very important for business management today (Okudan and Rzasa, 2006: 197). The entrepreneurial leader has the potential to combine leadership with entrepreneurial skills, for example, not only as a football player, but as a captain on the court. He should not only be the manager who decides, instructs and controls his employees, but also the entrepreneurial leader who seizes and guides the team. When entrepreneurs take risks and seize opportunities, this leadership is also crucial to the growth of the future business (Phaneuf et al., 2016: 34).

The main goal of many entrepreneurs today is a quick way to make money. For entrepreneurs, the goal of investment is to achieve their investments as soon as possible, while the real goal of entrepreneurial leaders is to create value. Because entrepreneurial leaders know that "money does not create value, value creates money" (Esmer anad Dayı,

2017 ; 122). Entrepreneurial leadership is important because it puts the leadership and entrepreneurship on the same axis and demonstrates the importance of individuals in the entrepreneurship process (Renko, et al., 2015:55). In fact, entrepreneurial leadership is based on the idea of thinking, acting and implementing in this direction by recognizing the positive growth intention of the organization that all stakeholders want as an entrepreneur (Nwoye,2011: 66).

Darling and Beebe (2007) state that entrepreneurial leadership, which helps to create a new vision, is a concept that goes beyond what is known and to break new ground. Entrepreneurial leaders are leaders who help employees to develop the organization and focus on new opportunities and new solutions (Darling and Beebe, 2007: 78).

Entrepreneurial leadership is a leader role that builds the capacity to create the diversity needed in the business unit through understanding and understanding a new set of processes (Gupta and Macmillian, 2004: 1-2). However, entrepreneurial leaders have a number of characteristics, such as taking initiative, playing critical roles for the organization, and keeping employees energetic (Nwoye, 2011: 66). Entrepreneurial leadership is an important factor influencing the performance of organizations. For this reason, in today's intense and dynamic competitive business world, organization leaders should acquire and use the qualities of entrepreneurial leadership in order to survive, maintain their continuity, compete with their competitors and contribute to development (Karcıoğlu and Yücel, 2004: 417). In other words, managers in an organization must have entrepreneurial leadership characteristics for the success and continuity of the business. In other words, entrepreneurial leadership is a very important concept for business management (Okudan and Rzasa, 2006: 197).

The task of the entrepreneurial leader is to increase the capacity of the organization and to mobilize stakeholders to do more. In the organizational context, the fundamental element of transformational, strategic, team-oriented and value-oriented leadership, which is linked to entrepreneurial leadership, is to enable the leader to take the necessary actions to achieve entrepreneurial change (Gupta et al., 2004: 245).

### **5.3. Characteristics of Entrepreneur Leaders**

Covin and Slevin (2002) argue that entrepreneurship leadership has six main characteristics. These main features are described below (Yılmaz and Görms, 2012: 4487):

- **Supporting entrepreneurial skills:** Effective entrepreneurship leaders see the human element as the source of entrepreneurial behavior and support the development of these behaviors.



- **Protecting innovations that threaten the existing business model:** Individuals perceive destructive innovation as a personal and organizational threat. An entrepreneurial leader can be seen as a leader who shares information to explain the potential benefits of disruptive innovation.
- **Interpreting opportunities:** Entrepreneurial leaders can interpret and apply the value of an opportunity to the overall opportunities and objectives of an organization.
- **Review simple questions:** Entrepreneurial leaders review questions about identifying opportunities and employment for the resources needed to sustain the life of the organization, the type of organizational objectives and the achievements and relationships that are continuously developed with stakeholders.
- **Questioning existing business logic:** Entrepreneurial leadership requires constant questioning of the underlying assumptions to define an opportunity to create new value and ensure that the organization is positioned successfully.
- **Linking entrepreneurship to strategic management:** Effective entrepreneurial leaders believe that an organization must have strategic entrepreneurial skills to create the highest value.

Zijlstra (2014), on the other hand, investigates when entrepreneurial leadership reaches the most effective level. He is interested in risk taking, proactivity, autonomy, having vision, being innovative, having experience, charismatic and creativity dimensions (Zijlstra, 2014: 26). The success of entrepreneurial leadership depends on the relationships between leaders, viewers and situations. Entrepreneurial leadership, in particular, recognizes opportunities and leads role models to followers in order to achieve their intended use; strengthened followers have a high level of entrepreneurial self-efficacy and passion, and organizational and environmental conditions and availability of available resources (Renko et al., 2015). One of the important criteria that entrepreneur leaders take into consideration is the necessity to produce visionary scenarios that create the necessity to select and direct independent support members who adopt the vision and act according to the vision in order to create strategic value (Chen, 2007: 239).

Entrepreneurial leaders need to formulate a strategy that is compatible with the organizational dynamics that have a complex system structure, and they can play a completely independent and directing and influential role. Organizations and their leaders, who are often in contact with the internal and external environment, should also designate a strategy for strategy development and implementation. The vision, talents and behaviors of the leader and creativity are the factors that make him a strategist (Gündüz, 2010: 212).

Entrepreneurial leaders can reposition the business to seize opportunities and increase the capacity of the business to create the necessary diversity to cope with the ever-changing environment (Huang, et al., 2014: 454). In the same direction, entrepreneurial leaders are defined as those who set up a new enterprise or make changes that will bring innovation and innovation through new product development or innovation (Surie and Ashley, 2008: 239).

As a result of a research, the dimensions that are formed are the key dimensions of general entrepreneurship environments. This means that managers want to target an entrepreneurial mentality in order to increase employee autonomy, creativity, proactivity and risk taking. Within the framework of these dimensions, entrepreneurial leadership can reach the most effective level. This generally leads to promised orders, with higher economic performance. However, prerequisites depend on whether the type of business should be appropriate to implement entrepreneurial leadership and not too much regulation (Zijlstra, 2014: 49). Darling and Bebee (2007) mentioned that entrepreneurial leaders should be sensitive about communication. They emphasize that successful entrepreneurial leaders have four strategies that giving importance to vision, providing verbal or non-verbal communication, being honest, trusting their subordinates .

#### **5.4. Intersection of Entrepreneurship and Leadership**

Cogliser and Brigham were entrepreneurs and leaders in 2004; They have demonstrated that they intersect in creating vision, planning, directing people to innovation and creativity, and influencing both followers and a wider audience (Cogliser and Brigham, 2004: 777).

Since the success of organizations is only possible with the effective leadership of management (House et al., 1999: 2), the person who undertakes the entrepreneurial mission will undoubtedly be an effective leader. Managers who have the necessary qualifications for the operation of the entrepreneurship process have both leadership and entrepreneurship characteristics. At this point, the concept of entrepreneurial leadership is mentioned (Renko et al., 2015: 56). Entrepreneurial leadership is not synonymous with entrepreneurship. This is a new leadership model. Entrepreneurs and certain disciplines of entrepreneurship focus on creating new enterprises. Entrepreneurial leaders, on the other hand, work in an established manner that exists outside their new ventures, creating new products, new processes and new development opportunities (Greenberg et al., 2011: 2).

One of the most important characteristics of entrepreneurs and leaders is that they have creative and innovative ideas. Creativity means producing a new idea; Innovation means to implement this idea. Entrepreneurs realize

opportunities as a result of their creative thinking and take advantage of these opportunities to innovate and increase organizational performance (Mumford et al., 2002: 705). Leaders influence their followers or their subordinates to produce and implement a new idea. In a 1967 study, Andrews emphasized that the role of the leader is important for creative people to innovate (Cogliser ve Brigham, 2004: 179).

Vision forms the motivational and intellectual framework of a company's strategies. Both entrepreneurs and leaders are visionary. In the vision literature, employees are seen only as the people who will implement the vision; leaders are seen as owners of the vision (Kopaneva, 2015: 2). In entrepreneurship literature, vision is associated with innovation and performance. However, the concept of vision draws less attention in the field of entrepreneurship than leadership in spite of the fact that it drives innovation activities and affects entrepreneurial performance (Hellström and Hellström, 2002: 407).

What countless leadership definitions have in common is that leaders influence their followers for shared goals (Bolden, 2004: 4). In the same way, influencing is an important skill used by entrepreneurs. Entrepreneurs need not only to recognize opportunities, but also to access the resources needed to take advantage of them. It is seen that successful entrepreneurs are more capable of influencing others in terms of accessing these resources (Cogliser and Brigham, 2004: 179).

## **6. Result**

Entrepreneurial leadership is a concept that blends leadership potential with entrepreneurial spirit. When more subtle points and the spirit of entrepreneurship are added to the variable nature of leadership, entrepreneurial leadership emerges and can change the course of the world (Kuru, 2016: 1). From this point of view, entrepreneurial leadership is understood as a role played by leaders in entrepreneurial orientations rather than entrepreneurship as a leadership style (Leitch et al., 2013: 348).

Entrepreneurial leadership is one of the critical factors in achieving the achievement of business goals for companies. For this reason, the entrepreneurial leadership characteristics of the people in the leadership position affect the performance, continuity, efficiency and efficiency of the companies. These people must have entrepreneurial leadership skills to gain competitive advantage, grow and develop their companies and survive in this competitive environment. In addition to leadership qualities, having an entrepreneurial spirit shows that the leader is an entrepreneurial leader. Entrepreneur leader; In addition to entrepreneurial leadership characteristics such as influencing others, vision, originality and courage, entrepreneurship features such as taking risks, capturing opportunities, following innovations, being innovative, productive, connected and

strategic. Entrepreneurial leaders uncover the impossible and see the invisible (Esmer and Dayı, 2017 ; 121).

Gupta et al. (2004), rather than interactive or transformational leadership, entrepreneurial leadership is more than planning and performing organizational tasks that are clearly evident; emphasized that there is an unorthodox leadership that reveals the invisible sets as well as the visible sets of processes necessary for the organization. It was determined that entrepreneurial leadership is important for new initiatives and also positively associated with innovation (Huang et al., 2014). Entrepreneurship studies, especially associated with leadership, contribute to traditional leadership approaches. Because it is understood that there is a certain level of interaction between leadership and entrepreneurship in ensuring competitiveness (Ruvio et al., 2010: 148).

Entrepreneurial leader is both an entrepreneur and a person with leadership qualities, prone to risk taking, innovative and capable of directing individuals. Since entrepreneurial leaders are individuals who can see and evaluate opportunities and direct employees to obtain these opportunities, they assume an important role both in terms of business profitability and country development. It is therefore expected that entrepreneurial leaders will play an increasingly important role for the future of the business and the national economy. In this study, it is aimed to present entrepreneurial leadership characteristics and to guide the future studies and also to attract the attention of enterprises about entrepreneurial leadership (Uncuoğlu-Yolcu, 2017;192).

## References

- ACS, Z. J., AUDRETSCH, D. B. (2005). *Handbook of Entrepreneurship Research an Interdisciplinary Survey and Introduction*, USA: Springer.
- ACS, Z. J., MORCK, R. K., YEUNG, B. (2001). "Entrepreneurship, globalization, and public policy". *Journal of International Management*, 7(3), 235-251.
- ALTUNTAŞ, G. (2014). The Relationship between Entrepreneurship and Strategic Management: A New Model and Test of Strategic Entrepreneurship, *Research Journal of Business and Management (RJBM)*, 1(2), 103-129.
- ALVAREZ, S. A. VE BARNEY, J. B. (2002). *Resource-based theory and the entrepreneurial firm*. İçinde, M. A. Hitt, R. D. Ireland, S. M. Camp ve D. L. Sexton (Editörler). *Strategic entrepreneurship: Creating a new mindset*: 89–105. Oxford, UK: Blackwell Publishing.
- ANTONCİC, B., HİSRİCH, R. D. (2004). "Corporate Entrepreneurship Contingencies and Organizational Wealth Creation". *Journal of Management Development*, 23(6), 518-550.

- AULET, B. and FİONA M. (2013), A tale of two entrepreneurs: Understanding Differences in the Types of Entrepreneurship in the Economy, Report, Ewing Marion Kauffman Foundation.
- AYTAÇ, Ö. VE İLHAN, S. (2007), ‘Girişimcilik ve Girişimci Kültür: Sosyolojik Bir Perspektif’, *Selçuk Üniversitesi Sosyal Bilimler Enstitüsü Dergisi*, (18), 102.
- BOLDEN, R. (2004). *What Is Leadership?*, UK: Centre For Leadership Studies, University of Exeter.
- CARREE, M.A., THURİK, A.R. (2003). *The impact of entrepreneurship on economic growth*, in: D.B.Audretsch and Z.J. Acs (eds), *Handbook of Entrepreneurship Research*, Boston/Dordrecht: Kluwer Academic Publishers, 437-471.
- CHEN, M.H. (2007) —Entrepreneurial Leadership and New Ventures: Creativity in Entrepreneurial Teams| *Creativity and Innovation Management*, 16:239–49.
- CİCİ, E. N. (2013). *Kadınların İç Girişimcilik Yolunda Karşılaştıkları Sorunların Öz İç Girişimcilik Yetenekleri Üzerindeki Etkisi*. (Yayımlanmamış Yüksek Lisans Tezi). Konya: Selçuk Üniversitesi Sosyal Bilimler Enstitüsü.
- COGLISER, C. C., BRIGHAM, K. H. (2004). "The Intersection of Leadership and Entrepreneurship: Mutual Lessons To Be Learned". *The Leadership Quarterly*, 15(6), 771-799.
- COVIN, J. G. ve SLEVIN, D. P. (2000). Pioneers and followers: Competitive tactics, environment, and firm growth. *Journal of Business Venturing*, 15 (2): 175–211.
- COVIN, J. G. ve SLEVIN, D. P. (2002). *The entrepreneurial imperatives of strategic leadership*. İçinde, M. A. Hitt, R. D. Ireland, S. M. Camp ve D. L. Sexton (Editörler). *Strategic entrepreneurship: Creating a new mindset*: 309–327. Oxford, UK: Blackwell Publishing.
- COWDREY, R. (2012). *Creating Entrepreneurial Mindset: Failure Is An Option*. (First Edition), MIBC & Bookboon.Com (Ventus Publishing Aps).
- CURRIE, G., HUMPHREYS, M., UCBASARAN, D., MCMANUS, S. (2008). "Entrepreneurial Leadership In The English Public Sector: Paradox Or Possibility?". *Public Administration*, 86(4), 987-1008.
- DAILY, C. M., MCDUGALL, P. P., COVIN, J. G. VE DALTON, D. R. (2002). Governance and strategic leadership in entrepreneurial firms. *Journal of Management*, 28: 387– 412.

- DARLING, J. R., BEEBE, S. A. (2007). "Effective Entrepreneurial Communication In Organization Development: Achieving Excellence Based on Leadership Strategies and Values". *Organization Development Journal*, 25(1), 76-93.
- ESMER, Y., DAYI, F. (2017). Entrepreneurial Leadership: A Theoretical Framework Girişimci Liderlik: Teorik Bir Çerçeve. *Mehmet Akif Ersoy Üniversitesi İİBF Dergisi*, 4(2), 112-124.
- GARTNER, W. B., CARTER, N. M. (2003). *Entrepreneurial Behavior and Firm Organizing Processes*. Handbook of Entrepreneurship Research: An Interdisciplinary Survey and Introduction (pp.195–221). Boston, MA: Kluwer Academic Publishers.
- GRAETZ, F. (2002). "Strategic Thinking Versus Strategic Planning: Towards Understanding The Complementarities". *Management Decision*, 40(5), 456-462.
- GREENBERG, D., MCKONE-SWEET, K. VE WILSON, H. J. (2011). *The New Entrepreneurial Leader: Developing Leaders Who Shape Social and Economic Opportunity*. (1st Edition Ed.), Usa: Berrett-Koehler Publishers Inc.
- GUPTA, V., MACMILLAN, I. C., SURIE, G. (2004). "Entrepreneurial leadership: Developing and Measuring A Cross-Cultural Construct". *Journal of Business Venturing*, 19(2), 241-260.
- GÜNDÜZ, S. (2010). Kontrol Liderin Elinde Mi? Girişimcilik Okulundan Cevap. *Doğuş Üniversitesi Dergisi*, 11(2), 212-222.
- HAVINAL, V. (2009). *Management and entrepreneurship*. New Age International.
- HELLSTRÖM, T., HELLSTRÖM, C. (2002). "Time and Innovation In Independent Technological Ventures". *Human Relations*, 55(4), 407-426.
- HISRICH, D. R., PETERS, P. M. (2002). *Entrepreneurship*. London, UK: McGraw–Hill Irwin.
- HOUSE, R. J., HANGES, P. J., RUIZ-QUINTANILLA, S. A. DORFMAN, P. W., FALKUS, S. A. VE ASHKANASY, N. M. (1999). *Cultural Influences on Leadership And Organizations*. Advances in Global Leadership, 171-233.
- HUANG, S., DING, D., VE CHEN, Z. (2014). Entrepreneurial Leadership and Performance in Chinese New Ventures: A Moderated Mediation Model of Exploratory Innovation, Exploitative Innovation and Environmental Dynamism. *Creativity and Innovation Management*, 23(4), 453-471.

- ISENBERG, D. (2011). The entrepreneurship ecosystem strategy as a new paradigm for economic policy: Principles for cultivating entrepreneurship. *Presentation at the Institute of International and European Affairs*.
- İRMİŞ, A., DURAK, İ., ÖZDEMİR, L. (2010). *Girişimcilik Kültürü: Anadolu Girişimciliğinden Örnekler*, Bursa: Ekin Yayınevi.
- JACK, S. L., ANDERSON, A. R. (1999). "Entrepreneurship Education Within The Enterprise Culture: Producing Reflective Practitioners". *International Journal of Entrepreneurial Behaviour and Research*, 5(3), 110-125.
- KARCIOĞLU, F., YÜCEL, İ. (2004). *Aile İşletmeleri Açısından Girişimci Liderlik ve Önemi: Etso'ya Bağlı Aile İşletmelerinde Bir Uygulama*. 1. Aile İşletmeleri Kongresi Kongre Kitabı (415-423), İstanbul: İstanbul Kültür Üniversitesi Yayınları.
- KAYGIN, E. (2011). *Girişimcilik Sürecinde Dönüştürücü Liderlik Anlayışı*. (Doktora Tezi). Erzurum: Atatürk Üniversitesi Sosyal Bilimler Enstitüsü.
- KOPANEVA, I. M. (2015). "Left In The Dust Employee Constructions of Mission and Vision Ownership". *International Journal of Business Communication*, 2329488415604457.
- KURU, B. (2016). Lider Girişimci ve Girişimci Lider. Aristolog:<http://www.aristolog.com/Lider-Girişimci-Girişimci-Lider/>. (Erişim Tarihi:26.04.2019).
- LEE, J., VENKATARAMAN, S. (2006). Aspiration, Market Offerings, and The Pursuit of Entrepreneurial Opportunities. *Journal of Business Venturing*, 21, 107-123.
- LEITCH, C. M., MCMULLAN, C. VE HARRISON, R. T. (2013). The Development of Entrepreneurial Leadership: The Role of Human, Social And Institutional Capital. *British Journal of Management*, 24, 347-366.
- LUNDSTRÖM, A., STEVENSON L. (2005). *Entrepreneurship Policy: Theory and Practise*. Boston, MA: Kluwer Academic Publishers.
- MATHISEN, J-E., ARNULF, J. K. (2014). "Entrepreneurial Mindsets: Theoretical Foundations and Empirical Properties of A Mindset Scale". *The International Journal of Management and Business*, 5(1), 81-101.
- MERİÇ, S. (2013). *Girişimcilik Potansiyeli İle Etik Algı Arasındaki İlişki*. (Yayımlanmamış Yüksek Lisans Tezi). Düzce: Düzce Üniversitesi Sosyal Bilimler Enstitüsü.
- NAKTİYOK, A. (2004). *İç Girişimcilik* (1 Ed). İstanbul: Beta.

- NWOYE, M. I. (2011). Privatization of public Enterprises in Nigeria: The views and counterviews. *Journal for Political theory and research on Globalization, Development and Gender Issues*, 2(4), 234-251.
- OBENG, B. A., ROBSON, P., HAUGH, H. (2014). "Strategic Entrepreneurship and Small Firm Growth In Ghana". *International Small Business Journal*, 32(5), 501-524.
- OKUDAN, G.E., RZASA S.E. (2006). A Project-Based Approach to Entrepreneurial Leadership Education, *Technovation*, 26(2), 195-210.
- ONAY, Ü, G. (2013). *Kadın Girişimciliğini Etkileyen Sosyo-Kültürel Faktörler*. (Yayınlanmamış Yüksek Lisans Tezi). Isparta: Süleyman Demirel Üniversitesi Sosyal Bilimler Enstitüsü, 1-20.
- PHANEUF, J.E., BOUDRIAS, J.S., ROUSSEAU, V., BRUNELLE, E. (2016). Personality and Transformational Leadership: The Moderating Effect of Organizational Context, *Personality and Individual Differences*, 102, 30-35.
- RENKO, M., EL TARABISHY, A., CARSRUD, A. L., BRÄNNBACK, M. (2015). "Understanding and Measuring Entrepreneurial Leadership Style". *Journal of Small Business Management*, 53(1), 54-74.
- ROOMI, M. A., HARRISON, P. (2011). "Entrepreneurial Leadership: What Is It and How Should It Be Taught?". *International Review of Entrepreneurship*, 9(3), 1-44.
- ROWE, W. G. (2001). Creating wealth in organizations: The role of strategic leadership. *The Academy of Management Executive*, 15 (1): 81-94.
- RUVIO, A., ROSENBLATT, Z., VE HERTZ-LAZAROWITZ, R. (2010). Entrepreneurial Leadership Vision in Nonprofit vs. For-Profit Organizations. *The Leadership Quarterly*, 21(1), 144-158.
- SANTORA, J. C., SEATON, W., SARROS, J. C. (1999). "Changing Times: Entrepreneurial Leadership In A Community-Based Nonprofit Organization". *Journal of Leadership & Organizational Studies*, 6(3-4), 101-109.
- SARITAŞ, A., G. DURAN. (2017). Üniversite Öğrencilerinin Girişimcilik Eğilimlerinin Tespitine İlişkin Bir Araştırma. *Anemon Muş Alparslan Üniversitesi Sosyal Bilimler Dergisi*. 5(1), 147-165.
- SCARBOROUGH, N. M. (2014), *Girişimciliğin ve Küçük İşletme Yönetiminin Temelleri*, (Çev. Yrd. Doç. Dr. Gamze Sert), 1. Baskı, Nobel Yayın Dağıtım, Ankara.
- SCHUMPETER, J.A. (1934). *The Theory of Economic Development*. Cambridge, MA: Harvard University Press.



- SCHUMPETER, J.A. (1939). *Business Cycles*. New York, Toronto, London: McGraw-Hill Book Company.
- SCHUMPETER, J.A. (1950). *Capitalism, Socialism and Democracy*. New York: Harper and Row.
- SERINKAN, C., ARAT, G. (2013), *İşletmelerde Örgütsel Değişim ve İç Girişimcilik*, 1. Baskı, Beta Basım Yayım A.Ş., Ankara.
- SİMŞEK, S. M., ÇELİK A. (2011), *İşletme Bilimlerine Giriş*, (18.Basım), Konya: Eğitim Akademi Yayınları.
- STAM, E.,(2015), “Entrepreneurial ecosystems and regional policy: a sympathetic critique”, *European Planning Studies*,23 (9), pp. 1759–1769.
- STOKES, D., WILSON, N., MADOR, M. (2010). *Entrepreneurship*. Hampshire: Nelson Education.
- SURIE, G., ASHLEY, A. (2008). "Integrating Pragmatism and Ethics In Entrepreneurial Leadership For Sustainable Value Creation". *Journal of Business Ethics*, 81(1), 235-246.
- TANOĞLU S. (2008). *Kişilik Özelliklerinin Girişimci Olma Niyeti Üzerine Etkileri*. (Yayınlanmamış Yüksek Lisans Tezi), İstanbul: İstanbul Üniversitesi, Sosyal Bilimler Enstitüsü, İşletme Anabilim Dalı.
- TUTAR, H. (2008). *Girişimcilik*. Sakarya.
- ULHOI, J.P. (2005). “The Social Dimensions of Entrepreneurship”. *Technovation*, 25, 939-946.
- UNCUOĞLU-YOLCU, İ.(2017). Girişimcilik Ve Liderliğe Farklı Bir Bakış: Girişimci Liderlik. *Akademik Bakış Uluslararası Hakemli Sosyal Bilimler Dergisi*, (60), 182-195.
- VOLKMANN, C. K., TOKARSKİ, K. O., GRUNHAGEN, M. (2010). "Entrepreneurship In A European Perspective". *Wiesbaden: Gabler*, 10, 978-973.
- WENNEKERS, A.R.M., THURİK, A.R. (1999). Linking entrepreneurship and economic growth. *Small Business Economics*. 13: 27-55.
- WICKHAM, P. A. (2006). *Strategic Entrepreneurship*. USA: Pearson Education.
- YILMAZ, H., AND GÖRMÜŞ, A. S. (2012) Stratejik Girişimciliğin, Algılanan Örgütsel Destek ve Örgütsel Öğrenme Üzerine Etkilerinin Araştırılması: Tekstil Sektöründe Ampirik Bir Çalışma, *Journal of Yasar University*, 26(7), 4483-4504.

ZIJLSTRA, P. H. (2014). *When Is Entrepreneurial Leadership Most Effective?*. Master Thesis, University of Twente, Management And Governance, Twente.

# **THE ADVANTAGES AND DISADVANTAGES OF QR CODE AS A MARKETING TOOL**

Mihalis (Michael) Kuyucu\*

## **Introduction**

Quick Response codes (QR), are one the few Internet and iconic symbols or fads that have survived the constantly changing Internet domain. In spite of the QR code's invention back in 1994, its popularity grew as a prominent matrix barcode within the last decade as a machine-readable optical label. Invented by a Japanese subsidiary company Denso Wave that produces automatic identification products, its initial purpose was to track vehicles during manufacturing and to allow high-speed component scanning. But since this invention and initial purpose, QR codes have expanded into broader uses for commercial tracking and convenient applications for mobile phone users, also being known as mobile tagging. QR codes can be used to display text messages or simply text to users with the ability to add features such as virtual cards as a contact method to the user's device. The QR contact card may also be used as a wireless network to compose emails or related messaging. QR tools are now prevalent with available generators and various software or online tools.

## **History and Evolution**

Denso Wave was a Toyota subsidiary that developed QR codes for quick fast decoding speeds. The quick responses in which assisted the manufacturing process is what provided the namesake Quick Response codes. QR codes were somewhat evolved from bar codes in which they were scanned. The innovation of bar codes especially with their impressive and speedy scanning processes, have popularized coding, scanning accuracy, and multiple functionality. The convenience of bar coding improved information storage with increased capacity, variation, and only required smaller printing areas. Hence the bar coding system is what catapulted the innovation of QR codes when involving information storage. QR codes had the ability to include increased amounts of digits and modify the layout to include multiple code readouts.

However with every form of evolutionary breakthroughs and improvements, some drawbacks were created as well. More storage required more area coverage and imposed less space on the surface. Increase in printing space also generated higher costs of printing. When larger prints were scanned, the complications of scanning increases printing areas also arose. Demands for storage capacity, functionality and

---

\* Associate Prof., michaelkuyucu@gmail.com

accuracy needed a response to the negative factors associated with bar code technology development. QR codes were invented to counteract the negative effects by implementing a 2D or two-dimensional code. QR invention drew widespread attention and developments in technology to improve storage capacity.

### **General and Popular Uses of QR Code**

QR codes have several and diverse applications. As they were originally invented to track inventory on production lines and in storage warehouses, they are still predominantly used for these applications, but in more advanced processes. In order to use QR codes, a QR code scanning application is required. Promotional material frequently house QR codes and draw customers to a webpage or landing page promoting specific products or services (Lane, 2016). The purpose of coding on promotional material is to reduce the tedious task of tying a URL or search endlessly for a link. A QR code can bring a YouTube video, LinkedIn page or any website that provides more information than a physical copy of a flyer or advertisement.

If Internet navigators are searching for specific apps, they will spot a QR code that brings them directly to that specific app in the App Store. The direct navigation to an app eliminates the need to endlessly search for apps through an app store to locate the app. Markets utilize the incentive to quickly locate an app and promote it as a trial run for its customers to test the marketing ability and effectiveness.

Business cards have become a branding place for QR codes. Many business cards nowadays have QR codes on the backs with links directing people to business profiles, particularly LinkedIn profiles. The effectiveness has not yet been confirmed. But with the growing trend of QR codes on business cards, many business people recommend having QR codes on a business card. For effective promotion, QR codes can be combined with LinkedIn and a mobile wallet to create a business card directly connected to LinkedIn.

For flight and airline convenience, QR codes are becoming more popular with frequent flyers. Most airlines have already introduced mobile tickets and use QR codes to redeem them. Many tedious steps such as dealing directly with travel agents or commuting to a travel agency can be avoided and save time by using a mobile phone or watch. With the requirements of presenting a ticket prior to a flight, customers can conveniently scan their tickets from various locations to verify the authenticity of their tickets.

## **Use of QR Code in Specific Marketing and Events**

With QR codes going and found beyond shopping and consumer goods, they have found their way into magazines, brochures, and all sorts of mobile phones. Rather than just being mere displays of bar codes, QR codes can be used to organize or attend events by use of digital display. A device's camera can be act as a scanner to read QR codes, and contain an app converting an image into readily and usable information by reading the code. Sensibly QR codes are widely used by mobile phones and similar devices for obtain quick and easy information on specific subjects, as most of the latest smartphones are developed with built-in QR reader apps installed.

QR codes can support events and event organization from marketing and planning through an event itself. For example, printed matter can become outdated quickly. Printed material such as brochures and flyers were designed and printed before the event planning is completed to include scheduling, speakers, or vendor lists. By providing a QR code, the attendees gain easier access to the latest and updated information. Last minute information can be added to provide attendees with last-minute announcements in case events change or require additional preparation. As a safeguard, many events are subject to changes due to unforeseen circumstances, and the attendees can be informed to avoid any sudden surprises, which would otherwise disappoint the attendees (Dorman, 2019).

If promoting an event with billboards or public transportation vehicles, including a QR code allows interested people to scan for more information. The advertisement itself behaves as an incentive to intrigue people to gain further information and the QR code draws people onto the advertisement site. The QR code allows people to check in quicker and the event organizer can increase the pace when the QR codes are hard copies or electronic tickets. Each attendee registered for a specific event has a unique QR code for the purpose of tracking the rightful people with invitations or tickets to avoid any ticket fraud or prevent use of older codes not authentic to the event.

Participant badges are popular apps used by business people for exchanging data on event organizations. This is similar to an online forum or social business app to inform businesses with upcoming events and can exchange data or opinions of an event. With participant badges, the QR code can facilitate networking at business-to-business (B2B) and similar events. At times when events are cancelled or are relocating to another location, the QR code can inform business participants to prevent them from arriving at the previous location without the knowledge of any event updates.

## **Examples of QR Code Use in Marketing**

QR codes have become user-friendlier over the years, where previously many users were unable to understand, let alone utilize QR codes. Supposedly the introduction of QR codes was not properly introduced, except for exposing them on popular products without providing specific instructions on how to use them. Although QR codes are obtaining measurable sets of customers, some companies continue to broadcast their importance to marketing entrants. Instagram and Angry Birds are known to be discerning and catchy to observers. Each of their respective QR codes navigate users toward the app download while encouraging ad creativity and providing self-explanatory instructions on how to download apps.

Greeting cards have evolved into online or virtual musical domains for users to apply them conveniently instead of purchasing expensive cards. QR images and playlists can be combined as arbitrarily needed. If users have a compatible and specific app on their mobile phones, the bar codes can be scanned to begin the playlist (Lucas, 2017). Music spans in almost every category users may access for whichever interests they wish to select. Previously the greeting cards were only coupled with the music provided. Nowadays, users may customize their greeting card with a music selection by scanning the QR code.

Locations and objects, which had to be previously physically visited, may have their information accessed through QR codes. Old paintings for example can be scanned for information about the specifications and history about the paintings. This ability is available for viewing to paintings in a museum in Poland where each of the paintings can have their QR codes scanned and abundant information about them can be revealed. In addition to viewing the paintings themselves, visitors can scan the QR codes and discover the true nature and story about the painter and the reasons why the painting exists. The information expressed in this manner provided livelihood for tourists and maintain attraction to tourist sites with information.

Almost any form of marketing had been cleverly manipulated to entice a higher customer base, especially by adding more personalization. Some franchise and supply chain stores during special or festive holidays or occasions such as Christmas or Valentine' Day. QR codes can be used as tags to write personalized messages to a recipient. As in the case of playlists, QR codes can be scanned with personalized messages in association to the musical message. If gifts are being purchased online and sent to a recipient, the QR codes can be used to pinpoint the recipient and the code will recognize the recipient's information to ensure the gift is being sent to the correct person. This method of QR scanning helps reduce cases of lost mail or delivery failure.

## **Other Uses In Brand Marketing and Industries**

Furthermore, the entertainment industry is a key player when using QR codes. The QR codes provide access to users interested in the entertainment industry for the latest news and updates. For music, concerts, film festivals, and venues, QR codes provide list building and lead captures for users to interact and share information and opinions. Information sharing is an efficient method to review certain events in the entertainment industry for people to stay connected. Social media sites have landing pages enabling users to link to websites when they are scanned. Event marketers use scanning to drive traffic to events for users to view and make purchases for easier customer use. Event organizers can easily achieve extra traffic whether to entice customers to purchase tickets or to leave their contact information (i.e. email) for future notifications. Call to actions can be used to learn more about events the organizers or venues plan to promote in the future.

Entertainment and event venues utilize QR codes for customer service to make quick access to hotline services. They can be used to send pretext messages and emails drafted and ready to send with the recipient as well as the subject line already in place. The only action the customer needs to do is to hit the send button. Pre-sale promotions for music festivals and events often draw the most customer attention. Hence music event organizers appeal to customers by allowing them to link to discount coupons for a limited period of time. The QR codes can be used to combine with the coupon's advertising slogan or tagline that prompts customers to scan their QR codes. As long as the discount coupons are available, the QR scanning will continue to function. Sometimes when tickets to events are incredibly popular and selling quickly, venue and event organizers can continue the discount coupons by adding extra discounted tickets on a first-come and first-serve basis by QR scanning.

Similar to subscribing by conventional email, QR codes can be linked to signing up to newsletters for event organizers and marketers to gather customer information. What is additionally efficient about QR-based newsletters is distributing a survey with questionnaires to identify what customers want and need for future events and how future events can be improved (Patel, 2019). Surveys can function as lead generation keeping frequent customers and perhaps venues can develop preferred customer programs. Customers can continue being updated about the availability of tickets and related products. QR codes provide options on whether customers want to make the selection of notifications. Alternatively, venues and event organizers may link QR codes to feedback forms to render tracking and understanding customer behavior.

QR codes can be deemed as a social visibility tool where they are linked to social media profiles. QR codes drive users to social media to gain more attention and reviews of various venues and entertainment streams where customers with similar interests can share their views with others. Sometime venues and music festival reviews vary depending on the musical theme and the venue itself. A poorly managed venue will surely bring negative reviews to a concert. A renowned venue may invite a renowned musician. But if the performance is lower than customers' satisfaction, the performer may receive negative reviews over the venue. QR codes have their usages shared by virtual transfer through social media or cloud computing.

### **QR Code Use in Music Marketing**

Although QR codes for music has been somewhat aforementioned, the following literature will be more extensive and detailed. For some users, offline marketing is more effective than online marketing. Music fans do not always simply register online. They often have their mobile phones and use them wherever there is a convenient time. Seemingly music fans also use their phones more frequently with entertainment-related themes instead of taking pictures. Music fans use their mobile phones in any convenient place to use QR codes for music marketing. Several viable areas for QR codes can be used for music marketing, whether by a band, venue, or even music fans themselves.

Tour flyers and band posters are usually the foregrounds of music events. They display the band appearance, the tour date and the venue. The QR codes can be scanned to provide the latest details of the band and the band members. The codes can be scanned to obtain information not always easily found online. To promote their tours or their images, bands often arrange to have merch tables at concerts or at local retailers. Not all merchandise is always readily available at concerts. Some specialized merchandise is only available through auctions. QR code scanning is a useful tool to obtain rare band merchandise. Otherwise, QR code scanning is available to provide updates on the merchandise that will be available at the concert venue (O'Neill, 2019). It saves music fans the trouble of waiting for long periods of time in line-ups to merch tables. Fans could discover ahead of time what merchandise is available.

Email sign-up lists have become a long-term and advantageous tool to keep informed about any music festivals or following a specific band. Traditionally, e-mails were simply means to contact people if they cannot be contacted by phone. All that was required was a quick line to send for an intended recipient. But emails needed to be more functional than simply sending messages. Emails evolved into electronic validation systems meaning emails often have to include ways to verify identities and ensure



the message was sent to the rightful recipients to gain admission into a music venue. Following purchase, an email confirmation is sent with a ticket and a QR code to be scanned when the ticket is presented at the music event. This is also to verify and reassure music fans that they have made the purchase are entitled to their seats and locations, if provided, at the music event. For music events, a host of data scanned through QR codes is needed to be included in a confined space.

Music fans have the benefits of QR codes at hand because they allow information to be stored in different locations, which actually provide more free space for graphics or other elements to be added by branding. For popular venues with a high volume of people as is generally with music events, codes allow for streamline admission to identify guests with a straightforward scan. Guests attending music events may use their phones instead of using paper tickets, which has become a means of going paperless. The use of smart phones over printed tickets is significantly increasing and saves the trouble of printing. Some QR promotions include upgrades to achieve more streamlined access to updates and events. Facebook is one of the most prominent social media sites that promotes or announces a music concert arriving. When venues plan for musical performances, Facebook somehow frequently becomes one of the first social media outlets to reveal the information. Venues add Facebook QR codes to tickets as an expedient way to inform music fans to follow developments about a band before they arrive at the venue. Alternatively, for example, if the band cancels a scheduled tour or evening from the venue, and the venue is searching for replacement band, fans may scan QR codes for suggestions. Although band suggestions may be on short notice, QR codes may be scanned for the bands to receive notifications of the demands for them to accept replacement offers to a specific venue.

The 2011 Pepsi Music Festival in Argentina is an example fans provided to share their information and experiences. Each of the tickets was labeled by QR codes allowing fans to immediately share videos and images of various musical acts. Some venues or music events offer contests to win tickets. For most fans, keeping track of the duration during the contest is impossible. But a scan allows contestants to check their status to discover whether they have won the contest. Music event organizers deploy QR codes in multiple locations and add them to email lists or virtual tickets. By scanning the event code, fans may instantly receive more information about where the various venues have taken place, the means to commute to the venue, and the time of the vents. Some venues are complex with multiple events, and event organizers can plan events to occur more smoothly.

One major purpose to QR code scanning is to track many loyal customers or preferred customers that frequent music venues. Hence

offering a premium back to music fans provides incentives for fans to return to the venues or buy tickets. Adding coupon QR codes to tickets may provide fans with future discounts or customer first-choice incentives. Some venues offer pre-sale incentives to loyal customers and allow them to make first selections when attempting to buy tickets. For example, some sections in renowned venues have sections only for customers who carry American Express Cards or MasterCard's over customers who do not have these options of payments. QR code scans can provide such preferred customers with pre-sale incentives and a seating plan where customers may select their preferred seating.

### **The Advantages and Disadvantages of QR Code in Marketing**

QR codes can be observed with the best of practices or the worst of practices depending on the implementation. Similarly with any advanced tool, QR codes experience pitfalls and promises, strengths and weaknesses. The use of QR codes can depend on the campaign they are being scanned for. A compatible campaign can enhance QR strengths while the wrong campaign can render QR codes susceptible to mistakes.

#### **Advantages**

One aspect about QR codes is their versatility. They can be added to virtually any tangible or intangible product such as advertising, magazine pages to billboards, music posters, and entertainment events. In actual practice, any physical object can display an interaction point for viewers to be taken toward a digital experience or accomplish a digital task. QR codes can be used to bypass many steps of a transaction and carry messages or payments for music events. Online access used to be by computer only, where it has been mostly, if not all replaced by mobile tactics. If music fans need to take immediate action, QR code scanning is available on their mobile phones instead of searching for a computer where time is of the essence to make a purchase.

QR code scanning is known to be one of the pioneers of seamlessly linking online and offline domains for music events. Marketers can drive merchandise and tickets online to offline sales or use an offline campaign to promote musical venues by an app or digital vessel. As with the example of purchasing tickets in a timely manner, QR code scanning provides more prompt updates as to when tickets are available for sale. Evidently mobile phones require an optimized app or landing page. But the QR codes can enable updates for upgrades needed to utilize the latest apps. This can draw customer attention at the exact point where they have expressed interest in an ad or video and prompt them to sign up to the email list. Signing up to the email list provides a noncommittal channel to offer updates without the pressure of selling customers products they do have any interest for.

Web analytics functions positively in tandem with QR codes for various placements, and marketers can gain valuable information about the status of a music event campaign. The analytics coupled with QR codes can determine whether certain aspects of a music campaign works. The analysis provides a better forecast of cost-effectiveness. In other words, the cost is virtually zero, but the value is immense to music fans.

The first impression with QR codes is its appearance and lack of color. But advancement in apps and similar accessible tools can enhance their prominence. QR code images can be illustrated with images, logos and many other forms of related artwork. They are either recognized by the QR code to convey the right information or are ignored due to error correction. A specific aspect of a QR image may convey a specific message, but interprets the remaining code on the QR image. Having various scans on the same image provides a wide variety of creative uses in music marketing and advertising. QR codes can be illustrated as visual marketing or be part of a larger visual such as carrying a brand logo or colors.

### **Disadvantages**

Unfortunately along with advantages, there also disadvantages of QR code scanning despite its versatility and usefulness. Music fans and consumers may wish to attempt other types of methods to connect online or offline domains with mobile phones. While this section will acknowledge the problems with QR code scanning, QR codes will also be compared to other methods of improvement.

Near Field Communication (NFC) enables contactless payments when music fans are purchasing tickets. Several mobile or smartphone models have this type of capability used by apps for payments. NFC has several uses as QR codes such as providing product information, activating promotions, or launching a digital experience. In some locations around the world where QR codes have a negative reputation, NFC is faster and provides better experience than QR code scanning, in spite of NFC and QR scanning used in conjunction with each other. But many locations still do not have Wi-Fi or similar enabling technology. Hence NFC has the ability to provide for access where QR scanning does not. Even if music merch tables are available at concert venues, not having Wi-Fi available will render QR code scanning useless. Compared with NFC, QR codes may be difficult to scan, and NFC does not need a full signal for access. Additionally excess information on a QR image requires extra pixels.

Augmented reality (AR) joins the physical world with the digital world. Several brands have already experimented with innovative augmented reality adding interactive dimensions to the rest of the world. With augmented reality, it does not require downloading special readers to interact with the physical world. Additionally QR code readers are not

exactly on all mobile phones or related mobile operating systems. Augmented reality creates more interactive experiences providing user-friendliness and immersive access. In spite of production costs for augmented reality being high, it generated a more positive return on investment especially if the desired result is reached. Its potential traverses users beyond online pages or locations to overlaying the physical world with digital features. Hence if music fans are searching for music tours and dates, augmented reality provides the recognized reading and connection between the physical and digital world, rendering a better marketing tool.

In regions where specific apps are unavailable, utilizing the QR code adoption requires downloading separate apps prior to access in order to scan codes. The scans can interfere with momentary QR code interactions if users do not already have a code reader installed. Therefore, users either need to wait for an app to download or until a new app is available. If the app is available, there is the tedious task of waiting for the app to download especially in areas of poor connectivity. Waiting for extended periods of time renders users to abort the download. However with the assistance of Google Chrome by adding the native QR code support into various apps, connectivity improved. Yet the majority of users have Android phones, and downloading the apps through Google Chrome do still pose a problem especially for new apps.

In spite of QR code scanning improving significantly since its popularity grew in marketing campaigns, scanning still requires precise physical manipulation and unobstructed view of the code being scanned. In addition the time to scan can again be a tedious and time-consuming task. QR codes require being placed in visible locations and can negate prominent locations such as billboards, railway or subway platforms, moving vehicles, and quick-changing displays. Marketers may have the means of deriving ingenious methods of QR code scanning, but they are not always promising and not always user-friendly.

The use of QR codes have also faded in popularity because of poor implementation, lack of native support, and with limited mobile web experience. However, as of the current year (2019), QR codes are to be possibly re-launched by all of the aforementioned learning errors, yet the enthusiasm of utilizing them is not as expected. QR codes are still reputed as being slow scanning, inconvenient, and had poor user experience. Hence, NFC and AR may be dominating the mobile web world. Perhaps QR codes will still be available for marketing campaigns if they can at least be brought up to the criteria as NFC and AR.

### **Conclusion: The Future QR Code**

QR being the most commonplace and most popular scanning code is actually a fallacy. Most technological-savvy users and marketers recognize

QR codes, but do not utilize them as frequently as expected. Even if the number of QR users increases, not many users following the entertainment industry are aware of them, let alone use them. But the potential uses of QR codes are immense for Wi-Fi connections, code payments, digital or virtual stores or website URLs. Except the heavy use is not well known enough. One of the crucial setbacks on QR codes is the fact that they are actually a one-way exchange and transaction (Sammonds, 2019). They can be printed on any advertising board and adhesive label with incredible benefits, but they cannot collect information from the actual person using them. In the modern-day data-driven age in marketing, lacking the ability to acquire information from the actual user is a drastic setback. The reason is QR code users are demonstrating active interest in branding and campaigning and shall be reflected in the form of data collection. QR codes usage for uploading landing pages would be beneficial, but would also hinder the experience to the number of users.

Hence so as not to generate the same errors as those who have the mistaken idea that QR codes were the latest trend, the development of NFC identifier tags resolves the major problems with QR codes. An application shall be required to read them when accessed. In order to achieve the same result of opening apps to access and read the QR codes, NFC users are enabled on their mobile phones to tap the device against the NFC tag. NFC tags have demonstrated tighter security, flexibility, and convenience more than QR codes. However NFC tags improve in the future, it appears unlikely that QR codes will revive themselves. It is not because QR codes are becoming less efficient than NFC performance, but because a multitude of users are unaware of QR codes or simply ignore their significant uses. But respondents of brands using QR codes have displayed higher interests in purchasing areas than using NFC tags (Kavanagh, 2018). The statistics of respondents in search engines, television ads, and word-of-mouth information may be less than 50 percent in each category compared to NFC, but it is still more promising for QR codes to be utilized for convenience. Just because another method of scanning may prove to be more advanced than QR code scanning, it does not necessarily imply it will surpass QR codes. With apps relying on testing new platform features, utilizing QR codes renders easier usage for people.

## References

- Dorman, C. *QR Codes – Growth in Use Across Industries*. Qfuse. Reached at: Apr 23, 2019. <https://qfuse.com/blog/qr-codes-growth-in-use-across-industries/>
- Kavanagh, D. *Will QR Codes Make a Comeback in 2019?* Global Web Index. Dec 17, 2018. <https://blog.globalwebindex.com/trends/qr-codes-2019/>

- Lane, B. *How Are QR Codes Used and What is Their Future?* Pass Kit. Reached at: Mar 23, 2019. <https://blog.passkit.com/how-are-qr-codes-used-and-what-is-their-future/>
- Lucas. *How to Use QR Codes to Promote Your Event.* uQR.me. Jun 30, 2017. <https://uqr.me/blog/qr-code-event-marketing/>
- O'Neill, M. *What is a QR Code and How Does it Work?* Small Business Trends. Reached at: Feb. 12, 2019. <https://smallbiztrends.com/2015/05/what-is-a-qr-code.html>
- Patel, N. *5 Genius Examples of QR Codes in Marketing.* NeilPatel. Reached at: May 27, 2019. <https://neilpatel.com/blog/genius-qr-codes/>
- Sammonds, C. *What is the Future of QR Codes?* Innovation Enterprise. Jan. 17, 2018. <https://channels.theinnovationenterprise.com/articles/what-is-the-future-of-qr-codes>

- **POLITICAL LIFE AND INSTITUTIONS**

# INFORMATIONS ON THE PROCESS OF SENDING OF MUSTAFA KEMAL PASHA TO SAMSUN IN ALI FUAT CEBESoy'S MEMOIRS

Ali ÇİFTÇİ\*

## 1.Introduction

In the history of the turkish national struggle for independence, the appointment of Mustafa Kemal Pasha with wide authority in Anatolia by the last Ottoman Sultan Sultan Vahdettin and the government of Damat Ferit Pasha was widely discussed. This subject is generally addressed and discussed in the context of the nature of the mission given to Mustafa Kemal Pasha in Anatolia, the scope of his authority and the development of his relations with the Istanbul Government. However, considering the military, intellectual and political identity of Mustafa Kemal Pasha, the issue of how such an significant official duty was given to him by the Government of Party of Freedom and Understanding (PFU), which is known to be in opposite position with him, has not been sufficiently discussed. It is known that although Mustafa Kemal Pasha had interrupted his relations at an early date, he had been in the Committee of Union and Progress (CUP) for a while. Mustafa Kemal made a name for himself with his achievements in the Tripoli War and the Çanakkale Front in the First World War. Military and political stance is known as a “nationalist”. Damat Ferit Pasha is the leader of PFU. By 1919 in Turkey there was a very serious public opposition to the Committee of Union and Progress. PFU was the arch-rival of the CUP and away from CUP’s nationalist stance, rather it was pro-compromise with British politics. Under these conditions, with the pressure of England, the appointment of an official in Anatolia to find a solution to the unrest which emerged between the Muslim people and non-Muslims was brought to the agenda. After discussing who to do this task, Mustafa Kemal Pasha's name came forward. Mehmet Ali Bey, who was membership of PFU and proposed Mustafa Kemal Pasha, a school friend of Ali Fuat Pasha, to the government, had kinship ties with the Cebesoy family. In this study, in the context of the critical role played by Ali Fuat Pasha and the Cebesoy family, the memories of the events of Mustafa Kemal Pasha in the process of the appointment of Damat Ferit Government will be discussed.

---

\* (Doç. Dr.); Gümüşhane Üniv.-İİBF-SBK Y, [aciftci@gumushane.edu.tr](mailto:aciftci@gumushane.edu.tr)



## **2.The Discussion of the Country's Situation at the Cebesoy Family**

Ali Fuat Cebesoy returned to his home in Kuzguncuk, Istanbul on December 20, 1918, after meeting with Mustafa Kemal Pasha in Adana at a time when the First World War ended and the Ottoman armies

disintegrated. Together with his father İsmail Fazıl Pasha they deal with the situation of the country. While he is telling news from Anatolia, İsmail Fazıl Pasha talks about developments in Istanbul (Cebesoy, 2000: 47). In Istanbul, the PFUs have taken the CUP opposites to such a point that they discredit people seen as opponents, by saying it Unionis. İsmail Fazıl Pasha thought that this kind of behavior was not in the best interest of the country and he felt that the treatment of the soldiers would have very damaging consequences.

During his speech, İsmail Fazıl Pasha brought the word to Mehmet Ali Bey, one of the important figures of PFU. He was a relative by marriage and close up with him, and conveys his views on political issues in the country to Mehmet Ali Bey. A. Fuat Pasha thought that through his relationship with kinship with M. Ali Bey, he could benefit from M. Ali Bey's closeness with Government. In his memoirs, Rauf Orbay mentions the efforts of Ali Fuat Pasha to benefit from the influence of M. Ali Bey in the government circles (Orbay, 1993: 229).

M. Ali Bey was not in the Government yet but he had an important position in PFU. M. Ali Bey's daughter was married with Captain Ali Bey who was A. Fuat Pasha's brother. In his memoirs, Rauf Orbay explained the kinship relationship between Cebesoy family and M. Ali Bey by mistakenly given information about the marriage of M. Ali Bey with the daughter of the brother of Ali Fuat Pasha (Orbay, 1993: 229).

## **3.Ali Fuat Pasha Affects Mehmet Ali Bey on Mustafa Kemal**

In the meantime, Ali Fuat Pasha noted that during a meeting with Mehmet Ali Bey, they spoke about the importance of unity and solidarity in the country and the harm of demobilization of armies. Ali Fuat Pasha states that when the speech came to Mustafa Kemal Pasha, although he heard good things about him, he said that he had not met him personally (Cebesoy, 2000: 50). Although he criticized the CUP hardly and stated that he was in favor of an PFU government, he considered them to be united among the political circles in the country. Ali Fuat Pasha does not explain how the name of Mustafa Kemal Pasha came to the agenda in their speech. However, due to the fact that he was schoolmate, Mustafa Kemal's name may have been on the agenda when talking about the situation of the country and the demolition of the armies.

According to Cebesoy's expression, during this meeting, M. Kemal issue was deepened and informed M. Ali Bey that the military capabilities

of Mustafa Kemal Pasha would be an effective task for the country. When M. Ali Bey stated that there was a rumor that M. Kemal was a member of “Unionists”, Cebesoy claimed that this was not true and he showed evidence of his struggle with Enver Pasha. In the face of this evidence, M. Ali Bey was convinced. Together with İsmail Fazıl Pasha, they had a positive impression on

M. Ali Bey about M. Kemal Pasha and they agreed to a meeting. Together with this initiative Mustafa Kemal and Mehmet Ali Bey will meet.

In the meantime, Ali Fuat Pasha recounts in his memoirs that they visited İstanbul together with M. Kemal when they were classmates in Harbiye and they frequently went to his house in Kuzguncuk. He records that his father İsmail Fazıl Pasha loved Mustafa Kemal very much and treated him as the son of oz (Cebesoy, 2011: 54).

#### **4. Ali Fuat Pasha meets with Mustafa Kemal in Şişli**

In order to inform M. Kemal Pasha about his meetings with M. Ali Bey, he immediately went to Sisli and visited M. Kemal Pasha. A. Fuat Pasha stated that they discussed the situation of the country in detail in this meeting with Mustafa Kemal. The issues most emphasized were the unjustified and offensive conduct of the Entente Powers and the spineless behavior of the Sultan and the Government against what was done in the implementation of the Mondros Armistice. A. Fuat Cebesoy, who stated that they thought of creating a national resistance movement by giving hand in hand to the army with the nation, enumerates what should be done to reach this goal. One of the remedies that they think for doing the work they were foreseen was to try to make M. Kemal become the Minister of War in the Government (Cebesoy, 2000: 53).

At this time, Mustafa Kemal Pasha's house in Şişli became a place where many soldiers met and discussed political-military issues. Cebesoy also noted that he spent his days by going between Kuzguncuk where his house was located and Şişli.

#### **5. Mustafa Kemal Pasha Introducing Mehmet Ali Bey at Cebesoylar's House**

M. Kemal Pasha was invited to the house of Cebesoylar for dinner following days after Ali Fuat Pasha's brother, Captain Ali Bey's marriage with Mehmet Ali Bey's daughter. At the same dinner, Mehmet Ali Bey was also present. This meeting was organized by İsmail Fazıl Pasha and the two of them were introduced (Orbay, 1993: 229). Ali Fuat Pasha stated that they had an impact on Mehmet Ali Bey that evening and Mehmet Ali also promised that he would do all kinds of help and try to convince his party members (Cebesoy, 2000: 54-55). During the speeches

that evening, Mehmet Ali Bey remarked that he could soon enter the cabinet.

In the following days, Ali Fuat Pasha and his friends continued their meeting in Sisli. The psychological atmosphere here in national matters is negative due to the lack of confidence in the Government. Between Ali Fuat, Mustafa Kemal and Rauf Bey, the decision to initiate a resistance against the occupation forces in Anatolia was strengthened. Kazım Karabekir, who came to Istanbul to go to Erzurum from the 14th Corps Command in Tekirdağ in March 1919 and met with M. Kemal Pasha in Şişli, has already been thinking about it from the beginning (Karabekir, 2000: 105, 108-109).

### **6.Mehmet Ali Bey in the Cabinet**

After meetings and discussion with Mustafa Kemal Pasha, Rauf Bey and Refet Beys in Istanbul, Ali Fuat Pasha left Istanbul in mid-March and moved to Konya (Özçelik, 1993: 57). In the War of Independence, it was decided the 20th Corps, headed by Ali Fuat Pasha, transfer to Ankara in February 1919.

In the first Damat Ferit Pasha Government, which was announced on 4 March 1919 (Jaeschke, 1989:19), Mehmet Ali Bey was handed the Ministry of Post Telegraph. Ali Fuat Pasha, who was hopeful of this assignment, wrote a letter to his father in Istanbul and stating that he had asked his father to insist on Mehmet Ali Bey on the determination of Mustafa Kemal Pasha to Anatolia.

Ali Fuat Pasha revealed in his memoirs that he learned that the letter written by his father İsmail Fazıl Pasha, three days before the invasion of İzmir on May 15, 1919, made it clear that M. Kemal Pasha had been appointed with full authority to Anatolia.

A. Fuat Pasha emphasizes that D. Ferit Pasha, whose character he knew well, would not knowingly give up the role of an army inspector with full authority to a person such as M. Kemal and therefore he thought that Mehmet Ali Bey and his father had an important role giving this duty to Mustafa Kemal. After being assigned, M. Ali Bey noted that he started to work to give information to Grand Vizier Damat Ferit Pasha about the merits of M. Kemal Pasha for being appointed a duty.

Ali Fuat Pasha explained that after meeting with M. Kemal Pasha, M. Ali Bey frequently went to his house in Şişli. M. Kemal Pasha also went to Cebesoylar's house met with Ali Fuat Pasha's father İsmail Fazıl Pasha and his brother Captain Ali Bey. Meanwhile, there was a critical development in which the role of

M. Ali Bey in the government, which would enable him to facilitate the planned works at Cebesoy's house and Sisli, was enhanced. This

development was the appointment of M. Ali Bey to the Ministry of Internal Affairs in the Cabinet in early April 1919.

Ali Fuat Pasha, in his memoirs, pointed out in a report sent to the grand vizier from the command of the occupation forces in Istanbul that the public order was disrupted in Samsun and its surroundings, according to the report, it was recorded that the Turks were talking about attacking the Greeks. In this report, the British asked the government to prevent this situation in the region, whereupon Grand Vizier D. Ferit Pasha sought an opinion from the Minister of Internal Affairs on who could be appointed. Ali Fuat Paşa remarked in his memories that M. Ali Bey, who sees this opinion request as an opportunity, suggested to Sadrazam

D. Ferit Pasha that M. Kemal Pasha should be sent to Anatolia with wide authority (Cebesoy, 2000: 80). According to the memoirs of Ali Fuat Pasha, M. Ali Bey mentioned that the administrative chiefs could not dominate the situation in terms of public order, therefore, by combining civilian and military administrations, he convinced D. Ferit Pasha that the public order will be regulated if a young and energetic commander who gives support and confidence to the government was brought to this administration. D. Ferit Pasha, however, was not persuaded to make a definite decision before he met with M. Kemal Pasha.

### **7.Mehmet Ali Bey brings together Mustafa Kemal Pasha and Damat Ferit Pasha**

Minister of Internal Affairs M. Ali Bey, two days after his meeting with D. Ferit Pasha, organized a lunch to bring together the Grand Vizier and M. Kemal Pasha. Chief of General Staff Cevat (Çobanlı) Pasha is also present in the meeting. In this meeting, Ali Fuat Pasha specified that the general problems of the country were discussed and M. Kemal Pasha answered the questions of Grand Vizier in a way that would give him confidence and no doubt (Cebesoy, 2000: 81). M. Ali Bey and Cevat Pasha also supported M. Kemal Pasha's stance in the meeting. The meeting was fairly positive for M. Kemal Pasha. M. Kemal Pasha also met with Grand Vizier D. Ferit Pasha in his house during his farewell visits a few days before he left Istanbul (Jaeschke, 1991: 115).

According to the memoirs of Ali Fuat Pasha, the Grand Vizier ordered the appointment of Mustafa Kemal Pasha to be appointed to investigate the events in Samsun the day after the meeting with Mustafa Kemal. After this order of Ferit Pasha, on April 30, 1919, M. Kemal Pasha was appointed as the Inspector of 9th Army Continents and the same day, the will of the Sultan was published.

Ali Fuat Pasha referred that Mehmet Ali Bey, the Minister of Internal Affairs, helps as much as he can in order to determine the authorities of

M. Kemal Paşan when he is sent to Samsun. In addition, M. Kemal Pasha managed to prepare the instructions on the task in the direction that he wants and M. Ali Bey had signed this order to the Grand Vizier without being discussed in the Cabinet. At the Nutuk, Atatürk uses similar expressions in the same subject and states that the achievement of the task given to him depends on giving authority and he notes that he was also effective in setting up instructions for his authority (Atatürk, 1989: 14-15). As in many other subjects, Atatürk did not write his memoirs in detail about the commissioning process of Samsun.

However, Rauf Orbay has a different assessment about the role of Mehmet Ali Bey regarding the purpose of assisting in the appointment of M. Kemal Pasha. Orbay stated that Mehmet Ali Bey, who was a PFU, assisted M. Kemal Pasha in his appointment to Samsun, in fact he was doing because he thought this would be helped that the government will strengthen the public position (Orbay, 1993: 231). Orbay draws attention to the fact that M. Kemal Pasha on the way to Samsun, those who was among the farewells was only M. Ali Bey from the Cabinet.

In his memoirs, Ali Fuat Pasha stated that the British, who was disturbed by sending M. Kemal Pasha to Samsun with wide authority put pressure on the government and D. Ferit Pasha was to be in a difficult situation when when HIF members blamed the government for this appointment. It is for this reason that Ferit Pasha, in his new cabinet on 19 May 1919, allegedly showed his reaction to Mehmet Ali Bey by not giving a role, who suggested Mustafa Kemal Pasha to the Government and imposed his appointment on the duty. It quoted that the developments related to the invasion of İzmir and the work of M. Kemal's army inspector weaken further the already weaker government (Cebesoy, 2000: 83).

Mustafa Kemal Pasha made his first contact with Ali Fuat Pasha on 23 May 1919 after after his arrival in Samsun (Özçelik, 1993: 63).

## References

- ATATÜRK, Mustafa Kemal, (1989). *Nutuk*, C. 1, Türk Tarih Kurumu Yayınları, Ankara, 3. Baskı. CEBESoy, Ali Fuat, (2000). *Milli Mücadele Hatıraları*, Temel Yayınları, İstanbul.
- CEBESoy, Ali Fuat, (2011). *Siyasi Hatıralar*, C. 1-2, Temel Yayınları, İstanbul, 3. Baskı.
- JAESCHKE, Gerhard, (1989). *Türk Kurtuluş Savaşı Kronolojisi-Mondros'tan Mudanya'ya Kadar*, Çev: ?, Türk Tarih Kurumu Yayınları, Ankara, 2. Baskı.

- JAESCHKE, Gerhard, (1991). *Kurtuluş Savaşı İle İlgili İngiliz Belgeleri*, Çev: Cemal Köprülü, Türk Tarih Kurumu Yayınları, Ankara, 2. Baskı.
- KARABEKİR, Kazım, (2000). *İstiklâl Harbimiz*, Emre Yayınları, C. 1, İstanbul, 5. Baskı
- ORBAY, Rauf, (1993). *Cehennem Değirmeni-Siyasi Hatıralarım*, C.1, Emre Yayınları, İstanbul.
- ÖZÇELİK, Ayfer, (1993). *Ali Fuad Cebesoy*, Akçağ Yayınları, Ankara.

- **TOURISM**

# **EVENT PARTICIPATION MOTIVES OF VOLUNTEERS AND DIFFERENCES BY DEMOGRAPHIC FACTORS: KOÇFEST EXAMPLE**

**Seher Ceylan\***

## **Introduction**

Events take an important place in tourism sector as recreational activities (Karaküçük, 1997). Activities that include predetermined activities carried out to achieve specific results at specific intervals (Pira, 2004), such as tourist attraction, image creation, encouragement, support, and destination marketing (Getz, 1997). Especially in terms of destination marketing, contributing to the promotion of the destination and providing significant economic contribution emphasize the importance of activities (Jago et al. 2005). Sports activities, as an event type, are the recreational activities organized depending on the program determined before, and providing socially and economically important contributions to the organized destination and therefore, creating a touristic effect (Bjelac & Radovanovic, 2003).

Foreseen that the volunteers contribute to the event, which incentives are involved in the events, provides considerable advantages for the companies and managers who perform the activities. Since the aim of this study is to investigate the relationship between the demographic characteristics of volunteers and their event motives, especially the literature on the event participation of volunteers and their relationship with demographic characteristics is studied. Then, the findings of the research conducted during the Koç Sports Fest event hosted by Pamukkale University and Denizli Metropolitan Municipality in 2017 are evaluated. Koç Fest University Sports Games of Turkey is an event launched in 2006 by Koç Holding. Koç Sports Fest is a festival that offers sports, music and entertainment for university students. (Koç Holding, 2018). Koç Sports Fest University Games of Turkey, held on 7 to 14 May 2017 in Denizli, with the cooperation of Youth and Sports Ministry, Presidency of University Sports Federation of Turkey, hosted by Pamukkale University and Denizli Metropolitan Municipality.

## **Literature**

Event motives can be defined as factors that affect the decision to participate in an event and try to explain why participants choose to participate in that event. People voluntarily participate in different events with different causes and motives. Therefore, these elements are wondered

---

\* Assist. Professor of Denizli Social Science Vocational School, Pamukkale University. Denizli. ceylans@pau.edu.tr



for the researchers, and have been examined frequently in the event tourism literature and it is determined that different groups participating in the event acted with different motives (MacLean & Hamm, 2007; Bang & Ross, 2009). Many studies (Allen & Bartle, 2014; Cnaan & Goldberg-Glen, 1991; Farrell et al. 1998) investigating the motives of why people want to volunteer in organizations have been carried out to understand the motivating factors and the expectations of the volunteers from the event.

Alexander, Kim and Kim (2015) evaluated volunteerism as an event that requires volunteering, willing, unpaid, but also a sense of responsibility, time and effort. They emphasized that participation motives can be seen as a key in their efforts to understand the voluntary decisions because there is no material return. Considering the two hundred definitions in the literature for volunteering, four elements describing volunteerism are identified. These are the free will, the existence and quality of the wage, the proximity to the participants and the participation in a formal organization. The quality of the wage here means that the needs of the volunteers can be met (Yildiz, 2015). Volunteering is especially popular among young people and students (Barron & Rihova, 2011). Today, especially in big sports events, more studies have been conducted on the motives of volunteers (Boz & Palaz, 2007; MacLean & Hamm, 2007; Bang & Ross, 2009; Hallmann & Harms, 2012; VanSickle et al. 2015; Alexander et al. 2015). It is determined that volunteers in sporting events are mostly involved in activities such as organization of events, security, health and technical support (Johnston et al., 1999).

In the study of volunteers' participation motives in sports activities, Hallmann & Harms (2012), investigated the effects of determinants of volunteer' motivation on future voluntary engagement and how their motives changed according to the type of event in activities for equestrian and handball sports. In this study, the motives of expression of values, interpersonal contacts, career orientation, personal growth and love of sport are examined.

Boz & Palaz (2007) examined the characteristics of the volunteers and the factors affecting the participation motives of the volunteers. VanSickle et al. (2015), investigated volunteer motives in sporting activities, and mentioned about the effect of volunteer satisfaction on community support, career development, personal growth and love of sport, and also mentioned the difference according to demographic variables in the participation motives, such as volunteers' age, gender, educational level and income status. Hallmann and Harms (2012) demonstrated that it is important to be informed about the motivation of the volunteers during the recruitment process, and that there should be a compatibility between the volunteers' abilities and their duties in the event. In addition, as a result of the research,

it is found that the personal development goals of the volunteers have the highest effect explaining the participation motives of the volunteers.

Alexander et al. (2015), In their study of the 2012 London Olympic Games, used seven elements of participation motivation to identify the voluntary segments of sporting events. These motives are career function, value function, olympic function, enhancement function, understanding function, social function, protective function. In line with these motives, they found three volunteer segments (the obligated, the enthusiastic and the semi-enthusiastic). Yıldız (2015), in his study on the motivation of the volunteers to participate in sports activities, associates the success of the activities with the good management and coordination of the volunteers. While Li & Wood (2016) found that there are differences with event participation motives in terms of gender, age and education level, VanSickle, Pierce & Diacin (2015) concluded that there are differences in terms of age, gender, educational level, and income.

**Method of Research**

The aim of this study is to determine the Koçfest event motives of volunteers and to reveal their differences according to demographic characteristics. In order to determine whether such a difference exists, a 36-item scale is created by using Nicholson & Pearce, 2001 and Polat, 2013. The questionnaire form is applied with convenience sampling in the year 2017 in the province of Denizli in the Koçfest event. The event is hosted by Pamukkale University. The questionnaire consisted of 36 items related to event motives and 9 items related to demographic data. First of all, the reliability of the scale is tested and the alpha value of the 36-item scale is determined as 0.93. The number of volunteers working at this event is determined to be 320 and a decision is made to make a complete count. However, there are 295 data left as a result of missing data and extreme value analysis. Factor analysis is conducted because the data provided the assumption of normality. Then, it is investigated whether there is a relationship between demographic variables and event participation motives determined by factor analysis results. The limitation of the study is limited to the Koçfest 2017 event.

**Findings and Discussion**

Demographic findings on descriptive statistics are given in Table 1.

**Table 1: Demographic variables of volunteers**

	<b>VOLUNTEERS</b>	
	N	%
<b>University</b>	<i>n</i> =295	
Pamukkale University	251	85.1

Other Universities	44	14.9
<b>Sex</b>	<i>n=295</i>	
Female	108	36.6
Male	187	63.4
<b>Marital Status</b>	<i>n=290</i>	
Married	11	3.8
Single	279	96.2
<b>Grade</b>	<i>n=275</i>	
1.	80	29.1
2.	89	32.4
3.	55	20.0
4. grade and above	51	18.5
<b>Age</b>	<i>n=271</i>	
Below age 20	43	15.9
20-21	107	39.5
Above age 21	121	44.6
<b>Field of education</b>	<i>n=282</i>	
Social	101	35.8
Techniactal	69	24.5
Sports	112	39.7
<b>Family residence</b>	<i>n=290</i>	
Countryside (Village/Town)	99	34.1
City	191	65.9

When the demographic variables of the participants are examined, it is determined that 85.1% of the participants are from Pamukkale University and 14.9% are volunteers from other universities. 36.6% of the participants are female and 63.4% are male. 96.2% are single and 3.8% are married. In terms of the grade in the university, it is seen that 29.1% are First grade, 32.4% are Sophomore, 20% are Junior and 18.5% are Senior and above. 15.9% are 20 years and below, 39.5% are in the 20-21 age range and 44.6% are 21 years and older. When evaluated in terms of education, it is determined that 39.7% of them are sports, 35.8% of them are social and 24.5% of them are studied in technical fields. When the residences of the families are examined, it is seen that 34.1% of the families reside in villages and towns and 65.9% of them reside in the city.

**Table 2: Volunteers Factor Analysis**

<b>Factors</b>	<b>Factor load</b>	<b>Eigen value</b>	<b>Explained variation</b>	<b>Alpha</b>

<b>Factor 1: Interaction</b>		<b>11.931</b>	<b>42.610</b>	<b>.899</b>
7- Allows you to be with friends.	.662			
8- Activities are fun.	.710			
9- Provides new experiences.	.668			
11- Enables participation in different activities.	.658			
12- Helps to be with fun people.	.652			
13- Sports activities are interesting.	.618			
14- It is enjoyable to watch the participants.	.639			
15- Events bring people who like the same things together.	.602			
16- The crowd created by the event is beautiful.	.513			
17- Events enable interaction with the environment.	.622			
18- Events provide the opportunity to meet new people.	.754			
19- Events make it easier to participate in other chat environments.	.717			
21- The presence of the event in the media increases participation in the event.	.617			
<b>Factor 2: Lifestyle</b>		<b>1.892</b>	<b>6.757</b>	<b>.874</b>
28- I define myself as a sports enthusiast.	.794			
29- Sports is an indispensable part of life.	.754			
30- Sport is a way of life for me.	.850			
31- Sports fills the gaps in my life.	.660			
33- I'm passionate about the joy of competition in sports.	.555			
<b>Factor 3: Escape from Routine,</b>		<b>1.538</b>	<b>5.494</b>	<b>.755</b>
5- Helps to escape daily routine work.	.805			
6- Makes you forget the difficulties of life.	.814			
<b>Factor 4: Prevalence</b>		<b>1.283</b>	<b>4.583</b>	<b>.823</b>
25- The widespread follow-up of sports increases participation in the event.	.675			
26- The fact that sport is on the	.758			

agenda of the country increases the participation in the event.				
27- The fact that sports is being carried out by the community increases participation in the event.	.599			
<b>Factor 5: Corporate Image</b>		<b>1.010</b>	<b>3.607</b>	<b>.663</b>
35- I attended this event because of Koçfest's positive image.	.721			
36- I attended this event because of the positive image of Pamukkale University.	.792			
<b>For all variables</b>			<b>63.052</b>	

The suitability of the data in Table 2 for factor analysis is analyzed by KMO and Bartlett's Test. As a result of the factor analysis, the result of the Barlett test is  $p < 0,000$  and the Kaiser-Meyer-Olkin sampling value is 0.94, which is within acceptable limits. In the factor analysis applied to the data, the varimax option is used, and the scree plot graph is analyzed and the data whose eigenvalues above one are evaluated. Variables are evaluated under the factor where the factor load is greater and the variables that received equal and very close factor load are removed. Thus, the 36-expression scale (by removing the items 1,2,3,4,10,20,22,23,24,32,34) is reduced to 25 and grouped under five factors. The alpha value of the 25-expression scale is determined as 0.94. This result shows that the new scale obtained is also reliable.

According to the results of factor analysis given in Table 2, participation motives in Koçfest event are determined as follows; The variance explained by the factor 1 described as Interaction is 42.610 and its eigenvalue is 11.931 and it consists of thirteen expressions. The variance explained by the factor 2 described as Lifestyle is 6.757 and its eigenvalue is 1.892 and it consists of five expressions. The variance explained by factor 3 described as Escape from routine is 5.494 and its eigenvalue is 1.538 and it consists of two expressions. The variance explained by the factor 4 described as Prevalence is 4.583 and its eigenvalue is 1.283 and it consists of three expressions. The variance explained by factor 5 described as Corporate image is 3.607 and its eigenvalue is 1.010 and it consists of two expressions. The total variance explained by the factors is 0.63.

**Tablo 3: Change of participation motives according to the demographic data of volunteers**

	Interaction 1	Lifestyle 2	Escape from Routine 3	Prevalence 4	Corporate Image 5
<b>Sex</b>					
1. Female	4.14	3.75	3.44	4.05	3.87
2. Male	4.00	3.94	3.39	3.96	3.73
<i>t</i> - test	1.61	1.77	.337	.835	1.24
Sig. level	.108	.077	.737	.405	.216
<b>Age</b>					
1. Below age 20	4.29	4.04	3.43	4.18	4.02
2. 20-21	4.01	3.83	3.24	3.95	3.62
3. Above age 21	4.05	3.80	3.61	4.04	3.86
<i>F</i> - test	2.69	1.16	3.12	1.22	3.30
Sig.level	.069	.314	<b>.045</b>	.295	<b>.038</b>
Scheffe			<b>2-3</b>		
<b>Field of education</b>					
1. Social	3.90	3.49	3.44	3.68	3.57
2. Technical	3.97	3.91	3.66	4.06	3.91
3. Sports	4.28	4.16	3.27	4.23	3.89
<i>F</i> - test	7.56	15.8	2.63	12.9	3.55
Sig.level	<b>0.01</b>	<b>.000</b>	.074	<b>.000</b>	<b>.030</b>
Scheffe	<b>3-1, 3-2</b>	<b>1-2, 1-3</b>		<b>1-2, 1-3</b>	
<b>Grade</b>					
1.	4.10	3.99	3.24	3.98	3.84
2.	4.03	3.81	3.16	3.93	3.56
3.	4.05	3.72	3.82	3.95	3.80
4 and above	3.96	3.82	3.80	4.06	3.95
<i>F</i> - test	.419	1.03	6.85	.255	2.03
Sig.level	.740	.376	<b>.000**</b>	.858	.110
Scheffe			<b>3-1, 3-2, 4-1, 4-2</b>		
<b>Family Residence</b>					
1. Countryside (Village/Town )	3.88	3.77	3.23	3.81	3.59
2. City	4.14	3.92	3.52	4.09	3.87
<i>t</i> - test	3.06	1.35	2.01	2.76	2.27
Sig.level	<b>.002</b>	.176	<b>.046</b>	<b>.006</b>	<b>.027</b>

According to the discriminant analysis in Table 3; It is determined that the volunteers who participated the sporting activities with *interaction motive* differed in terms of age, field of education, grade and family residence. Gender did not make any difference in the participation of

volunteers in sporting event. It is determined that field of education and family residence differed in the volunteers who acted with *interaction motive*. It is determined that the volunteers who study in the field of sports act with more interaction motives than those who study in the fields of social and technical. Again, it is found that those whose family residence is city, have higher interaction motive. Only the field of education differed in the volunteers who considered sporting activities as *lifestyle* and acted accordingly. It is determined that the volunteers who studied in the field of sports, participated in sporting activities considered this activities to be more life style and acted according to this motive. This result is expected.

Age, grade and family residence are found to be different in the volunteers who moved with the *escape from routine* motive. It is found that the age of above 21 years is more motivated by escape from routine motives than 20-21 years old. It is determined that the students studying in the 3rd and 4th grade move with more escape from routine motive than the 1st and 2nd grades. It is found that escape from routine is more meaningful in terms of city residents. However, it is often seen that the lives of rural people are more routine. The result is the opposite, and deeper research is needed to reach judgment. According to these results, it can be said that the more the age and the grade increases, the more need to escape from the routine.

In the case of volunteers acting with *prevalence*, differentiation is determined according to the field of education and the residence. The movement of volunteers with the motive of prevalence who are educated in the field social is less significant than the others. In other words, it is determined that those who study in the the fields of sports and technical pay more attention to the prevalence motive in participation of sportive activities. Likewise, it is found that the prevalence motive is more important for those who live in the cities. It is determined that age, field of education and resident also make a difference in those who act with *corporate image* motive. It is determined that volunteers who study in the field of social with the age group of 20-21 and living in rural areas pay less attention to the corporate image than others. In other words, it is determined that corporate image motive is more important for those who live in the cities and study in the fields of technical and sports and in the groups under the age of 20 and above 21 years.

## **Conclusions**

The aim of this study is to determine the Koçfest event motives of volunteers and to reveal their differences according to demographic characteristics. For this purpose, descriptive statistics are first introduced and then factor analysis is applied to determine the motives of participation in the event. In addition, the differentiation of participation motives

according to demographic data is determined. As a result of the analysis conducted for the volunteers, it is determined that the event participation motives are collected under five factors and explained 63% of the total variance. Event participation motives are respectively; interaction, lifestyle, escape from routine, prevalence and corporate image. Among these, the first motive, interaction, is determined as the most important motive and explained 42.6% of the total variance of 63%. It is determined that the volunteers who participate in sportive events with *interaction motive* are different in terms of age, field of education, grade and family residence.

In the volunteers acting with *interaction motive*, the field of education and the family residence differed, and in the volunteers acting with the *lifestyle motive*, only the field of education differed. It is determined that the age, class and family residence of the volunteers who move with *escape from the routine motive* differed, and the field of education and resident in those who act with *prevalence motive* differed. It is determined that age, field of education and resident also differ in those who act with *corporate image motive*.

The study shows similar results with the implications of the participation motives according to demographic variables such as age, gender, education level and income status of volunteers in VanSickle et al. (2015) studies. While Li and Wood (2016), in their studies, found that there are differences with the event participation motives in terms of gender, age and education level, it is found, in this study, that gender did not make any difference in the participation of volunteers in sportive activity. The study is important in terms of revealing interaction motive as the most important motive of the volunteers to participate in the event. In future studies, participation motives of other groups (such as viewers, participants and employees) who participate in the event in different ways, or the event satisfaction of the volunteers can also be evaluated.

## References

- Alexander, A., Kim, S.B. & Kim, D.Y. (2015). *Segmenting volunteers by motivation in the 2012 London Olympic Games*. Tourism Management, 47, 1-10
- Allen, J. B. & Bartle, M. (2014). *Sport event volunteers' engagement: Management matters*. Managing Leisure, 19(1), 36–50.
- Bang, H. & Ross, S. D. (2009). *Volunteer motivation and satisfaction*. Journal of Venue & Event Management, 1(2), 61-77.
- Barron, P. & Rihova, I. (2011). *Motivation to volunteer: a case study of the Edinburgh International Magic Festival*. International Journal of



- Event and Festival Management, 2 (3), 202-217, Emerald Group Publishing Limited 1758-2954, DOI 10.1108/17582951111170281
- Bjelac, Z. & Radovanovic, M. (2003). *Sports events as a form of tourist product, relating to the volume and character of demand*, Journal of Sport Tourism, 8(4), 260-269.
- Boz, I., & Palaz, S. (2007). *Factors Influencing the Motivation of Turkey's Community Volunteers*. *Nonprofit & Voluntary Sector Quarterly*, 36(4), 643–661. Retrieved from 10.1177/0899764006298364
- Cnaan, R. A., Handy, F. & Wadsworth, M. (1996). *Defining who is a volunteer: Conceptual and empirical considerations*. *Nonprofit and Voluntary Sector Quarterly*, 25(3), 364–383.
- Farrell, J. M., Johnston, M. E. & Twynam, G. D. (1998). *Volunteer motivation, satisfaction, and management at an Elite Sporting Competition*. *Journal of Sport Management*, 12(4), 288-300.
- Getz, D. (1997). *Event Management & Event Tourism*, Cognizant Communication Corporation, New York.
- Hallmann, K. & Harms, G. (2012). *Determinants of volunteer motivation and their impact on future voluntary engagement: A comparison of volunteer's motivation at sport events in equestrian and handball*. *International Journal of Event and Festival Management*, 3(3), 272-291
- Jago, L.K., Deer M. & Sherwood, P. (2005). *Unlocking the Triple Bottom Line of Special Event Evaluations: What Are the Key Impacts? Proceedings of the International Event Management*. Australian Centre for Event Management, Sydney, 16-32.
- Johnston, M. E., Twynam, G. D. & Farrell, J. M. (1999). *Motivation and satisfaction of event volunteers for a major youth organization*. *Journal of the Canadian Association for Leisure Studies*, 24(1/2), 161–177.
- Karaküçük, S. (1997). *Rekreasyon, boş zamanları değerlendirme, kavram, kapsam ve bir araştırma*, Seren Ofset, Ankara.
- Koç Holding (2018). Koç Spor Fest. <https://www.koc.com.tr/tr-tr/faaliyet-alanlari/projeler/koc-spor-fest>, 04.06.2018
- Li, Y.-N., & Wood, E.H. (2016). *Music festival motivation in China: Free themind*. *Leisure Studies*, 35(3), 332–351.
- MacLean, J., & Hamm, S. (2007). *Motivation, commitment, and intentions of volunteers at a large Canadian sporting event*. *Leisure/Loisir*, 31(2), 523-556.
- Nicholson, R. E. & Pearce, D. G. (2001). *Why do people attend events: A comparative analysis of visitor motivations at four South Island Events*.

Journal of Travel Research, 39, 449-460.

Pira, A. (2004). *Etkinlik Yönetimi*, Mediacat Yayınları, İstanbul.

Polat, E. (2013). *Spor Seyircilerinin Spor Müsabakalarını Seyretme Sebeplerinin İncelenmesi: Üniversite Öğrencileri Örneği*. Yayınlanmamış Doktora Tezi, Abant İzzet Baysal Üniversitesi, Sosyal Bilimler Enstitüsü, Bolu

VanSickle, J.L., Pierce, D.A., & Diacin, M. (2015). *Volunteer motivations at the 2012 Super Bowl*. International Journal of Event and Festival Management, 6 (3), 166-181

Yıldız, A. (2015). *Bir Spor Etkinliğinde Gönüllülerin Motivasyonu Ve Topluluk Hissi*, Yüksek Lisans Tezi, Ortadoğu Teknik Üniversitesi, Sosyal Bilimler Enstitüsü.

- **PRODUCTION AND OPERATION  
MANAGEMENT**

# **SIX THINKING HATS AND INNOVATIVE MINDSET AS A COMPETITIVE ADVANTAGE FOR AN ORGANIZATION**

Murat Taha BİLİŞİK\*

## **Introduction**

A competitive advantage is what makes an entity's goods or services superior to all of a customer's other choices. The term is commonly used for businesses. By the way, the term innovation is difficult to explain or define. To innovate means to cause something to exist, to bring into being, to originate, to give rise to or to compose. The product of an innovative process can be an object, an action, or an idea which is new, original, unexpected, or imaginative (Barak, 2004).

The main challenge for an organization is to achieve competitive advantage through acts of innovation. Management guru Porter further states that using new technologies and doing things differently is necessary to achieve the competitive advantage.

According to Murat et al. (2010), the aim is to adapt to innovation, adapt to the ever-changing rules, and compete against the competitors. With this feature, it can be concluded that innovation is a powerful strategic management tool. In the competitive environment of the world, it becomes increasingly difficult to survive by imitating the work and products of others. By the way, it is possible for an organization to meet consumer needs more effectively, to evaluate strategic market opportunities with their strengths and to be ahead of the competition with innovation (Satı and Işık, 2011).

## **2. Aim of The Research**

In this study, the aim is to demonstrate that innovation and innovative mindset is necessary to gain competitive advantage for an organization by providing successfully applied case examples.

By this mean, the following section which is section three involve corporate culture and continuous effort for innovation and some of the best companies which think innovation is a must for better competitiveness.

Then, at section four, a methodology which is called six thinking hats by Edward De Bono is suggested for innovative climate.

## **3. Corporate Culture and Continuous Innovation**

Continuous Innovation has become a necessity for companies to remain competitive. Although corporate culture is the most important factor in

---

\* Ph.D., Lecturer, Istanbul Kultur University, İstanbul, Türkiye. E mail: m.bilisik@iku.edu.tr

terms of Continuous Innovation, many factors are effective in determining the innovation rate in a firm. (Nacinovic et al., 2009)

As can be seen from here, the corporate culture is a factor that will stimulate and stimulate innovation. However, one question that should be asked is how corporate culture and rewarding mechanisms should be linked, so that innovation can be triggered and developed in that firm.

Creation of the corporate culture that promotes innovation starts with reward systems because the desired behaviors are rewarded and employees are motivated to repeat such behaviors. Innovative organizations masterly manage the subtleties of reward and punishment (Tushman and Nadler, 1986). For example, a program such as sharing profits from innovation can make innovation permanent (Lau and Ngo, 2004).

Some of the companies that attach importance to innovation make efforts to involve their employees in this process. For example; the internal website, which can be used by Amazon's own employees, has an open-access virtual idea box where all employees can offer small or big contributions.

Another example is Westin Hotels. Westin Hotels award 5 employees, who make the best contribution to innovation, with an exotic holiday gift of 5 days in each season.

Nestlé is another company which utilizes innovation continuously. Nestlé was born in the 1850s as a dairy producer suitable for the Alpine agriculture and livestock culture, and grew rapidly with milk products and chocolate. Nestlé started to invest in different food products over time.

The most innovative product of the group came in the early 1900s. Nestlé created her own coffee Nescafé, putting fresh seed coffee into a new format. While all the food businesses in the world came to the brink of sinking with World War II, Nescafé, which spread rapidly in the US Army, was the invention that sustained the group in the toughest conditions.

Nestlé's inventor role in the world of coffee is not limited to Nescafé, who has a generic name today. Another invention of the group is Nespresso, which has a unified name.

The most elite espresso taste in every part of the world that expresses the birth of the brand, today is quite unpretentious. The story begins in 1976 when Eric Favre, a Nestlé employee, invented the capsule system. The idea of encapsulated coffee at that time does not attract interest and the project was not getting much success. However, the acquisition of the sub-company by Jean-Paul Gaillard, a successful businessman in 1988, has changed the color of the business. Jean-Paul quickly made this new business model popular with its marketing intelligence. In 1990, the famous coffee machine manufacturer Turmix produced the first Nespresso

capsule device. As long as they were quickly involved in giants such as Krups, Alessi, Philips and Siemens.

In 1996, Nespresso was granted a patent by developing a special capsule system. The following years have been the period when the brand is rapidly rising and gradually has become a culture.

Coffee is not the business model Nespresso brand is built on top of a unique business idea: first sell the coffee machine to the consumer, make them used to the coffee taste. Then, make a life-long relationship with your customer to buy capsules and periodically keep your products fresh.

What about Nike? The company has become a technology-oriented company that has gained more than \$ 34 billion annually from its outlook of a business that offers sports products to the market through its continuous investment in innovative nature and culture. At this point, Nike has successfully adapted new innovations to its own ecosystem and has developed its own innovations. Since 2009, Nike has doubled the number of patents, leaving out Adidas and even Ford and Pfizer.

Nike has recently developed a collaboration with Hewlett Packard for better evaluation of resources. Hewlett Packard will provide the company with 3-D printer support for the development of high quality athletic shoes with Nike.

Similarly, Nike produces another 71 percent of the material it uses in sports products by using recycled materials. This gave the company the opportunity to develop its total turnover by 64 percent.

Nike wants to continue its operations with 100 percent renewable energy sources until 2025 under the target of zero waste and to increase the use of resources. In this respect, the company works on projects that focus on experimental daylight systems and facilities, solar panels and wind turbines. Nike also reduced the number of cuts made in its shoes thanks to the Flyknit model, which has a new unique single-upper part.

As a result, the exemplary firm Nike gains a competitive advantage with continuous innovation by thinking out of the box. (<https://proov.io/blog/enterprise-insights-nike-stays-innovative/>)

### **3.1 Open Innovation**

Today, innovation has begun to shift from the approach within the boundaries of the business to the approach outside the business. Consumers' desire to be included in every stage from production to distribution and the fact that businesses focus on satisfying the consumer at the highest level in the competitive environment have accelerated the transition to open innovation.

With the open innovation approach, companies can also obtain sources of innovation from external sources such as university-industry collaborations, research laboratories, consultancy and the internet (Yigit and Aras, 2012). Again in this respect, companies cooperate with customers, competitors, academicians and other companies outside their business areas for new sources of information and markets (Grotnes, 2009). The collaboration between companies ensures the reduction of high risks in creating new products (Vanhaverbeke and Cloudt, 2006).

In order for open innovation to be successful and to maintain its long-term success, structures and mechanisms to be developed in such an organizational climate are necessary as well as the development of an organizational climate in line with this approach (Kaynak and Maden, 2012).

Articles on open innovation agree that company leaders should support innovative people (Elmquist et al, 2009).

Today, many companies have integrated open innovation into company missions and continue their activities within the framework of this approach. Some of the companies that adopt open innovation are given below:

Peugeot: The company's website emphasizes the importance it places on open innovation. Peugeot states the attitude of their companies on open innovation in their websites:

"It is essential to be open to a successful innovation. It is also very important to identify the technological developments that will pave the way for designing the vehicle of the future. Peugeot believes that the only way to go forward is open innovation and organizes its activities within the framework of this approach." (<http://www.psa-peugeot-citroen.com/en/automotive-innovation/cartomorrow/open-innovation>)

Consistent with this approach, Peugeot organized a design competition called Open Design in 2005 and exhibited the most admired designs coming from the customers in automotive organizations. The company also benefited from these ideas in the development of new models. (Kaynak and Maden, 2012)

Lego: Lego brainstorming is a classic example of open innovation. Lego has allowed his customers to design, and by utilizing the creativity, imagination, and intelligence of the community, Lego reversed his downward trend in the era of digitization.

One of Lego's initiatives is Lego Design by Me. This is the service that allows users to design their own Lego models, upload them to the company's website and order them. However, users can also design their own boxes. This app offers a completely personalized experience.

Crowdsourcing, the approach that Lego makes use of, is a tool of open innovation.

### **3.2 Types of Innovation In Terms Of Customer Utility**

In this context, an innovation that can increase customer benefits can occur in three different types:

Incremental innovation,  
Radical innovation and  
Groundbreaking innovation.

#### **3.2.1 Incremental Innovations**

Incremental innovations include modification, clarification, enhancement and expansion of existing products, processes, services and production and distribution activities. The majority of innovations fall into this category. Some examples of incremental innovations:

- Many versions of Sony's Walkman are different from the original model, but all models released later are built on a common platform with a number of innovations.
- Most automobile models offer small improvements every year, providing significant benefits in terms of safety, efficiency and comfort. (Gaynor, 2002).

#### **3.2.2 Radical Innovations**

Radical innovation consists of introducing new products or services that are developing or introducing new core business areas or new sectors, leading to significant changes throughout the industry and creating new values. Examples of radical innovation:

- ATM machines, which make it possible to reach some funds from almost anywhere in the world with a suitable plastic card, have significantly transformed the banking business, although not entirely.

Before the emergence of Automatic Teller Machine (ATM), people had to go to bank for even simple transactions such as cash withdrawal and funds transfer, and suffered from unexpected waiting time.

On the side of banks, they always found it costly to handle each of the routine transaction manually.

By extracting the core functions which essentially perform the transactions in the course of service delivery and then standardizing them, ATM offers a radical solution to solve the contradiction of “customers had to be present in person at bank in order to withdraw cash, customers should not be present because of extreme inconvenience”.



In fact, the use of credit card as one of the important payment modes and the recent introduction of internet banking services all the way follow the same innovation pattern, that is, extracting the functions performing the transactions out of physical banks and make them happen as close as possible to customers.

Moreover, the adding of customer self-service concept into the delivery system of banking services also lowers the transaction cost for the bank. (Zhang, et al, 2003)

### **3.2.3 Groundbreaking Innovations**

Groundbreaking innovations are the developments that catch people unprepared. These are rarely occurring events that arise from insights in science or engineering. These are called as groundbreaking innovation, because they make things that most people don't realize are possible. Groundbreaking innovations create something new or meet a previously undiscovered requirement. Groundbreaking innovations often have uses and effects far beyond their intended purpose. These type of innovations can start new sectors or transform existing sectors. Groundbreaking innovations are sometimes called "destructive innovation." An example for groundbreaking innovation:

- The first EARS laser printer was manufactured by Xerox. This laser printer could print 60 copies per minute with 600 dots per inch. No one has ever done or imagined anything like this before!

## **4. Six Thinking Hats**

Edward De Bono, in his book Six Thinking Hats, one of the bestseller books, emphasized that each of these hats contains different types of thinking and that deciding when to wear these hats encourages innovative thinking as the conduct of an orchestra conductor shows. (De Bono, 2017)



Figure 1. Six Thinking Hats

#### **4.1 White Hat**

White hat shows the mode of thinking when the target is looking at the desired data and information. White is neutral and objective. Provides clear information and numerical proofs.

Thinking of white hats is an easy way to ask for an objective and objective demonstration of facts and figures (Koray, 2005).

The person wearing the white hat gives answers to the questions based on facts and avoids comments. "Let's put arguments and bids aside and look at the database," it means.

#### **4.2 Red Hat**

Red Hat shows the mode of thinking about emotions, challenges and instincts (Mann, 2004).

The red hat allows the thinking person to express his feelings about a particular subject in exactly the way he wants. Red evokes anger, passion and emotion. The red hat gives an emotional point of view and proposes emotional ideas. According to this; it is the opposite of objective and objective knowledge. While defending his thoughts, he does not require justification or justification. It is about irrational aspects of thinking, because it moves with emotions and intuitions.

#### **4.3 Black Hat**

Black Hat indicates the mode of thought related to attention and judgment and looks logically at the negative aspects of a problem. It is often defined as the devil's advocate in mode of thought. It's the hat of judgment and prudence. A very precious hat.

In no way is a hat worthless or negative. It's not a hat-fight or a flaw in everything. A black hat is used to draw attention to why a proposal does not comply with the facts, current experiences, the system used or the policy being followed. The black hat must always be logical.

#### **4.4 Yellow Hat**

Yellow hat shows the mode of thinking about exploring the benefits and applicability of a particular situation, and logically looks at the positive aspects of the situation. Yellow hat as opposed to the black hat is interested in positive evaluations. Whereas, black hat is interested in negative aspects of a problem.

In the yellow hat, positive thinking, optimism, focusing on benefits, constructive thinking prevails. Wearing this hat, an advantage over the subject is created.

## **4.5 Green Hat**

Green hat shows the way of thinking about the production of new ideas, creative and in lateral 'thinking. It is the hat of creativity, alternatives, suggestions, interesting, provocations and changes. So this hat acts as an idea-generating tool and provides time and space for creative thinking. Question about the green hat are given below:

How about we follow plan A?

Why don't we brainstorm?

Consider how this solution will work in practice?

## **4.6 Blue Hat**

Blue hat shows the mode of thinking about the general control and organization of thinking processes. Blue represents serenity and is also the color of the sky above all else. The blue hat deals with the regulation and control of the thinking process. It also deals with the use of other hats.

Cool and condition has the thoughts of trying to find results by analyzing. "When I wear my blue hat, I feel that we need to think more with green hats at this point."

The main theme of the above-mentioned six-hat thinking method is that it offers the in role-playing. Since the individual's self-defense instinct is the main barrier to thinking; hats without hesitation provides speaking in other cases can't be thought and said.

In addition, six-hat thinking allows the individual to address a particular subject from six different points by routing his / her attention from one point to another on a regular basis. (Bono, 2002)

The reason why hats are colored is that this is because colors make it easier to visualize a number of things in the individual's imagination.

The symbolic structure formed by six different hats offers a convenient method that can be easily used to ask a person (including ourselves) to look at the event from a different angle.

Moreover, with this method, one may be asked to think positively or negatively, be creative or give an emotional response. Colors are linked to the function of each hat.

Laura Donahue from Nestle says about the Six Thinking Hat Technique that "The six hats are a simple, yet powerful tool that can be learned in a short time, can be used immediately, and gives lasting results. Six hats have helped our product development group to quickly generate ideas, evaluate them efficiently, and effectively implement action plans."

## **5. Conclusion and Discussion**

In this research, companies such as Nike, Nestle, Lego, Peugeot and Amozon have been taken as case examples which apply innovation and gain competitive advantage.

As shown in these examples, these companies apply innovation in a continuous effort and do their best to increase the customer value. Of course, these efforts help companies to increase their market shares and survive better in this very competitive environment.

In the study, a technique which is known as six thinking hat has been also discussed. This technique may also induce innovative thinking and help companies solves problems or conflicts preventing the innovation.

The outcomes reached and gained by innovative companies demonstrate that similar innovative solutions can be found within the borders of other companies.

In conclusion, we can suggest that any type of collaborations, investing some funds into research and development every year, government supports and inducements may stimulate and help for an innovative climate for companies.

By the way, to sustain the innovation continuously, a reward policy within the company should be prepared and applied. So, a type of innovation which is either a product innovation, a process innovation, a marketing innovation or an organizational innovation may be easily obtained.

## References

- BARAK, Moshe, (2004), “Systematic Approaches for Inventive Thinking and Problem-Solving: Implications for Engineering Education”, *International Journal of Engineering Education*, Vol.20, Issue 4, pp.612-618.
- DE BONO, Edward, (2017), *Six Thinking Hats*, Penguin UK.
- DE BONO, Edward, (2002), *Altı Şapkalı Düşünme Tekniği*, Remzi Kitabevi, İstanbul
- ELMQUIST, Maria, FREDBERG, Tobias, OLLILA, Susanne, (2009), “Exploring The Field of Open Innovation”, *European Journal of Innovation Management*, Vol.12, Issue 3, pp.326-340.
- GAYNOR, Gerald, (2002). *Innovation by Design: What It Takes to Keep Your Company on the Cutting Edge*, Amacom Books.
- GROTNES, Endre. (2009). “Standardization As Open Innovation: Two Cases from The Mobile Industry”, *Information Technology & People*, Vol. 22, Issue 4, pp. 367-381.
- KAYNAK, Ramazan & MADEN, Mehmet Oğuz, (2012). “İnovasyonda Sınırların Genişlemesi: Açık İnovasyon”. *AİBÜ-İİBF Ekonomik ve Sosyal Araştırmalar Dergisi*, Vol.8, Issue 1, pp. 31-47.
- KORAY, Özlem, (2005), “Yaratıcı Düşünme Tekniklerinden Altı Düşünme Şapkası ve Nitelik Sıralama Tekniklerinin Fen Derslerinde Uygulanmasına Yönelik Öğrenci Görüşleri”, *Kuram ve Uygulamada Eğitim Yönetimi*, Vol. 43, pp. 379-400.
- LAU, Chung-Ming & NGO, Hang-Yue, (2004), “The HR system, organizational culture, and Product Innovation”, *International Business Review*, Vol. 13, Issue. 6, pp. 685-703.
- NACINOVIC, Ivana, GALETIC, Lovorka & CAVLEK, Nevenka, (2009), “Corporate Culture and Innovation: Implications for Reward Systems”, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering* Vol:3, No:5, pp.376-381.
- MANN, Darrell, (2004), *Hands-On Systematic Innovation For Business and Management*, Lazarus Press.
- MURAT, Güven & KULUALP, Göktaş Halime, (2010), “Yöneticilerin Yeniden Yapılanma Sürecinde İnovasyona Bakış Açısı: Kardemir Örneği”, *Dumlupınar Üniversitesi Sosyal Bilimler Dergisi*, Vol.28, pp.49-64

- SATI, Ecevit Zümrüt & IŞIK, Özlem, (2011), “İnovasyon ve Stratejik Yönetim Sinerjisi: Stratejik İnovasyon”, Celal Bayar Üniversitesi Sosyal Bilimler Dergisi, Vol.9, Issue 2, pp.538-559.
- TUSHMAN, Michael & NADLER, David, (1986), “Organizing for Innovation”, California Management Review, Vol. 18, Issue 3, p. 74-93.
- VANHAVERBEKE, Wim, & CLOODT, Myriam, (2006), *Open Innovation in Value Networks*, Open innovation: Researching a new paradigm, Chapter 13, pp.258-281.
- YİĞİT, Sema, & ARAS, Mehtap, (2012). “Bir Açık İnovasyon Aracı Olarak Crowdsourcing ve Üniversitelerde Uygulanabilirliği-Gaziosmanpaşa Üniversitesi İibf Örneği”, Süleyman Demirel University The Journal of Faculty of Economics and Administrative Sciences, Vol. 17, Issue 3, pp.485-508.
- ZHANG, Jun, Tan, Kay-Chuan & CHAI, Kah-Hin, (2003), “Systematic Innovation In Service Design Through TRIZ”, The TRIZ Journal.

## ▪ **INTERNATIONAL RELATIONSS**

# **CORRELATION VALUE OF THE CONNECTION BETWEEN TURKEY’S MIGRATION GOVERNANCE AND PUBLIC DIPLOMACY**

Uğur ÜNAL\*

## **Introduction**

Everything ever learned about the humankind have been carried throughout the world with migrations (Yılmaz, 2014: 3). Migration is defined as “all changes of location realized within a meaningful distance and a period that makes an impact” (Erder, 1996: 9). Changes of location started together with the human history. Material and moral elements carried with such changes of location have led to different cultural interactions.

Above all things, migration is a social fact. Today, states mostly approach the issue of migration with a focus on “security”. However, as stated by Hollifield, policies related to international migration should be studied in three dimensions, namely; “Control”, “International relations (sovereignty, national security and relation between foreign politics and international migration)” and “Harmony of immigrants (the effect of migration on citizenship and political developments)” (2000: 137-8). Therefore, developing policies for only one of these dimensions is not sufficient for finding a solution when the issue of international migration is handled.

Although definitions created regarding the phenomenon of migration vary according to certain conditions, actually they are all based on an individual or community changing the geography they live. International migration realized by crossing interstate boundaries means crossing to another country in order to live permanently or for a certain period of time. Migration, which was considered only as a physical change of location in the beginning, is actually a complex process with psychological and social dimensions. Therefore, it comes forward as population movements that change the social structure together with the economic, cultural and political dimensions of the process of change of geographical location.

Developments in the fields of transportation and communication in consequence of globalization have facilitated circulation and information exchange for immigrants. However, impoverishment of underdeveloped and developing countries in this period has brought out the most important factors for the increase in the number of immigrants. Therefore, it is

---

\* Asst. Assoc. Dr., Kyrgyzstan-Turkey Manas University, Faculty of Communication, unalugur09@gmail.com



observed that economical-political problems such as poverty or civil war lead to a much more intense experience of irregular migration today.

In our world where communication has globalized, every country's effort to benefit from public diplomacy in the most efficient way is considered as an inevitably natural situation. Today, public diplomacy has undoubtedly become one of the most effective instruments for defending a country's interests, ensuring legitimacy and creating foreign public opinion. Therefore, public diplomacy is the steadiest way of influencing and directing international community. Public diplomacy as the prominent concept especially in *perception management* at international level is primarily based on the validity of the democracy, strength of human rights and prevalence of freedom of expression in the country.

Public diplomacy is characterized as the socialization of diplomacy due to its role in the foreign relations of countries and expression of the interaction zone of multiple actors (Gonesh & Melissen, 2005: 4). The phenomenon of migration is mainly on the interpersonal and intercultural communication side of public diplomacy (Cull, 2009: 50).

Migrating people have acted as significant representatives in intercountry and intercultural communication as the carriers of information, value and culture throughout the human history. This importance requires the countries to develop their governance regarding immigrants.

Hans N. Tuch defined public diplomacy as “‘*communication processes*’, through which governments try to create understanding on country's opinions, ideals, institutions, cultures and policies in the eye of foreign public” (Tuch 1990:3), while Szondi defined it as “communication with foreign public and between international governments” (Szondi 2008: 13). It is generally emphasized to be related to elements such as “determination of national interests, communication policies of governments, directing foreign policies, opening the doors of cultural diplomacy, shaping the images of countries, the art of perception management, circulation of opinions, dissemination of accurate information, management of international grounds and establishment of relations” (Demir 2012: 14).

In the initial applications, public diplomacy became the name of the struggle for winning hearts and minds. It was mostly based on journalists' activities to offer uni-directional and unrealistic images as a propaganda activity (Leonard et al. 202: 8). Gullion, who addressed the concept for the first time in modern sense, also accepted that the concept had many negative connotations in the early period (Cull 2009: 19). According to the popular opinion, public diplomacy today is the whole of listening, defending, cultural diplomacy, international publication and psychological war

activities, each of which are the components of activities for establishing relations and trust (Cull 2009: 10).

Two basic approaches have been developed for the concept of public diplomacy. The first one is the *strict approach*, and the second one is the *flexible approach*. The strict approach states that the purpose of public diplomacy is to influence the behaviors of foreign public by using persuasion and propaganda. Political information practices within the scope of strict approach generally include information studies for changing the attitudes of foreign audience by using persuasion tools such as radio, television, newspapers and magazines to obtain short-term political results. The flexible approach expresses that information and cultural programs pave the way for foreign policy purposes by focusing on long-term national purposes. Here, the purpose of public diplomacy is to ensure mutual understanding. Therefore, it includes socio-cultural activities such as cultural interaction, academic and artistic changes, films, exhibitions and language education. These activities expect long-term results. It covers works to create a climate towards mutual understanding by using lifestyles, political and economic systems and artistic competencies. Political information practices within the scope of public diplomacy are generally conducted by the ministries of foreign affairs, while cultural communication activities are carried out many different institutions (Signitzer and Coombs 1992; Akt. Yağmurlu 2007: 17).

Within the scope of the flexible approach, cultural communication is handled with two dimensions. According to Mitchell, cultural diplomacy as the first dimension covers the official conventions executed in consequence of negotiations and the management of cultural relations in consequence of such conventions. This is generally realized through agencies and organizations under the control of states. The purpose of cultural diplomacy is determined as offering an image as planned, by shaping diplomatic activities as a whole. Cultural relations as the second dimension does not aim to gain a unilateral advantage. It covers studies for ensuring an intercommunal understanding and cooperation based on the principle of mutual advantage. It is based on cordial relations, and has much more realistic characteristics (L'Etang 2002: 55-59).

By nature, intercultural communication does not only cover unilateral transfer of culture, but also intercultural interaction and negotiations. The most important result of these migration movements for public diplomacy is to ensure actual interaction between people. Immigrants are considered as the direct reflections of the soft powers of their countries, because they directly reflect the cultures, ideals, values and management structures of the countries they come from (Yun & Toth: 2009:500).

The main purpose of this study emerged within this context. It aims to show the importance of the connection between public diplomacy and migration governance, especially for Turkey, by putting forward the role of public diplomacy in the area of activity of strengthening the country's image while discussing the positive/negative effects reflections of the country's migration management policies on foreign public opinion. Within this scope, it focuses on the reflections of Turkey's approach to migration governance on public diplomacy with a descriptive analysis.

## **1. Turkey's Migration Governance**

Debates on full membership in the EU have played an important role in shaping Turkey's international migration regime (İçduygu and Yüksek, 2012: 453). The EU requested Turkey to remove the geographical limitation that Turkey imposed in the Geneva Conventions; however, Turkey bound the removal of the geographical limitation to the condition that it is in parallel with the completion of Turkey's EU accession negotiations in 2003 National Program.

As specified in Turkey's Accession Partnership Document, which was accepted on 8 March 2001 and edited and amended on 26 March 2003; issues such as migration, border controls, asylum and appropriate legal changes were very important for Turkey in the process of EU negotiations. However, the new Settlement Law no. 5543 of 2006 superseding the Settlement Law of 1934 was seen to try to protect Turkey's conservative attitude towards international migration, as in previous legal regulations, although it was expected to be a new regulation that would not be restrictive in the EU harmonization process (Erder, 2014: 62).

One of the most important steps for Turkey's inclusion in the international migration regime in the 2000's was its membership to International Organization for Migration (IOM), which was established in 1951 and is considered as the most important intergovernmental organizations on migration studies. Relations between International Organization for Migration and Turkey first started with the establishment of IOM Regional Office in Turkey in 1991 after the Gulf War; however, Turkey's full membership to the organization was 2004 (Goularas and Sunata, 2015: 21).

*National Action Plan* accepted in 2005 and put into effect for harmonization of Turkey's asylum and migration legislation and system with the EU *acquis* is one of the most important documents we see in national regulations. This plan has become a document leading to various changes in Turkey's asylum-related policies, practices and legislation. Legal regulations that should be put into effect for the harmonization of Turkey's asylum and migration legislation and system with the EU *acquis*, as well as investments and precautions required for the completion of

administrative structure and physical infrastructure, are included within the scope of the plan (Güner, 2007: 81).

The Council of Ministers ranks the first in the organizational structure for migration management. It is responsible for determining migration policies, passing laws, creating and implementing government programs and development plans, and tracking and supervising the implementations (Demirhan and Aslan, 2015: 46-47). Turkey’s migration governance should be handled for the period before 2013 and within the scope of developments after Law no. 6458 on Foreigners and International Protection of 2013. Turkey’s inclusion in the international cooperation should also be studied as it constitutes another dimension of migration governance.

Migration movements in Turkey before 2013 was regulated in various legislations. Beginning as of 1950, these studies continued in the same perspective until 2003. Within this period, Turkey realized the migration-related regulations in the following table.

**Table 1.** Turkey’s Migration Regulations before 2013

Related Laws and Regulations
Passport Law no. 5682 (1950)
Law no. 5683 on Residence and Travel of Foreigners (1950)
Turkish Citizenship Law no. 403 (1964)
Law no. 2922 on Foreign Students Studying in Turkey (1983)
Regulations on International Road Transportation, Transportation of People and Property (1994)
Regulation on the Procedures and Principles related to Possible Population Movements and Aliens Arriving in Turkey either as Individuals or in Groups Wishing to Seek Asylum either from Turkey or Requesting Residence Permission in order to Seek Asylum from Another Country (1994)
Law no. 4422 on Fight against Global Criminal Organizations (1999)
Labor Law no. 4857, Foreign Direct Investment Law no. 4875 of 2003 (2003)
Regulation on Intercity Passenger Transportation (2003)
Turkish Penal Code no. 5237 (2004)

Source: Kaya, İbrahim, (2008), “Legal Aspects of Irregular Migration in Turkey”, *Analytic and Synthetic Notes – Irregular Migration Series, Legal Module*, CARIM –AS 2008/73, p.2

It is difficult to mention an adequate institutionalization in the field of migration management until 2013 (Mengü, 2015). In the period before 2013, both Foreigners Branch of Directorate General of Security under the Ministry of Interior and Governorates focused on controlling the illegal immigrants entering the country. Therefore, the necessity for an institutional structure consisting of the following units has arisen for migration management within the scope of harmonization with the EU acquis (Demirhan and Aslan, 2015: 46).

### **1.1. Migration Working Group**

Migration Working Group within the scope of Task Force on Asylum, Migration and Protection of Boundaries in 2002 in order to realize migration-related regulations in Turkey. Sub-units of the Migration Working Group were defined as Turkish General Staff, Ministry of Foreign Affairs, Undersecretariat of Customs, Directorate General of Security, General Command of Gendarmerie and Command of Coast Guard, and institutional structuring of migration governance was ensured ([www.goc.gov.tr/2019](http://www.goc.gov.tr/2019)).

### **1.2. Turkey’s National Action Plan for the Adoption of the European Union Acquis in the Field of Asylum and Migration**

The issues of migration and international protection (asylum) have an extensive coverage in Chapter 24 titled “Justice, Freedom and Security” of negotiations with the European Union. Within this context, *Turkish National Action Plan for the Adoption of the European Union Acquis in the Field of Asylum and Migration* (Asylum and Migration Action Plan), prepared in line with “Turkey’s National Program for the Adoption of the European Union Acquis” dated 2003, was approved by the Prime Ministry and entered into force on 25 March 2005.

### **1.3. Bureau of Asylum and Migration**

The Ministry of Interior established “Bureau for Development and Implementation of Migration and Asylum Regulation and Administrative Capacity”, known as “Bureau for Migration and Asylum” on 15 October 2008 in order to conduct studies for legal regulations. The Bureau undertook the duties of establishing the necessary legal and institutional structuring in line with the EU acquis; preparing the strategy documents, national action plans and projects required for this purpose; and notifying the senior management of the Ministry of Interior (Ekşi, 2014: 9-10).

#### 1.4. Law on Foreigners and International Protection

Law no. 6458 on Foreigners and International Protection, which entered into effect upon publication on the Official Gazette no. 28615 dated 11.04.2013, makes regulations related to foreigners in Turkey in consequence of legal and illegal migration. Therefore, it is aimed to prevent human rights violations in terms of immigrants and to minimize public, political and economic problems that may arise in our country. Together with the law, the issue of international protection, which is perceived as hospitality, was studied comprehensively for the first time, and discussed within the context of “rights” (Özer, 2011: 76).

Entry into effect of Law no. 6458 on Foreigners and International Protection started a new period for institutional structuring of migration governance in 2013. Within today’s migration movements, transparent and participatory legal reform studies that stipulate radical changes for better management of the migration area were conducted, considering Turkey’s position as the host country. Studies that take the inevitability of migration into consideration tried to adopt a people-oriented approach that respect the rights of all immigrants, especially the vulnerable groups (2). *Law no. 6458 on Foreigners and International Protection* (LFIP), which constitutes the basis of establishing a migration management structure with a holistic perspective, was accepted in consequence of such studies.

The main issues regulated by the Law are as follows: Visa and Residence Permits; Work Permits; International Students; Stateless People; Human Trafficking Victims; Administrative Detention and Deportation; Non-refoulement; Exemption from Residence Permit in International Protection; Status Determination Period in International Protection Procedures; Types of International Protection; Unaccompanied Children and People with Special Needs; Reception and Repatriation Centers and Shelters; Harmonization; Temporary Protection; Migration Policies Board in terms of institutional structure.

The Law facilitated studies for mutual harmonization of foreigners and international protection applicants and people with international protection status with the community. An immigrant-oriented approach with a many-sided and bilateral active interaction was adopted for the development of harmonization strategies. Harmonization works cover the following ([www.goc.gov.tr/Göç Tarihi Raporu](http://www.goc.gov.tr/Göç_Tarihi_Raporu)):

- Organizing events to facilitate the mutual harmonization of foreigners, international protection applicants or people with international protection status with the community in our country,
- Helping such persons gain information and skills that facilitate them to act independently without the intervention of third persons in all fields of social life in their country of relocation or in their own country

when they return,

- Organizing courses for foreigners, where the country's political structure, language, judicial system, culture and history as well as rights and obligations are taught at a basic level,
- Organizing introductory and informative events with courses, distance training and similar systems on issues such as utilization of public and private property and services, access to education and economic activities, social and cultural communication and basic health services,
- Planning harmonization activities with the suggestions and contributions of public agencies and organizations, local administrations, non-governmental organizations, universities and international institutions; supporting the immigrants' harmonization with the host community without being obliged to leave their own cultural identity behind,
- Creating an environment of awareness and understanding for the process of social harmony.

### **1.5. Directorate General of Migration Management**

For many years in the Republic Period, foreigners' entrance to/stay in/exit from Turkey as well as transactions and procedures for foreigners seeking asylum in Turkey were conducted by central organization and field service of Directorate General of Security. Turkey's National Action Plan for the Adoption of the European Union Acquis in the Field of Asylum and Migration accepted in 2005 anticipates that Turkey should make several legal regulations in the field of migration, and a new institutionalization should be introduced to manage the migration of foreigners into the country.

Within this scope, Bureau for Development and Implementation of Migration and Asylum Regulation and Administrative Capacity was established under the Ministry of Interior in 2008 to develop relevant regulatory and administrative capacities for the management of migration and asylum in Turkey. In consequence of the works of this bureau, Directorate General of Migration Management, a new and civil institution responsible for Turkey's migration and asylum management, was established as specified in Law no. 6458 on Foreigners and International Protection, approved by the Parliament on 11 April 2013, and in the National Action Plan.

Law no. 6458 on Foreigners and International Protection was prepared in accordance with today's norms and EU acquis with the cooperation of the state, international institutions and non-governmental organizations. The duties of the Directorate General of Migration Management under the Ministry of Interior specified in Law on Foreigners and International Protection, which is the establishment law of the Directorate General, are

listed as follows: —Implementing policies and strategies in the field of migration; ensuring coordination between relevant agencies and organizations regarding such issues; conducting transactions and procedures for foreigners' entrance to/stay in/exit from Turkey as well as for international protection, temporary protection and protection of human trafficking victims (LFIP, 2013: 103).

The Directorate General has advisory and auxiliary service units in addition to its central organization, as well as units carrying out activities both locally and abroad. It is responsible for executing policies, ensuring cooperation and conducting transactions and procedures in the field of migration. The Directorate General is organized in 81 provinces and 148 districts throughout the country. Moreover, there are organizations abroad, in the form of migration consultancy offices and migration attaché's offices ([www.goc.gov.tr/2019](http://www.goc.gov.tr/2019)). Especially the organizations outside the country are responsible for strengthening international cooperation and dialogue regarding migration.

Law no. 6458 on Foreigners and International Protection regulates the establishment, duties, authorities and responsibilities of Directorate General of Migration Management under the Ministry of Interior. Article 96 of Law assigned Directorate General of Migration Management duties on harmonization works. According to the relevant article;

1. To the extent of economic and financial means of the country, Directorate General of Migration Management may plan harmonization activities with the suggestions and contributions of public agencies and organizations, local administrations, non-governmental organizations, universities and international institutions for the purposes of facilitating the mutual harmonization of foreigners, international protection applicants or people with international protection status with the community in our country and helping such persons gain information and skills that facilitate them to act independently without the intervention of third persons in all fields of social life in their country of relocation or in their own country when they return.

2. Foreigners may participate in courses where the country's political structure, language, judicial system, culture and history as well as rights and obligations are taught at a basic level.

3. Introductory and informative events with courses, distance training and similar systems on issues such as utilization of public and private property and services, access to education and economic activities, social and cultural communication and basic health services are disseminated by the Directorate General in cooperation with public agencies and organizations and non-governmental organizations.

- 4.



## **1.6. Migration Policies Board**

It is understood from the articles of LFIP that the issue of migration falls into the field of interest and area of responsibility of multiple public agencies. One of the most important indicators is the policy determination, advisory and coordination committees included in the Law and formed with the participation of several public agencies.

Perhaps the most important one among these is Migration Policies Board, consisting of the undersecretaries of the Ministries of Family and Social Policies, European Union, Labor and Social Security, Foreign Affairs, Interior, Culture and Tourism, Finance, National Education, Health and Transportation, Maritime Affairs and Communication as well as President for Turks Abroad and Related Communities and Director General of Migration Management under the chairmanship of the Minister of Interior (LFIP, 2013: 105).

As determined by the Law, the main duties of the Board are determining Turkey's migration policies and strategies and tracking their implementation; determining the methods and precautions to be applied in the event of mass influx; taking decisions to ensure coordination between public agencies and organizations that are active in the field of migration (LFIP, 2013: 105).

It is stated in the Law that the decisions of Coordination Board for Combatting Irregular Migration shall be primarily evaluated by public agencies and organizations. Organized with the participation of academicians, bureaucrats and representatives of non-governmental organizations, all of which are specialists in their own fields, Migration Advisory Committee is responsible for monitoring migration practices, evaluating regulatory works related to migration as well as regional and international developments in the field of migration policies and law, and analyzing the reflections of such developments on Turkey. The Board takes advisory decisions for public agencies and organizations (LFIP, 2013: 114).

Migration Policies Board is one of the central institutions of Turkey's migration governance. Representatives of ministries, other national or international agencies and organizations and non-governmental organizations related to the issue may be invited according to the meeting agenda. The duties of the Board are listed as follows (www.goc.gov.tr/2019):

- Determining Turkey's migration policies and strategies and tracking their implementation,
- Preparing strategy documents and program-implementation documents in the field of migration,

- Determining the methods and precautions to be applied in the event of mass influx,
- Determining the procedures and principles for the foreigners to be accepted in Turkey en masse with humanitarian considerations, for their entrance to and stay in Turkey,
- Determining the principles for Turkey's foreign labor requirement within the framework of the suggestions of the Ministry of Labor and Social Security,
- Determining the conditions for long-term residence permits to be granted to foreigners,
- Determining the framework of and relevant studies for effective cooperation with foreign countries and international institutions,
- Taking decisions to ensure coordination between public agencies and organizations that are active in the field of migration.

### **1.7. Migration Advisory Committee**

Established pursuant to Article 114 of Law no. 6458 on Foreigners and International Protection (LFIP), Migration Advisory Committee convenes ordinarily twice a year under the chairmanship of the undersecretary of the Ministry of Interior or a deputy undersecretary to be appointed, in order to take advisory decisions for Directorate General of Migration Management and public agencies and organizations. The duties and authorities of Migration Advisory Committee specified in the Law are as follows ([www.goc.gov.tr](http://www.goc.gov.tr)):

- Monitoring migration practices and making suggestions,
- Evaluating new regulations planned in the field of migration,
- Evaluating regional and international developments in migration policies and law, and analyzing the reflections of such developments on Turkey,
- Evaluating regulatory works and practices related to migration,
- Establishing sub-commissions to work in the field of migration, and evaluating reports to be prepared after the works of such commissions.

### **1.8. Migration Research Center**

Regarding the areas of responsibility of Migration Policies Board and Directorate General of Migration Management, Migration Research Center was established to conduct and have all kinds of national and international political, legal, economical, historical, strategical and current reviews, research, scientific studies, projects, training and consultancy activities conducted; to follow up new developments in literature and in practice; to obtain continuous and adequate information and experience on the subject; to contribute to the preparation of scientific works in Turkish and foreign languages; to prepare and provide Directorate General with alternative

decision options and objective suggestions based on works towards strategy and practice; to organize national and international seminars.

### **1.9. Turkish Language Courses**

Article 96 titled “Harmonization” of LFIP no. 6458 aims, with the suggestions and contributions of public agencies and organizations, to facilitate the mutual harmonization of foreigners, international protection applicants or people with international protection status with the community in our country and to help such persons gain information and skills that facilitate them to act independently without the intervention of third persons in all fields of social life in their country of relocation or in their own country when they return.

Within this scope, a cooperation protocol was signed on 25 April 2016 in order to organize Turkish language courses, harmonization courses and vocational and social upskill courses and to document successful participants with the cooperation of Directorate General for Lifelong Learning and Directorate General of Migration Management.

MUYU sets for children between the ages of 6-11 were prepared in order to facilitate communication between immigrant children and children living in Turkey, raise awareness on the issue of migration, and contribute to the language and psychosocial development of immigrant children. These sets include story books in Turkish, English and Arabic, coloring books with stories, motif coloring books, drawing books, colored pencils and pencil box.

### **1.10. Foreign Communication Center**

Directorate General of Migration Management took over the phone number 157, which served as Human Trafficking Victims Emergency Helpline and Report Line since it was established. Taking the name Foreign Communication Center (YİMER) on 20.08.2015, the report line became the solution center for all questions and problems of foreigners (Doruk, 2009).

YİMER, which offered service in Turkish, English, Arabic and Russian languages in the beginning, has been providing foreigners with 24/7 uninterrupted service in 6 languages after the addition of German and Persian languages as of 1 April 2016.

YİMER, where foreigners can find answers to all their questions such as visa, residence, international protection and temporary protection in issues falling into Directorate General’s area of responsibility, also conducts the function of report line and helpline for human trafficking victims.

Level-based notification method is applied at YİMER. All foreigner representatives at first level respond to all notifications on all issues, and forward issues that require high-level information and follow-up to second-level legislation experts. Notifications that cannot be solved by legislation experts are forwarded to third-level institutional experts.

In addition to providing foreigners with information, foreigner representatives working at YİMER respond to and record complaints on all issues falling into Directorate General's area of responsibility, communicate such complaints to the relevant units of the institution, follow up the results, and provide feedback to foreigners.

Furthermore, YİMER helps foreigners that require immediate aid with relevant law enforcement forces in a coordinated way. It also provides indirect interpretation services to ensure that foreigners can contact with law enforcement forces when necessary. Accordingly, 4,155 lives were saved with several operations in consequence of forwarded calls to 158 Coast Guard, 155 Police Emergency, 156 Gendarmerie and 112 Emergency hotlines.

YİMER responds to all questions and problems of the foreigners and provides service in Turkish, Arabic, English, Russian, Persian and German languages. The most commonly used language is Turkish at the rate of 64%, followed by Arabic at 27%, English at 5%, Russian at 3% and other languages at 1%.

#### **1.11. Disaster and Emergency Management Authority (AFAD)**

Disaster and Emergency Management Authority (AFAD) is another actor of Turkey's migration management. The primary duty of AFAD, established under the Prime Ministry with Law no. 5902 in 2009, is to manage the disasters occurring in Turkey. However, AFAD played a significant role in Syrian migration to Turkey since 2011, and has become one of the important actors of migration management with the duties it has performed for meeting various needs of Syrians in Turkey within the scope of temporary protection for 6 years. Within this scope, AFAD took substantial initiative for the management of the crisis from the beginning of the mass migration from Syria to Turkey (Sağiroğlu, 2016).

It was decided in the Temporary Protection Regulation published on 22 October 2014 that services to be provided by public agencies and organizations would be conducted with the coordination of AFAD (Temporary Protection Regulation, 2014:26). AFAD was also assigned the duty of coordinating aids in kind and in cash to Syrians (Temporary Protection Regulation, 2014:47). It was also specified in the Temporary Protection Regulation that AFAD would decide on establishing, ending the

use of or closing down temporary shelters (Temporary Protection Regulation, 2014:37).

AFAD was established as an institution that conducts national and international activities for providing aid in case of natural disasters such as earthquake, flood, avalanche, landslide and fire. It carries out support activities with its expert staff and technological equipment in requiring regions, especially in case of disasters and emergencies ([www.afad.gov.tr/2019](http://www.afad.gov.tr/2019)). Persons who have sought refuge en masse in Turkey since the beginning of conflicts in Syria have been residing in camps established by AFAD. It is aimed to meet the needs of refugees in accordance with human rights under the coordination of AFAD ([www.afad.gov.tr/2019](http://www.afad.gov.tr/2019)). AFAD is responsible for the prevention and mitigation of disaster risks, response to disasters and post-disaster rehabilitation as well as the coordination of all services to Syrian guests, especially accommodation, health and education.

Upon the establishment of AFAD, a new model under the name “Integrated Disaster Management System” covering all phases of a disaster was put into practice by terminating the previously-applied crisis management understanding. With this model; it is aimed to detect hazards and risks in advance, prevent possible damages, ensure coordination and quick response at the time of disaster, and conduct post-disaster rehabilitation works with a holistic approach. Works for a “risk management” understanding that focuses its resources before the disaster, that is, gives priority to preparations and mitigation of risks is conducted within this framework.

With the Turkish Disaster Data Bank (TABB) project, developed for transferring Turkey’s disaster-related accumulation of knowledge to next generations, 111,818 documents and 15,000 disaster data have been collected until today. Uninterrupted and secure communication system (KGHS) was also put into practice for the provision of smooth communication services, which has a vital importance in disasters.

The number of refugees accepted in Turkey as guests with an open-door policy regardless of religion, language and race from the first day has exceeded 2,758,400. 254,812 of these refugees continue their lives in 24 temporary shelters in 10 provinces. Temporary shelters and services provided there have been appreciated and taken as examples at international level.

With AFAD, Turkey has become a country that provides aid throughout the world instead of a country that receives aid. It provided humanitarian aid to more than 50 countries in disasters and emergencies, and made great contribution to search and rescue operations in the recent period. Turkey is among the most successful countries in this field.

Turkey has become the “World's Conscience” with humanitarian aid operations conducted under the coordination of AFAD. It has been announced as “the Country That Accommodates the Most Refugees in the World,” “the Country That Accommodates the Most Refugee Children in the World,” “the Most Generous Country in the World” and “the Second Country That Provides the Most Humanitarian Aid in the World” in the international arena. As known, Public Financial Management and Control Law no. 5018 anticipates a performance-based budgeting system as the basic methods and tools within the framework of the principles of effective, economical and efficient use of public resources, financial transparency and accountability (AFAD Performance Program for 2017: 6).

All needs of Syrians are met with the collaborative works of Ministries of Interior, Foreign Affairs, Health, National Education, Food, Agriculture and Livestock, Transportation and Finance as well as Turkish General Staff, Directorate of Religious Affairs, Undersecretariat of Customs and Turkish Red Crescent under the coordination of AFAD ([www.afad.gov.tr](http://www.afad.gov.tr), 2019).

#### **1.12. Turkish Red Crescent**

The Red Crescent continues its supportive role in the issue of migration and refugees today, as in the last period of the Ottoman Empire. The Directorate of Immigration and Refugee Services under the Red Crescent conducts the activities related to immigrants and refugees. The Directorate of Immigration and Refugee Services is responsible for providing emergency aid, harmonization and integration services for all foreigners in need registered in our country, providing aids in kind and in cash, and developing and implementing projects and programs. Moreover, services provided in reception and repatriation centers and shelters as well as the activities regarding Red Crescent Card, child protection/child-friendly spaces, community centers and border relief (sending humanitarian aid materials donated for distribution in the inner parts of Syria through border points) are carried out within the body of Directorate of Immigration and Refugee Services ([www.kizilay.org.tr](http://www.kizilay.org.tr)).

**Turkish Red Crescent engages in humanitarian aid activities for all registered foreigners living within the borders of our country without discrimination of language, religion and race.**

Turkish Red Crescent Directorate General of Migration Management works in cooperation and coordination with agencies and organizations such as Directorate General of Migration Management under the Ministry of Interior, AFAD, Ministry of Family and Social Policies, International Federation of Red Cross and Red Crescent Societies (IFRC) and United Nations that provide services in the field of migration. Within

this scope, it is responsible for providing emergency aid, harmonization and integration services for all foreigners in need registered in our country, providing aids in kind and in cash, and developing and implementing projects and programs.

The following services are provided by Turkish Red Crescent Directorate of Migration and Refugee Services([www.kizilay.org.tr/2019](http://www.kizilay.org.tr/2019)):

- Red Crescent Card (smart cards distributed for the purposes of aids in kind and in cash)
- Child protection/child-friendly spaces (psychosocial support and skill activities for 4-18 age group),
- Community centers (vocational and language courses, harmonization activities, psychosocial support, protection, direction and advocacy activities etc. for adults and children outside camps), and
- Border relief activities (sending humanitarian aid materials donated for distribution in the inner parts of Syria through border points) in addition to services provided in reception and repatriation centers and shelters.

In general, it aims to design a migration service model by increasing its capacity for responding to population movements, conduct cross-border aid and awareness-raising activities for countries with excessive flow of asylum seekers to ensure on-site prevention of migration, improve emergency and temporary accommodation conditions of asylum seekers, and provide impartial catering services for population movements at minimum humanitarian standards in the following contents.

**Table 2.** Migration Services of Turkish Red Crescent

Migration Services
Designing migration service model by increasing Turkish Red Crescent’s capacity for responding to population movements.
Conducting cross border aid and awareness-raising activities for countries with excessive flow of asylum seekers to ensure on-site prevention of migration.
Providing social services for asylum-seekers.
Improving the emergency and temporary sheltering conditions of asylum seekers.
Improving the living conditions of asylum seekers that live outside the camp site.
Setting a model by impartially providing services in Reception and Repatriation Centers at minimum humanitarian standards.

Providing impartial nutrition services for population movements at minimum humanitarian standards.

---

**Source.** [www.kizilay.org.tr/göç hizmetleri/2019](http://www.kizilay.org.tr/göç_hizmetleri/2019)

### **1.13. Housing Development Administration (TOKİ)**

Housing Development Administration constructs housing for the settlement of immigrants that have to seek refuge due to certain political reasons. More than 300,000 cognates were forced to immigrate to our country in 1989 due to the policies of the Bulgarian government. Coordinating Office of Immigrant Houses was established upon a decision by High Planning Council in 1990 for accommodation and settlement of families of Turkish origin. After the Head of Housing Development Administration was appointed as “Coordinator” on 13 August 2004, the duty of the Coordinating Office has been executed by TOKİ.

The Head of Housing Development Administration was also appointed as the Coordinator of the “Supreme Commission” established with Article 3 Law no. 3835 on the Acceptance and Settlement of Meskhetian Turks in Turkey in 1992 for the purpose of meeting the accommodation needs of Meskhetian Turks forced to immigrate from their countries due to policies applied. For this purpose, housing needs of Meskhetian Turks in Iğdır, İzmir and Bursa provinces were fulfilled ([www.toki.gov.tr](http://www.toki.gov.tr)). TOKİ has been continuing to support immigrants in need of housing.

## **2. The Role of Turkey’s Migration Governance in Terms of Public Diplomacy**

Turkey has gone through significant historical experiences in the issue of migration. These experiences contributed to Turkey’s renewal and development regarding migration system. Relations with the EU undoubtedly accelerated this development process, and encouraged Turkey to establish a system complying with today’s requirements and based on human rights on the issue of migration management. Accordingly, Law no. 6458 on Foreigners and International Protection was prepared and put into force. Together with this law, a new institutional structure for migration management was introduced in Turkey. Established in 2013 and starting activities on 11 April 2014, Directorate General of Migration Management has become the main actor of the new migration system. Turkey has also gained the appreciation of international public opinion with its breakthroughs on the issue of international migration.

When the policies that Turkey has applied against migration movements it encountered are analyzed, it is seen that the political atmosphere of the period was effective on migration policies. This led to



different implementations for different migration movements. Another factor is the absence of a holistic migration and asylum legislation until LFIP in Turkey. It can be said that a standard was achieved in Turkey's international migration and asylum policies with LFIP.

However, migration is a very dynamic phenomenon. Turkey should continuously renew its legislation and structure according to new developments, and keep pace with this dynamism of migration. Moreover, it is seen that migration management was handled with a centralized perspective in both Ottoman Period and Republic Period, and no areas of responsibility were defined for local administrations regarding immigrants and refugees.

Therefore, authorities and areas of responsibility of local administrations should be defined in possible migration-related legal and administrative regulations that Turkey will issue in the future, and works of local administrations in this field should cease to be initiatives as it is today.

As the country that accommodates the highest number of immigrants in the world, Turkey's recent efforts for institutionalization in migration management are very important. International cooperation activities on migration governance have been conducted in bilateral, many-sided and regional dimensions, especially in the fields of irregular migration movements, human trafficking and smuggling of immigrants. However, it can be said that international cooperation is not sufficient for the struggle against human trafficking and smuggling of immigrants.

In recent years, Turkey has encountered a serious migration wave due to the war in Syria in its border. Despite the indifference of global public opinion, Turkey has followed an *"open-door policy"* since the beginning of the Syrian crisis in 2011, and accommodated Syrians under Temporary Protection Status. Today, there are over three million of Syrian immigrants and approximately two and a half million of other foreigners with residence permit in Turkey. Such a high number of immigrants living within the borders of the country bring several problems. Within this scope, such intense migration requires determination and implementation of effective public policies in the field of migration management.

Before 2013, it was very difficult to realize an absolute migration management, determine an agenda in this field, and mention the presence of institutional structures that determine, put into practice and control public policies in Turkey. However, the establishment of Directorate General of Migration Management in 2013 pursuant to Law no. 6458 on Foreigners and International Protection was an important step towards closing the gap in this field. An organizational structure at province- and district-level was established in Turkey for the purpose of implementing

policies and strategies in the field of migration; ensuring coordination between relevant agencies and organizations regarding such issues; conducting transactions and procedures for foreigners' entrance to/stay in/exit from Turkey as well as for international protection, temporary protection and protection of human trafficking victims. Reception, accommodation and repatriation centers and shelters for human trafficking victims were also established within the scope of this organization. The most important duty of the Directorate is to establish Turkey's migration management and determine its migration policies in line with regulation in national and international law.

Mobility of people is an issue that should be handled for security of states in addition to human motives such as better living conditions. Directorate General of Migration Management makes an effort to manage the current mobility of people in the best manner, and to put forward a new people-oriented migration management system in compliance with national and international law.

In order to ensure healthier and quicker harmonization, priority targets should include efforts for developing the culture of living together for the purposes of reducing Turkish citizens prejudiced perspective towards foreigners. Institutionalization of existing channels for the employment of immigrants and even their families is also of great importance. Moreover, it should be announced how and through which channels foreigners can execute their rights of taking legal action when necessary.

One of the most important steps to be taken within this scope is that Migration Policies Board specified in Law no. 6458 on Foreigners and International Protection should convene and bring up to the agenda issues such as determining the role of local administrations in international migration and immigrants, turning them into units that play more effective roles in the field of migration, ensuring an effective work-sharing and coordination between central administration and local administration for the provision of services to target groups. Regulations for developing the role of local administrations in international migration can be listed under three main headings, namely; regulations on urban planning within the physical settlement of local administrations, regulations on the socio-cultural structure of the locality, and regulations on an effective local administration structure.

In conclusion, the phenomenon of migration should not be seen as a problem. Detection of the social consequences of migration is more important than a certain number of people changing places by immigration to somewhere else. This requires the presence of correct communication channels to ensure integration of the relations between individuals and the state. Regarding the immigrants, it is crucial to focus on the sustainability

of the social policies which would reinforce their education, health, social security and social solidarity and could activate social acceptance mechanism.

Immigration activity causes different cultures to interact and thus people's desire to live together coexists with the adaptation process. However, sometimes this process can lead to disharmony and conflict and communication gaps arise among the cultures. The ways to overcome these handicaps constitute one of the topics given priority by many countries migrated. Within this scope, the universal problems of the immigration activity occurring for a variety of reasons can be solved reasonably by handling differences and overcoming the difficulties of communication. Preparation and enforcement of migration policies are definitely quite important; however, determination of policies at international level together with other target countries has almost become an obligation because the phenomenon of migration is a multi-dimensional and global problem.

The areas that Turkish public diplomacy activities are the most common are generally listed as mass communication activities, cultural diplomacy activities, dialogue and negotiation activities, relations with the European Union, social responsibility and humanitarian aid activities (Köksoy, 2013:216). Among these areas of activity, humanitarian aid as one of the most delicate and effective elements of intercommunal relations play an important role in Turkey's general external policy and public diplomacy approach. Turkey helps nations and people who are in need of assistance because of conflicts and disasters both in regional countries and distant geographies and opens its doors to the disaster victims.

For instance, it is almost in the first position in terms of humanitarian aid as it carries most of the burden regarding the Syrian asylum seekers. According to Official Development Reports of Turkish Cooperation and Coordination Agency (TİKA), the Middle East region has the biggest share in development aid, 48% of such amount consisted of humanitarian aid, and a large proportion was spent for Syrian refugees (Coordinating Office of Public Diplomacy, 2014). Turkey, situated especially in a geography where wars, conflicts, civil unrests and poverty occur frequently, also in consideration of its historical and cultural ties with its region, is one of the first destinations of asylum seekers and refugees. In consideration of the asylum seekers coming from Balkans, Caucasus, Central Asia, Middle East and North Africa, it is seen that Turkey is a country which is frequently preferred in terms of both transition and settlement.

Since the beginning of the civil war in 2011, Turkey started to provide the refugees, whom it defines as "guests", with free health, education and vocational services in addition to accommodation services (AFAD, 2016).

Turkey has accommodated the refugees in shelters established in many provinces with the collaborative works of Ministries of Interior, Foreign Affairs, Health, National Education, Food, Agriculture and Livestock, Transportation and Finance as well as Turkish General Staff, Directorate of Religious Affairs, Undersecretariat of Customs and Turkish Red Crescent under the coordination of AFAD. In addition to public enterprises, many non-governmental organizations and humanitarian aid organizations such as the Foundation for Human Rights and Freedoms and Humanitarian Relief (IHH) also provided support.

As Turkey became a party to the Geneva Conventions of 1951 only with “geographical limitation”, it can only grant refugee status to those arriving from Europe. Having followed an open-door policy since the beginning of the Syrian crisis, Turkey did not reject the Syrians that came to its borders. However, it grants Syrians the status of “refugee” under “temporary protection” because they come from outside Europe (Girit, 2015).

Today, asylum seekers continue to carry out real-time interactions and build relationships with the Turkish population and the representatives of institutions and organizations in many cities, accommodation centers, and different platforms of Turkey. These relationships help to transmit culture and value between the two cultures and to build images and perceptions. Accordingly, the public diplomacy perspective of asylum seeker or refugee relations to be carried out by Turkey is a topic necessary to be evaluated not only in an international extent but also the national one.

While it is essential to evaluate the extent of the topic in terms of political communication and socio-cultural interaction, the governance model which Turkey created for conducting its humanitarian aid and hosting activities and the value created by this model in terms of public diplomacy constituted the analysis framework of this study.

It is crucial to increase the number of Migration Research Centers currently established in Turkey’s certain universities, in order to realize the aforementioned regulations. The research conducted in these centers can ensure that the process works appropriately, by constituting the foundation of a multi-stakeholder migration management joined by universities, NGOs, central managements and local managements. Thus, a multifunctional migration governance mode, which could be exemplary in international platforms, can create more added-value than the existing one for Turkey’s public diplomacy applications.

### **Concluding Remarks and Suggestions**

While foreign policy issues are traditionally considered to be an ‘independent area’, “the support of internal and foreign public opinions became significant for today’s foreign policy issues. To state one more

time, researchers who emphasize this importance used the concept of '*intermestic*' that expresses the integration and intertwining of internal and external policy issues (Szondi 2009:304). These developments also changed the phenomenon of diplomacy, and modern diplomacy started to be defined as "the management of relations between states and other actors". While this new structure with multiple actors is defined with various concepts such as public diplomacy, cultural diplomacy, global diplomacy and media diplomacy; such activities cover 90% of the phenomenon of diplomacy today, according to some authors (Signitzer et al. 2006:437).

It is claimed that three factors are important in making the public diplomacy a necessity for today's governments. Among them, the one primarily focused on is the fact that "governments cannot come up with solutions by themselves anymore in face of foreign policy issues in the 21st Century. In this process, the efficiency of civil society has increased in both national and international level, and non-governmental organizations have become an element of pressure with their lobby activities at governments and other organization. The second one is the fact that the demands of citizens for more accountability and transparency increased. The third one is that foreign policy and internal policy are now intertwined and the foreign policy decisions are mostly resolved with the approval of the internal policy and internal public opinion" (Gonesh etc. 2005:6).

"It is stated that public diplomacy is related to the two ways for internal publics. First of them is the contribution of internal public to the creation of foreign policy and the other one is the conveyance of the purposes of foreign policy and diplomacy to the internal public" (Szondi 2009:7). Turning a topic into a public concern and ensuring the support of the public increase its possibility of being accepted and efficient outside as well. Therefore, public diplomacy studies carried out for internal publics are seen to be related with not only internal but also foreign public diplomacy activities (Yavaşgel 2012:8).

Generally, public diplomacy is accepted as a relationship with people. "It is seen as a phenomenon arisen from the common existence and interdependency" of all actors in the world (Gunaratne 2005:760). The core of public diplomacy is constituted by "the direct communication with foreign public opinions. The objective is to influence these public opinions, and therefore the policies of governments. The basic assumption here is that people in the democratic world have the power to influence elected governments, organizations and authorities" (Signitzer et al. 2006:437). Zaharna stated that public diplomacy is not only a "*political issue*" but also a "*communication phenomenon*" (2009:86). The close relation between public diplomacy and communication is also seen in the usage of the concept of international communication in the context of external policy.

Therefore, the term is used together with terms such as public diplomacy, cultural diplomacy, cultural relations, soft power, political communication, perception management, propaganda, intercultural dialogue, cultural dialogue, civilizations dialogue, crisis management, media management, media relations, public relations, public affairs, strategical communication, global communication, strategic impact, psychological proceedings, information technologies and media operations (Gouveia 2005:8).

Creation of dialogue and common understanding and long-term processes are shown among the key phenomena of both public diplomacy and cultural diplomacy. The close relationship of public diplomacy with communication created many implications in terms of international communication. In fact, cultural diplomacy is considered in a way as activities carried out under the title of public diplomacy. Within this context, cultural diplomacy “has been found connected with the governments of countries and the intentional images they present in order to reach their political goals and to facilitate their diplomatic efforts.” (Szondi 2009:302) In other words, public diplomacy builds as a part of social relations and therefore comes forward through cultural relations. It targets the public directly, with a political action for affecting the foreign populations positively and aims to transfer ideas and thoughts within an international scope and to build communication among special groups. Within this context, public diplomacy is intercultural communication process.” (Szondi 2008:8) It also gives priority to act with a basic approach focused on ‘*values*’, instead of the traditional diplomacy focused on issues, in the process to build individual and institutional relations and dialogue.

In line with this, it is stated that nation branding campaigns carried out through multi-communication channels and methods, supported by the government and with the cooperation of public-private institutions, have significantly increased. As a concept, ‘*nation branding*’ has appeared for the purpose of using the techniques of building a brand and marketing communication in order to increase the images of nations. Szondi (2008), considers the nation brand as the foremost goal, even though it is similar to location branding. ‘*Nation branding*’, used to increase the images of nations, was used for the first time by Simon Anholt in 1996. Today, nation branding is a crucial part of public diplomacy and soft power. Therefore, as opposed to the structure of traditional diplomacy dealing with problems, nation branding and, in line with it, public diplomacy focus on values and cultures and have a key position in ensuring a relationship and a dialogue with foreign institutions for individuals and institutions.

In line with these perspectives, it can be claimed that Turkey has a very good position to implement “*smart power*” in Near East, Balkans, Caucasia and Central Asia. Turkey, which is not limited to historical and geographical region and has also a relationship with Western societies for

nearly 200 years, is a country which has a high impact potential over global public opinions, with its historical government experiences and reforms carried out for modernization. Lately, it is discussed whether the related parties have sufficient level of awareness concerning the significance of the term of public diplomacy and its applications, which have become a crucial part of Turkish foreign policy. *Coordinating Office of Public Diplomacy* established under the Prime Ministry in 2010 put forward this importance in the best manner, preceded by *Turkish Cooperation and Coordination Agency (TİKA)*, which conducted activities within mutual cooperation in order to strengthen the Turkish image based on a common history especially in the Balkans and Soviet hinterland starting from the 1990's. To set up the whole framework, public agencies that conduct Turkey's public diplomacy activities are Presidency and Ministry of Internal Affairs, followed by Turkish Radio and Television Corporation (TRT), Ministry of Culture and Tourism, Ministry of National Education, Secretariat General for European Union Affairs (ABGS), Presidency for Turks Abroad and Related Communities, Turkish Cooperation and Coordination Agency (TİKA), Directorate General of Press and Information, Anatolian News Agency and other organizations that carry out similar activities. Non-governmental organizations, relief organizations, special education institutions, private sector representatives, cultural and art organizations etc. that have become significant actors of today's public diplomacy should also be mentioned.

With its economical and regional power increasing in recent years, Turkey has become a center of attraction for regular and irregular migration movements. Turkey acts as a bridge between some Middle East and Asian countries with conflicts and instability in the east and south and European countries with high level of welfare and human rights standards in the west. Considering all these factors, migration deeply affects Turkey's economical, socio-cultural and demographic structure, public order and security.

According to the Migration Reports of the United Nations, the number of international immigrants throughout the world has been increasing with every passing day. The figures of International Organization for Migration show that every one out of seven people is an immigrant today (including internal migration). This is the highest number since World War II.

In the new global order, while governments represent democratic legitimacy and responsibility by themselves in the area of diplomacy, international institutions outside the government, regional organizations, multinational companies and organizations also contribute to the creation and implementation of foreign policies in a constructive way. While these actors can intervene in the activities of state and government institutions and actors, they also have a facilitating and supporting function for

government policies. This structure with multiple actors, necessary for cultural and social interaction, is also required in the activities to be carried out for asylum seekers and refugees and in the processes to undertake the economic burden. The reason is that migrations and refugee flows caused by wars, conflicts, pressures and poverty can turn into demands difficult to be provided by countries. Therefore, cooperation and solidarity among authorized and unauthorized actors become important for the resolution of these issues. Especially the activities of non-governmental organizations both facilitate these processes and strengthen the characteristics of cooperation and intercultural relations.

Countries have responsibilities towards asylum seekers and refugees, not only arising from international law but also from the expectations of international public opinion. Awareness and indifference of countries and communities as part of international community towards such issues influence their international image and reputation in the same way. Bordering countries encounter the most problems against asylum seekers and refugees, while it is seen that many countries consider this situation as a matter of image and reputation. Such activities are important as they draw attention to problems and set examples for public diplomacy policies. It is observed that Turkey has started to develop a migration governance model in recent years, especially in parallel with the migration wave after the Syrian crisis that emerged in 2011. This creates a positive correlation in terms of Turkey's public diplomacy.

### **Bibliography**

- ANDREAS, Peter, (2001), "The Transformation of Migrant Smuggling across the U.S.-Mexican Border", *Global Human Smuggling*, The John Hopkins University Press, London.
- CULL, Nicholas, J, (2009), Public Diplomacy Before Gullion, N. Snow, P. M. Taylor (Ed.), *Handbook of Public Diplomacy*, Routledge, New York.
- ÇAĞLAYAN, Savaş, (2006), "Göç Kuramları, Göç ve Göçmen İlişkisi", *Muğla Ünv. Sosyal Bilimler Enstitüsü Dergisi (İLKE)* Yayını, Sayı 17, 67-91.
- ÇİÇEKLİ, Bülent, (2009), *Göç Terimleri Sözlüğü*, Cenevre: Uluslararası Göç Örgütü Yayınları.
- DE GOUVEIA, Philip Fiske & Plumridg Hester, (2005), *European Infopolitik: Developing EU Public Diplomacy Strategy*, UK.
- DEMİR, Vedat, (2012), *Kamu Diplomasisi ve Yumuşak Güç*, Beta Yayınları, İstanbul.



- DEMİRHAN, Yılmaz & Aslan, Seyfettin, (2015). “Türkiye’nin Sınır Ötesi Göç Politikaları ve Yönetimi”, Birey ve Toplum Dergisi, Cilt 5 Sayı 9, 23-62.
- DENİZ, Orhan, (2009), Uluslararası Göçler ve Türkiye’ye Yansıması, Çantay Yayınları, İstanbul.
- EKİCİ, Süleyman & Tuncel, Gökhan, (2015), “Göç ve İnsan”, Birey ve Toplum, Bahar Sayı 9, Cilt 5, 9-22.
- EKŞİ, Nuray, (2014). Yabancılar ve Uluslararası Koruma Hukuku, Beta Yayınları, İstanbul.
- ÖZCAN, Ela Deniz, (2016), “Çağdaş Göç Teorileri Üzerine Bir Değerlendirme”, İş ve Hayat Dergisi, Cilt 2, Sayı 4, 183-215
- ERDER, Sema, (1996), İstanbul’a Bir Kent Kondu: Ümraniye. Memleket Yayınları, İstanbul.
- ....., (2000), “Uluslararası Göçte Yeni Eğilimler: Türkiye Göç Alan Ülke mi?” Mübeccel Kıray için Yazılar, Bağlam Yayınları Armağan Dizisi, İstanbul.
- ....., (2014), “Zorunlu Göç Kurumu Olarak İskan”, Geleneksel Hisar Toplantıları, İstanbul.
- ERDOĞAN, M. Murat & Kaya, Ayhan, (2015), Türkiye’nin Göç Tarihi, İstanbul Bilgi Üniversitesi Yayınları, İstanbul.
- ERDOĞAN, M. Murat, (2015), Türkiye’deki Suriyeliler Toplumsal Kabul ve Uyum, İstanbul Bilgi Üniversitesi Yayınları, İstanbul.
- FAİST, Thomas, (2003), Uluslararası Göç ve Ulusaşırı Toplumsal Alanlar, Bağlam Yayınları, İstanbul.
- GONESH, Ashvin & Melissen, Jan, (2005), Public diplomacy: Improving practice, Netherlands Institute of International Relations, Clingendael.
- GOULARAS, Bayındır, Gökçe & Sunata, Ulaş, (2015), Türk Dış Politikasında Göç ve Mülteci Rejimi, Hacettepe Üniversitesi İletişim Fakültesi Kültürel Çalışmalar Dergisi, 2(1), 12-40.
- GUNARATNE, Shelton A., (2005), Public Diplomacy, Global Communication and World Order: An Analysis Based on Theory of Living Systems, SAGE.
- GÜNER, Cemil, (2007), İltica konusunda Türkiye’nin Yol Haritası: Ulusal Eylem Planı, AÜHFD, 56 (4), 81-109.
- HOLLIFIELD, James, F, (2000), “The Politics of International Migration: How Can We “Bring the State Back In” Migration Theory Talking

Across Discipline, Brettel and Hollifield (ed.), Routledge, Newyork and London.

İÇDUYGU, Ahmet & Yüksek, Deniz, (2012), Rethinking Transit Migration in Turkey: Reality and Re-presentation in the Creation of a Migratory Phenomenon. Population, Space and Place, 18, 441-456.

İÇDUYGU, Ahmet, Erder, Sema & Gençkaya, Ömer Faruk, (2014), Türkiye'nin Uluslararası Göç Politikaları (1923-2023): Ulus-Devlet Oluşumundan Ulus-Ötesi Dönüşümlere, Koç Üniversitesi Göç Araştırmaları Merkezi, İstanbul.

KARA, Mustafa, Dönmez, Kara, vd., (2015), "Türkiye'de Göç Yönetişimi: Kurumsal Yapı ve İşbirliği", Girişimcilik ve Kalkınma Dergisi, Cilt 10, Sayı 2, Kış 2015, Çanakkale Onsekiz Mart Üniversitesi Dr. H. İbrahim Bodur Girişimcilik Uygulama ve Araştırma Merkezi Yayını, Çanakkale, 25ss.

DORUK, Sevimece, (2009), Sosyal Sermaye/İletişimde Strateji ve Toplam Kalite Yönetimi/İnsanın Toplumsal Kuruluşu ve Güven, Derin Yayınları, İstanbul, 240ss.

KARPAT, Kemal, (2015), Türkiye'nin Göç Tarihi, M.Murat Erdoğan ve Ayhan Kaya (Ed.), Türkiye'nin Göç Tarihi: 14. Yüzyıldan 21. Yüzyıla Türkiye'ye Göçler, İstanbul Bilgi Üniversitesi Yayınları, İstanbul.

KAYA, İbrahim, (2008), Kaya, İbrahim, (2008), "Legal Aspects of Irregular Migration in Turkey", Analytic and Synthetic Notes – Irregular Migration Series, Legal Module, CARIM –AS 2008/73, 1-11

KÖKSOY, Ergün, (2013), "Halkla İlişkiler Bağlamında Kamu Diplomasisi Yönetimi (Türkiye'nin Kamu Diplomasisindeki Yetkinlik İncelenmesi)", Yayınlanmamış Doktora Tezi. İ.Ü. SBE.

L'ETANG, Jacquie, (2002), "Diplomasi Olarak Halkla İlişkiler", Halkla İlişkilerde Eleştirel Yaklaşımlar. (der. ) Jacquie L'Etang ve Magda Pieczka, Vadi Yayınları, Ankara.

LEONARD, Mark & Alakeson, V, (2000), Going public: Diplomacy for the information society. London: The Foreign Policy Centre.

LEONARD, Mark. (2002), Public Diplomacy. London. Foreign Policy Center.

NYE, Joseph, S, (2004), Soft power, Public Affairs, New York.

ÖZER, Y. Yeşim, (2011), "Türk Kamu Yönetiminde Yeni Bir Çalışma Alanı Olarak Uluslararası Göç", İstanbul Üniversitesi Siyasal Bilgiler Fakültesi Dergisi, Sayı 45.

- SARGUT, A., Selami, (2001), Kültürlerarası Farklılaşma ve Yönetim, İmge Kitabevi, Ankara.
- SAĞIROĞLU, Ali Zafer, (2016), “Türkiye’de Merkezi Göç Yönetimi”, Türkiye’de Geçici Koruma Altındaki Suriyeliler: Tespitler ve Öneriler, İstanbul, 45-70
- SİGNİTZER, Benno & Coombs, Timothy. (1992), “Public Relations and Public Diplomacy: Conceptual Covergences”, Public Relations Review 18(2): 137-147.
- SİGNİTZER, Benno & Wamser, Carola, (2006), “Public Diplomacy: A Specific Governmental Public Relation Function”, Carl H. Botan & Vincent Hazleton, (Eds.) Lawrence Erlbaum Associates.
- SÖNMEZOĞLU, Faruk, (1995), Uluslararası politika ve dış politika analizi, Filiz Kitabevi, İstanbul.
- SZONDİ, György, (2008), “Public Diplomacy and Nations Branding: Conceptual Similarities and Differences”. Discussion Papers in Diplomacy, Netherlands Institute of International Relations Clingendael, October, 1-42.
- ....., (2009), “Central and Eastern European Public Diplomacy”. Handbook of Public Diplomacy. Ed. Nancy Snow & Philip M. Taylor, Routledge.
- TEKELİ, İlhan, (2008), Göç ve Ötesi, Tarih Vakfı Yurt Yayınları, İstanbul.
- TERZİOĞLU, Mehmet, (2006), “Göçmen Ülkesi Olarak Türkiye: Hukuksal Yapı ve Uygulamalar”, Uluslararası Göç Sempozyumu 8-11 Aralık 2005, Zeytinburnu Belediye Başkanlığı, Yayın No.6
- TUCH, Hans N., (1990), Communicating ith the World: U.S. Public Diplomacy Overseas. St. Martin’s Press Inc.
- UZUN, Şenol, (2017), Geçmişten Günümüze Türkiye’nin Göç Yönetimi. Uluslararası 11. Kamu Yönetimi Sempozyumu, 28-30 Eylül 2017, Elazığ-Türkiye
- YAĞMURLU, Aslı. (2007). “Halkla İlişkiler Yöntemi Olarak Kamu Diplomasisi”. İletişim Araştırmaları Dergisi. A. Ü. İLEF Yay., Ankara.
- YALÇIN, Cemal, (2004), Göç Sosyolojisi, (1. Baskı), Ankara: Anı Yayıncılık.
- YAVAŞGEL, Emine, (2012), “Saygınlık Siyaseti: İletişim ve Dış Siyasa İlişkiseliliği”, Kamu Diplomasisi Enstitüsü, İstanbul.
- YILMAZ, Abdurrahman, (2014), “Uluslararası Göç: Çeşitleri, Nedenleri ve Etkileri”, Turkish Studies - International Periodical.

- YUN, Seong-Hun, & Toth, Elizabeth L., (2009), Future sociological public diplomacy and the role of public relations: Evolution of public diplomacy, American Behavioral Scientist: SAGE.
- ZAHARNA, Rhonda, (2009), "Mapping out a Spectrum of Public Diplomacy Initiatives- Information and Relational Communication Frameworks", Handbook of Public Diplomacy, Ed. Nancy Snow and Philip M. Taylor, New York. Routledge.
- ZENGİN, Gürkan, (2010), Hoca - Türk Dış Politikası'nda Davutoğlu Etkisi, İnkılap Kitabevi, İstanbul.
- 5543 Sayılı İskân Kanunu, 26 Eylül 2006 Tarih ve 26301 Sayılı Resmi Gazete.
- 6458 Sayılı Yabancılar ve Uluslararası Koruma Kanunu (YUKK), 11 Nisan 2013 Tarih ve 28615 Sayılı Resmi Gazete.
- Başbakanlık Afet ve Acil Durum Yönetimi Başkanlığı. <https://www.afad.gov.tr/TR/21.03.2019>.
- Dışişleri Bakanlığı. <http://www.mfa.gov.tr/asyada-isbirligi-ve-guven-arttirici/> 11.03.2019.
- Geçici Koruma Yönetmeliği (2014), <http://www.goc.gov.tr/20.07.2019>.
- Göç İdaresi Genel Müdürlüğü, <http://www.goc.gov.tr/icerik/21.02.2019>.
- Göç İdaresi Genel Müdürlüğü (2016). *Göç Tarihi Raporu*, Ankara: T.C. İçişleri Bakanlığı Yayını, 25ss.
- Göç İdaresi Uyum ve İletişim Dairesi, "Göç Yönetimi Uyum Çalıştayı", Göç İdaresi Genel Müdürlüğü Yönetimi Yay., 32ss.
- İltica ve Göç Ulusal Eylem Planı, (2005). <http://www.goc.gov.tr/11 Mayıs 2019>.
- International Migration Organization, <http://www.iom.int/cms/about-iom/15.03.2019>.
- İskân Kanunu. (1934). <http://www.resmigazete.gov.tr/arsiv/2733.pdf/27> Mayıs 2019.
- Toplu Konut İdaresi Başkanlığı, [www.toki.gov.tr/25.03.20189](http://www.toki.gov.tr/25.03.20189).
- Türkiye Cumhuriyeti Cumhurbaşkanlığı İletişim Başkanlığı, <http://www.iletisim.gov.tr/21.03.2019>.
- Türk Kızılayı, [www.kizilay.org.tr/21.03.20189](http://www.kizilay.org.tr/21.03.20189).
- United Nations, <http://www.un.org/en/development/desa/population/migration/publications/wallchart/05.03.2019>.

- **MANAGEMENT AND STRATEGY**

# **DO CAREER DECIDEDNESS AND CAREER DECISION- MAKING SELF-EFFICACY INCREASE LIFE SATISFACTION?\***

Hasan Hüseyin UZUNBACAK\*\* & Tahsin AKÇAKANAT\*\*\*

## **1. Introduction**

There may be changes in career decision during lifetime, especially the first years of adolescence and youth period remain critical in terms of forming the foundations of career decision. In other words, individuals are aware of choosing a profession that suits their values, interests and psychological needs will play an important role in their future business lives (Sharf, 2016). However, during undergraduate education, personality traits of the students affect their ability to make decisions about their careers in accordance with their abilities and interests. In this period, which is accepted as the transition period from school to professional life, it has been determined that variables such as attitudes (Luzzo, 1993), personality traits (Sav, 2008), setting career goals (Luzzo, 1995) and individual factors (Korkut-Owen, Kepir, Özdemir, Ulaş & Yılmaz, 2012) play an important role in individuals' career decisions.

Personality traits are one of the important factors that affect individuals' choices about their careers (Goldschmid, 1967). In fact, it is stated that personality traits are the main determinants of students' chosen branches and career expectations in their schools (Jarlstrom, 2000). For this reason, a lot of research has been done on the relationship between personality traits and choice of profession, career plan and career decision (Gunkel, Schlaegel, Langella, & Peluchette, 2010: 503).

Establishing the relationship between personality and career decidedness can help to understand the determinants of career decidedness, to design of programs for practitioners such as business advisors and vocational consultants, and to guide students through more accurate assessments (Lounsbury, Hutchens, & Loveland, 2005: 26). Another variable that is considered as one of the most important

---

\* Presented at III.International Applied Social Sciences Congress, held in İzmir, TURKEY, April 4-6, 2019.

\*\* (Dr. Öğr. Üyesi); Süleyman Demirel Üniversitesi, Isparta, Türkiye. E-mail: hasanuzunbacak@sdu.edu.tr

\*\*\* (Dr. Öğr. Üyesi); Süleyman Demirel Üniversitesi, Isparta, Türkiye. E-mail: tahsinakcanat@sdu.edu.tr

predictors of career decidedness is the concept of self-efficacy (Betz and Vuyten, 1997). Students with high self-efficacy can focus more easily on achieving their career goals, and the effect of self-efficacy on the permanence of career decidedness is also known (Lent, Brown, & Hackett, 1994). In addition, in many researches, it was determined that career decision-making self-efficacy levels of the students who make the appropriate decisions about their careers are high (Betz and Vuyten, 1997; Amir and Gati, 2006; Guay, Ratelle, Senecal, Larose, & Deschenes, 2006; Taylor and Betz, 1983; Fabio, Palazzeschi, Asulin-Peretz, & Gati, 2013; Ye, 2014). Furthermore, it was determined by the studies that the students' having the career decidedness and career decision-making self-efficacy had high satisfaction with life (Lounsbury, Tatum, Chambers, Owens, & Gibson, 1999; Wright and Perrone, 2010).

Within the scope of the relationships described above, the aim of the study is to reveal the relationships between the variables in a single structural model and to test the role of career decision-making self-efficacy and career decidedness in these relationships.

## **2. Conceptual Framework**

Uncertainty in the labor market and problems arising from job security are factors that complicate individuals' choice of profession (Ginevra, Pallini, Vecchio, Nota, & Soresi, 2016). For this reason, the most important stage of career development of individuals is to make decisions about their careers. In order to carry out this process successfully, individuals should be aware of their interests and abilities as well as having information about occupations (Alkan, 2014: 63). In this context, career decidedness, which is defined as the ability to determine career goals precisely, is regarded as an ability to learn (Glaize and Myrick, 1984: 168). In other words, career decidedness expresses an individual's commitment to his/her choice of career, and his/her satisfaction with this choice (Miller, 2011: 2). Career decidedness has been examined in three categories as "very decided", "somewhat decided" and "unstable decided" (Gordon, 1998). It is stated that career decidedness, which is based on Social Cognitive Career Theory (SCCT), is affected by individual and environmental factors (Lent et al., 1994).

Personality comes first in the individual factors. Thus, numerous studies have been conducted to reveal the role of personality variable, which is considered critical for career decidedness (Smith, 2011: 7). The effect of personality is seen to be important in understanding the

processes of career decidedness, in revealing the relationship between personality and career decidedness, and in enabling practitioners to make better planning and programming by using the results obtained (Lounsbury et al., 2005: 26). Personality traits, social variables and risk factors can be effective in making decisions about any subject (Brody and Cunningham, 1968: 51). It has been shown in many studies that career decision making has an impact on ideas, emotions and behaviors, and it was found that personality traits had a role in this effect (Penn and Lent, 2018: 2). The Five-Factor Personality model is frequently used to determine the relationship between personality traits and career decidedness. The Five-Factor Personality model is defined as a five-dimensional structure including Extroversion, Agreeableness, Conscientiousness, Neuroticism and Openness to Experience (McCrae and John, 1992). From these dimensions, strong relationships were found between extroversion, openness to experience and conscientiousness with variables related to career development such as career decision, career planning and the desire for career. On the other hand, a lower level of relationship was found between career decidedness with sub-dimensions of adaptability and openness to experience (Brown and Hirschi, 2013; Martincin and Stead, 2015; Page, Bruch, & Haase, 2008). In other words, it was found that the dimensions of the Five-Factor Personality model affect career decidedness. From this point of view, the first hypothesis of this research is as follows:

**H<sub>1</sub>:** Personality traits will be related to career decidedness.

Another topic that has attracted the attention of researchers working on career development in recent years is career decision-making self-efficacy which evaluates that genes are effective on career decision-making (Hsieh and Huang, 2014: 29). Career decision-making self-efficacy is defined as the beliefs of individuals in their ability to successfully complete the tasks required to make their career decisions (Taylor and Betz, 1983). In another definition, it is expressed as individuals' beliefs in their abilities related to behaviors required in career related issues (Betz and Vuyten, 1997). Crites (1981) stated that, in order to give the right decision in the choice of profession, individuals should have five-competence areas based on Bandura's Competence Theory (1977). These competence areas are as follows (Crites, 1981):

***Accurate Self-Appraisal:*** It involves making a right assessment of individuals about their own interests, abilities, goals and values.



***Gathering Occupational Information:*** It defines the abilities on searching for additional information about the occupations that were cared, labour market, career area chosen by the individual.

***Goal Selection:*** It can be expressed as the ability of individuals to define their career goals including their interests, abilities and values.

***Planning for the Future:*** It includes preparatory tasks for the labour market and job application process related to the fields of interest of individuals.

***Problem Solving:*** It involves assessing the individual's endurance levels when faced with professional barriers.

Career decision-making self-efficacy can be considered as an individual's self-confidence in performing some career tasks, and it has an impact on individuals' career decision-making processes and their motivation regarding their careers (Betz and Hackett, 1981). This effect is handled in the context of the SCCT developed by Lent et al. (1994) based on Bandura's Social-Cognitive Theory, in the theoretical framework, the emphasis is placed on the capacity of people to direct their own career behaviors. Research conducted within this scope reveals that career decision-making self-efficacy has an effect on career variables such as career decidedness, career choice, career decision/indecision (Penn and Lent, 2018; Whiston, Li, Mitts, & Wright, 2017; Grier-Reed and Skaar, 2010; Restubog, Florentino, & Garcia, 2010; Jin, Watkins, & Yuen, 2009; Solberg, Good, Fischer, Brown, & Nord, 1995).

In addition, according to SCCT, it was stated that there was a relationship between career decision-making self-efficacy and personality traits (Feldman, 2003). In another study on learning experiences, it was found that personality is the predictor of self-efficacy (Ojeda, Piña-Watson, Castillo, Castillo, Khan, & Leigh, 2012). In the study conducted by Wang, Jome, Haase, & Bruch (2006), it was stated that the Five-Factor Personality traits (neuroticism, extroversion) affect the career decision-making self-efficacy, and that career decision-making self-efficacy has a mediating role in the relationship between personality traits and career choice. In another study, it was found that self-efficacy has a mediating role between personality and career goals and variables such as career plan and career estimating (Jin et al., 2009; Restubog et al., 2010). Penn and Lent (2018) found that self-efficacy has a mediating role in the effect of personality traits on

career decidedness/indecision. Thus, the following hypothesis are developed:

**H<sub>2</sub>:** Career decision-making self-efficacy will be positively related to career decidedness.

**H<sub>3</sub>:** Personality traits will be related to career decision-making self-efficacy.

**H<sub>4</sub>:** Career decision-making self-efficacy mediates the relationship between personality traits and career decidedness.

While decision-making makes life easier for individuals, at the same time, it helps them to overcome with problems and challenges in a more successful way (Glaize and Myrick, 1984: 168). In addition, conscious and cognitive decisions of individuals have a positive effect on quality of their lives. Conscious decisions taken by individuals about their careers are closely related to their self-efficacy perceptions and lead to positive outcomes such as life satisfaction (Tokar, Withrow, Hall, & Moradi, 2003; Wei, Russell, & Zakalik, 2005). However, Lent (2004) stated that individuals' self-efficacy in their social life and career can be improved by education, and the development of self-efficacy perceptions will positively affect life satisfaction. Studies have shown that individuals with high career decision-making self-efficacy experience higher levels of life satisfaction in the context of SCCT (Creed, Muller, & Patton, 2003; Wright and Perrone, 2010). According to a study conducted for university students on the relationship between personality, career decidedness and life satisfaction, a positive relationship was found between career decidedness and life satisfaction (Lounsbury et al., 1999). In another study, it was suggested that making a career decision makes an individual's life more secure and supportive and leads to an increase in his/her success and life satisfaction (Harren, 1979). In researches, it was found that there are negative effects between career indecision and life satisfaction (Jaensch, Hirschi, & Freund, 2015), positive effects between career decidedness and life satisfaction (Arnold, 1989; Lounsbury et al., 2005). In this context, the following hypotheses have been developed:

**H<sub>5</sub>:** Career decidedness will be positively related to life satisfaction.

**H<sub>6</sub>:** Career decision-making self-efficacy will be positively related to life satisfaction.

**H<sub>7</sub>:** Career decidedness mediates the relationship between career decision-making self-efficacy and life satisfaction.

Personality is one of the predictors of life satisfaction (Schimmack, Oishi, Furr, & Funder, 2004: 1063). In the study conducted on individuals from different cultures, significant relationships were found between extrovert and neurotic personality and life satisfaction (Schimmack, Radhakrishnan, Oishi, Dzokoto, & Ahadi, 2002: 586). In the study conducted by Lounsbury, Saudargas, Gibson, & Leong (2005: 714) with university students on the relationship between Five-Factors Personality Traits and life satisfaction, significant relationships were found between personality dimensions except extrovert personality and life satisfaction. In the meta-analysis study conducted to determine the effect of personality on job satisfaction and life satisfaction, personality was found to be the predictor of job and life satisfaction (Steel, Schmidt, Bosco, & Uggerslev, 2018). In another study, the effect of geographical conditions on personality and life satisfaction was investigated, significant relationships were found between compliance, responsibility and openness to experience in different geographical conditions and life satisfaction (Jokela, Bleidorn, Lamb, Gosling, & Rentfrow, 2015). In many studies conducted at various dates, it is determined that personality is a predictor of life satisfaction (Suldo, Minch, & Hearon, 2015; Lyons, Huebner, & Hills, 2016; Kim, Schimmack, Oishi, & Tsutsui, 2018; Sato, Jordan, Funk, & Sachs, 2018). Thus, the following hypotheses are developed:

**H<sub>8</sub>:** Personality traits will be related to life satisfaction.

**H<sub>9</sub>:** Career decidedness mediates the relationship between personality traits and life satisfaction.

**H<sub>10</sub>:** Career decision-making self-efficacy mediates the relationship between personality traits and life satisfaction.

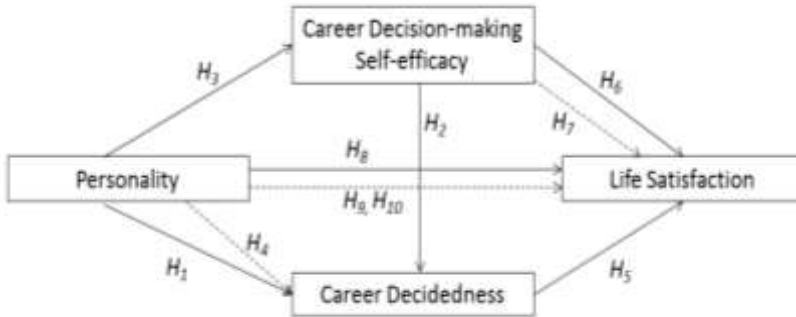
### **3. Research Method**

The aim and sample of the study and descriptions of scales used in the research are included in this section.

#### **3.1. Aim and Model of the Study**

The aim of this study is to reveal the role played by career decidedness and career decision-making self-efficacy in the relationship between personality and life satisfaction among university students. The research model prepared in this context is shown in Fig. 1.

**Fig. 1. The Model of the Study**



### 3.2. Study Sample

The sample of the study consists of students of Faculty of Economics and Administrative Sciences Department of Business Administration of Suleyman Demirel University. In this context, in the 2018-2019 spring term in which the research was conducted, there was a total of 1598 students from department of business. In the research, convenience sampling method was preferred and the questionnaire form created electronically by the class representatives was delivered to the students. A total of 558 students participated in the survey, which was conducted on a voluntary basis. The rate of return of the surveys was 34.9%. 38 questionnaires were eliminated not considered to be included in the analysis, and the study was conducted on a total of 520 questionnaire forms. Kline (1994) states that reaching the subjects 10 times the number of items used in the scale may be sufficient for the sample to represent the population. Accordingly, the number of samples reached is considered to be sufficient.

325 (62.5%) of the participants were female and 195 (37.5%) were male. The age distribution of the participants ranged between 18 and 38 and the median age was  $21.4 \pm 1.69$ . Of the students, 56 (10.8%) were freshman, 112 (21.5%) sophomore, 160 (30.8%) junior and 192 (36.9%) senior. When the participants were classified according to the types of teaching, it was determined that 329 (63.3%) were in daytime education and 191 (36.7%) were in evening education. The number of students taking a career-related course was 191 (36.7%), while the number of students not taking it was 329 (63.3%).

### 3.3. Measures

Within the scope of the research, data were collected using four scales. In addition, five questions were asked to determine the

demographic characteristics of the participants. Information about the scales used in the research is given below.

***Career Decidedness Scale:*** Career Decidedness Scale was developed by Lounsbury et al. (1999). The construct validity of the scale was then tested by Lounsbury and Gibson (2002) and also by Lounsbury, Hutchens, & Loveland (2005). The scale consisted of one dimension and 6 items. In the scale, items 2, 5 and 6 were scored in reverse. The scale is rated as 5-point Likert (1 = Strongly disagree, 5 = Strongly agree). The internal consistency coefficient of the scale was determined as .95 by Lounsbury et al. (1999). The scale was adapted to Turkish by the researchers in this study.

***Life Satisfaction Scale:*** Life Satisfaction Scale, developed by Diener, Emmons, Larsen, & Griffin (1985), consists of a single factor and five items. The scale was adapted to Turkish by Köker (1991) and rated as 5-point Likert (1 = Strongly disagree, 5 = Strongly agree). There was no reverse-scored item on the scale.

***Career Decision-Making Self-Efficacy Scale:*** The scale which was developed by Betz, Klein, & Taylor (1996) consists of five dimensions including competences for career choice (accurate self-appraisal, gathering occupational information, goal selection, planning for the future and problem solving) and 25 items. The scale has a 5-point Likert rating (1=Strongly distrust, 5=Strongly trust). The scale was adapted to Turkish by Işık (2010), and the internal consistency coefficient of the scale was calculated as .88. There was no reverse-scored item on the scale.

***Five-Factor Personality Traits Scale:*** This 10-item Five-Factor Personality Traits Scale, developed by Rammstedt and John (2007), consisted of five subscales. The scale with two items in each subscale is a 5-point likert-type scale (1 = Strongly disagree, 5 = Strongly agree). One positive and one negative item pair were included in the scale for each dimension. The scale was adapted to Turkish by Horzum, Tuncay, & Padır (2017). The internal consistency values of the subscales ranged from .81 to .90. The validity of the scales used in the study was tested through confirmatory factor analysis. The analysis results are shown in Table 1.

**Table 1.** Goodness of Fit Values of the Scales

	#	$\chi^2$	df	p	$\chi^2/df$	CF I	NF I	TL I	GF I	IF I	RMSE A
<b>CD</b>	6	15,666	7	.02 8	2,23 8	.99	.98	.98	.99	.99	.049
<b>CDMS</b>	2	703,51	23	.00	2,99	.92	.90	.91	.90	.92	.062
<b>E</b>	4	7	5	0	4						
<b>BFP</b>	6	14,947	6	.02 1	2,49 1	.97	.95	.93	.99	.97	.054
<b>LS</b>	5	5,597	5	.34 7	1,11 9	.99	.99	.99	.99	.99	.015

*CD= Career Decidedness, CDMS= Career Decision-Making Self-Efficacy, BFP= Big Five Personality, LS= Life Satisfaction*

When interpreting the goodness of fit values obtained in Table 1, evaluation was made according to the following criteria. If  $\chi^2/df$  ratio is less than 3, perfect fit can be mentioned and if it is less than 5, good fit can be mentioned (Kline, 2005). A RMSEA value of less than .050 indicates a perfect fit, and being less than or equal to .080 indicates good fit (Jöreskog & Sörborm, 1993). In the event of CFI, NFI, TLI and IFI values equal to or greater than .90 indicate good fit (Hu & Bentler, 1998). The GFI value should be at least .85 and above (Jöreskog and Sörbom, 1993; Anderson and Gerbing, 1984).

In the light of this information when Table 1 is examined, it is seen that the single factor structures of both career decidedness and life satisfaction scales are confirmed. In both scales, no items were excluded from the analysis and the obtained goodness of fit values indicate perfect fit. The five-factor structure of the career decision-making self-efficacy scale was confirmed by excluding one item from the gathering occupational information dimension. As a result of the second-order confirmatory factor analysis, one-dimensional second-order structure of the scale was also confirmed. In this study, goodness of fit values of one-dimensional structure are given and it can be said that values indicate acceptable level of compliance. Finally, when the goodness of fit values of the five-factor personality traits scale were examined in Table 1, the four items under the factors of agreeableness and neuroticism were excluded from the analysis due to low factor loads (<.30) and the three-factor model produced good fit values. In this context, it can be concluded that the data collected in the research are in good fit with the model and all are valid scales. The reliability of the scales was investigated by calculating internal consistency coefficients. Accordingly, as can be seen in Table 2, internal consistency coefficients of all variables were realized above .70. According to Nunnally (1978), if the internal consistency coefficient is calculated above .70, the scale can be considered reliable.

#### 4. Results

Table 2 shows the arithmetic mean and standard deviation values of the variables used in the study. When the values are examined, it is seen that the career decidedness levels of the students are around moderate level ( $3.09 \pm .958$ ). It is also identified from Table 2 that life satisfaction levels are very close to the moderate level ( $2.91 \pm .911$ ). In this context, it can be said that students' career decidedness and life satisfaction are not at sufficient level. When the career decision-making self-efficacy levels of the students in Table 2 are examined on the basis of dimensions, the highest mean score belongs to the accurate self-appraisal ( $3.64 \pm .721$ ) dimension. The lowest mean was in the dimension of problem solving ( $3.29 \pm .782$ ). In general, it was observed that the career decision-making self-efficacy levels of the students were higher than moderate level ( $3.46 \pm .711$ ), but they did not have a high self-efficacy. When Table 2 was evaluated in terms of personality traits, it was observed that students had especially responsible personality traits ( $3.88 \pm .869$ ). It was determined that personality traits such as extroversion ( $3.51 \pm 1.049$ ) and openness to experience ( $3.35 \pm .874$ ) follow it respectively.

Skewness and kurtosis coefficients were examined to determine whether the data collected within the scope of the study showed normal distribution. Accordingly, the skewness and kurtosis coefficients were found to be within  $\pm 1$  range. In this context, it can be said that the data used in the research show normal distribution (Morgan, Leech, Gloeckner, & Barret, 2004: 49). Based on this, the relationships between the variables were investigated by Pearson correlation analysis in Table 2, and positive significant relationships between all variables were determined.

**Table 2.** The Relations between Descriptive Statistics and Variables

Variable s	M	SD	1	2	3	4	5	6	7	8	9	10	11
<b>1. CD</b>	3.0 9	.958	(.80)										
<b>2. ASA</b>	3.6 4	.721	.550* *	(.78)									
<b>3. GOI</b>	3.4 6	.822	.457* *	.709* *	(.76)								
<b>4. GS</b>	3.4 9	.828	.584* *	.817* *	.712**	(.81)							
<b>5. PFTF</b>	3.4 1	.850	.544* *	.792* *	.739**	.795* *	(.82)						
<b>6. PS</b>	3.2 9	.782	.375* *	.716* *	.660**	.692**	.729* *	(.72)					
<b>7. CDSE</b>	3.4 6	.711	.767* *	.907* *	.850**	.908**	.918* *	.856* *	(.94)				
<b>8. CON S</b>	3.8 8	.869	.207* *	.255* *	.201**	.228* *	.251**	.268* *	.272* *	(.72)			
<b>9. OTE</b>	3.3 5	.874	.178* *	.227* *	.211**	.244**	.246**	.268**	.270* *	.173* *	(.74)		
<b>10. EXT</b>	3.5 1	1.04 9	.177* *	.290* *	.281* *	.312**	.366**	.309**	.353**	.255**	.254* *	(.70 )	
<b>11. LS</b>	2.9 1	.911	.334* *	.392* *	.372* *	.392**	.443**	.342**	.438**	.103*	.118**	.193**	(.81 )



**CD**= Career Decidedness, **ASA**= Accurate Self-Appraisal, **GOI**= Gathering Occupational Information, **GS**= Goal Selection, **PFTF**= Planning for the Future, **PS**= Problem Solving, **CDSE**= Career Decision-Making Self-Efficacy, **CONS**= Conscientiousness, **OTE**= Openness to Experience, **EXT**= Extroversion, **LS**= Life Satisfaction.

**\*\*** are significant at  $p < .01$ ; **\*** are significant at  $p < .05$ . Values in parentheses show the reliability coefficients of the dimensions.

In order to perform hypothesis tests, structural equation model was developed by using AMOS 21 program. In this context, goodness of fit values of the model are within acceptable limits ( $\chi^2 / df = 2.707$ , CFI = .93, NFI = .90, TLI = .92, GFI = .91, IFI = .93, RMSEA = .057). Findings obtained as a result of path analysis are given in Table 3.

**Table 3.** Path Analysis Results

	Path		$\beta$	SE	Sub-Hypotheses	Result	
	CONS	→	CD	.026	.163	H <sub>1a</sub>	Not Supported
	OTE	→	CD	.028	.230	H <sub>1b</sub>	Not Supported
	EXT	→	CD	-.107*	.051	H <sub>1c</sub>	Supported
	CDMSE	→	CD	.691***	.095	H <sub>2</sub>	Supported
	CONS	→	CDMSE	.314***	.196	H <sub>3a</sub>	Supported
	OTE	→	CDMSE	.328**	.280	H <sub>3b</sub>	Supported
	EXT	→	CDMSE	.303***	.044	H <sub>3c</sub>	Supported
	CD	→	LS	.095	.051	H <sub>5</sub>	Not Supported
	CDMSE	→	LS	.390***	.077	H <sub>6</sub>	Supported
	CONS	→	LS	-.059	.133	H <sub>8a</sub>	Not Supported
	OTE	→	LS	.022	.181	H <sub>8b</sub>	Not Supported
	EXT	→	LS	.023	.038	H <sub>8c</sub>	Not Supported

\*\*\* are significant at  $p < .001$ ; \*\* are significant at  $p < .01$ ; \* are significant at  $p < .05$ .

When Table 3 is considered, within the scope of the hypothesis 1 of the research, only the significant effect of extroversion on career decidedness was determined and H<sub>1c</sub> was supported. The effect of career decision-making self-efficacy ( $\beta = .691$ ;  $p < .001$ ) on career decidedness was found to be positive and significant, H<sub>2</sub> was supported. Positive and significant effects of personality traits on career decision-making self-efficacy ( $\beta = .314$ ;  $p < .001$ ;  $\beta = .328$ ;  $p < .01$ ;  $\beta = .303$ ;  $p < .001$ ) were determined, and H<sub>3a</sub>, H<sub>3b</sub> ve H<sub>3c</sub> were supported. The effect of career decidedness on life satisfaction ( $\beta = .095$ ;  $p > .05$ ) was not significant and H<sub>5</sub> was not supported. The effect of career decision-making self-efficacy on life satisfaction ( $\beta = .390$ ;  $p < .001$ ) was also significant and H<sub>6</sub> was supported. Finally, in Table 3, the effects of personality traits on life satisfaction were discussed, but no significant effects ( $\beta = -.059$ ;  $p > .05$ ;  $\beta = .022$ ;  $p > .05$ ;  $\beta = .023$ ;  $p > .05$ ) were found among traits of three traits. In this context, H<sub>8a</sub>, H<sub>8b</sub> and H<sub>8c</sub> were not supported.

After the path analysis, testing of mediation hypotheses was started. In the analysis of mediation models, the traditional approach of Baron and Kenny (1986) is frequently used in literature. However, especially recently, a modern approach (Bootstrap) has been proposed for analysis of mediation models that allows for better results. Unlike Baron and Kenny's approach, the modern approach does not seem it necessary to fulfill the

requirements for the successive steps. The modern approach predicts that even if these conditions do not occur, the mediation effect (indirect effect) can be mentioned. In other words, if the indirect effect is significant, it is considered sufficient to accept the mediation model. Accordingly, if the lower and upper confidence interval values corresponding to the indirect effect value do not include zero value, the indirect effect is considered significant and it is understood that mediation effect has occurred (Gürbüz and Bayık, 2018). The results of the analysis are given in Table 4.

**Table 4.** Indirect Effects in Structural Model

	Path		Indirect Effect ( $\beta$ )	LLCI	ULCI	Sub-Hypotheses	Result
CONS->	CDMSE->	CD	.165***	.113	.227	H <sub>4a</sub>	Supported
OTE->	CDMSE->	CD	.165***	.107	.228	H <sub>4b</sub>	Supported
EXT->	CDMSE->	CD	.186***	.144	.235	H <sub>4c</sub>	Supported
CDMSE->	CD->	LS	.091***	.017	.166	H <sub>7</sub>	Supported
CONS->	CD->	LS	.070***	.039	.110	H <sub>9a</sub>	Supported
OTE->	CD->	LS	.060***	.029	.098	H <sub>9b</sub>	Supported
EXT->	CD->	LS	.047***	.022	.077	H <sub>9c</sub>	Supported
CONS->	CDMSE->	LS	.126***	.083	.179	H <sub>10a</sub>	Supported
OTE->	CDMSE->	LS	.123***	.079	.173	H <sub>10b</sub>	Supported
EXT->	CDMSE->	LS	.129***	.093	.172	H <sub>10c</sub>	Supported

\*\*\*are significant at  $p < .001$ ;  $n = 520$ , LLCI = Lower level confidence interval; ULCI = Upper level confidence interval. Bootstrap resampling = 5.000.

According to Table 4, it was found that the indirect effect of personality traits including responsibility ( $\beta = .165$ , 95% BCa CI [.113, .227]), openness to experience ( $\beta = .165$ , 95% BCa CI [.107, .228]) and extroversion ( $\beta = .186$ , 95% BCa CI [.144, .235]) on career decidedness through career decision-making self-efficacy. In this context, H<sub>4a</sub>, H<sub>4b</sub> and H<sub>4c</sub> were supported. The indirect effect of career decision-making self-efficacy on life satisfaction through career decidedness was significant ( $\beta = .091$ , 95% BCa CI [.017, .166]) and it's shown in Table 4. Accordingly, H<sub>7</sub> was also supported. Again, when Table 4 is examined, the indirect effects of personal traits including responsibility ( $\beta = .070$ , 95% BCa CI [.039, .110]), openness to experience ( $\beta = .060$ , 95% BCa CI [.029, .098]) and extroversion ( $\beta = .047$ , 95% BCa CI [.022, .077]) on life satisfaction through career decidedness was significant. Accordingly, H<sub>9a</sub>, H<sub>9b</sub> ve H<sub>9c</sub> were also supported. In Table 4, finally, it was determined that the indirect effect of personal traits including responsibility ( $\beta = .126$ , 95% BCa CI [.083, .179]), openness to experience ( $\beta = .123$ , 95% BCa CI [.079, .173]) and extroversion ( $\beta = .129$ , 95% BCa CI [.093, .172]) on life satisfaction through career decision-making self-efficacy was significant. In this context, H<sub>10a</sub>, H<sub>10b</sub> ve H<sub>10c</sub> were also supported.

## 5. Conclusion

According to the results of this study, within the framework of SCCT, significant effects were found between personality, life satisfaction, career decision-making self-efficacy and career decidedness. In addition, it was found that career decision-making self-efficacy and career decidedness had a mediating role in the relationship between personality and life satisfaction. Another finding of mediation test is that career decidedness has a mediator role in the relationship between career decision-making self-efficacy and life satisfaction.

In this study, it was found that responsibility, openness to experience and extroversion, which are the five-factors personality traits, had a significant effect on career decision-making self-efficacy. While Wang et al. (2006) found that personality, extroversion and neuroticism dimension affect career decision-making self-efficacy, Jin et al. (2009) found that all five dimensions of personality had significant effects on career decision-making self-efficacy. Penn and Lent (2018) stated that personality traits had significant effects on career decision-making self-efficacy and career decidedness, and they indicated that personality had a moderating role in the relationship between career decision-making self-efficacy and career decidedness. In another study, five-factor personality traits were found to affect career decidedness (Lounsbury et al., 1999). In addition, these researchers stated that career decision-making self-efficacy has an mediating role between personality and career decidedness. In a study on the relationship between career counseling, career decidedness, career decision-making self-efficacy and family support, it is seen that there is a relationship between career decision-making self-efficacy and career decidedness (Restubog et al., 2010). According to the results of the research, it is concluded that the significant relationships between life satisfaction and personality (Schimmack et al., 2002; Schimmack et al., 2004; Suldo et al., 2015; Lyons et al., 2016; Jokela et al., 2015; Kim et al., 2018; Sato et al., 2018), career decision-making self-efficacy (Creed et al., 2003; Wright and Perrone, 2010) and career decidedness (Harren, 1979; Lounsbury et al., 2005; Jaensch et al., 2015; Arnold, 1989; Steel, 2018) are in line with previous studies.

Based on the results obtained, the most important contribution of this study was to reveal the mediating role of career decision-making self-efficacy and career decidedness in the relationship between variables used in the research. Another important contribution is to determine the predictive power of each variable by considering the effects of variables in a single structural equation model. This study is considered important in terms of revealing that personality variable has an effect on variables related to career development with structural equation model, as well as the effect of personality variable on many dependent variables.

In addition to the effect of personality on individuals' life satisfaction, the role of career variables cannot be denied. An important part of the lives of employees is spent in business life. Therefore, decision-making processes related to their careers are important in terms of career development and life satisfaction of employees. Taking the right decisions in the transition from school to work will have indirect and significant effects on individuals' future lives. In order to satisfy individuals in their careers and lives, family and school support must be provided, and career planning should be realized by making the right guidance through career counseling. However, in terms of preparing students for business life, to develop self-efficacy in career selection, in order to increase the level of knowledge related to occupations, during the school life, it is necessary to organize the programs, to acquire problem solving and planning skills, and to bring together the professionals and students in order to determine career alternatives.

As with any research, also this study has some limitations. The first is that the research is conducted in a cross-sectional design on a single sample. Repeating the study in longitudinal design on samples with different characteristics would be useful to compare the results. Another limitation is the inclusion of students with the same cultural characteristics. With the impact of globalization and the development of technology use skills, nowadays, where intercultural interaction is intense, in order to understand the results of this interaction, effects of cultural differences/assimilations should also be investigated in the intercultural context. Another limitation was that control variables such as cognitive abilities, academic achievement, socio-economic status and career of parents were not included in the research model.

## References

- Alkan, N. (2014). Üniversite adaylarının bölüm tercihleri: Bir kariyer araştırma yöntemi olarak bölüm tanıtımları. *Türk Psikolojik Danışma ve Rehberlik Dergisi*, 5(41), 61-74.
- Amir, T., & Gati, I. (2006). Facets of career decision-making difficulties. *British Journal of Guidance & Counselling*, 34(4), 483-503.
- Anderson, J. C., & Gerbing, D. W. (1984). The effect of sampling error on convergence, improper solutions, and goodness-of-fit indices for maximum likelihood confirmatory factor analysis. *Psychometrika*, 49(2), 155-173.
- Arnold, J. (1989). Career decidedness and psychological well-being: A two-cohort longitudinal study of undergraduate students and recent graduates. *Journal of Occupational Psychology*, 62(2), 163-176.

- Bandura, A. (1977). Self-efficacy: toward a unifying theory of behavioral change. *Psychological Review*, 84(2), 191-215.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Betz, N. E., & Hackett, G. (1981). The relationship of career-related self-efficacy expectations to perceived career options in college women and men. *Journal of Counseling Psychology*, 28(5), 399-410.
- Betz, N. E., & Voyten, K. K. (1997). Efficacy and outcome expectations influence career exploration and decidedness. *The Career Development Quarterly*, 46(2), 179-189.
- Betz, N. E., Klein, K. L., & Taylor, K. M. (1996). Evaluation of a short-form of career decision making self-efficacy scale. *Journal of Career Assessment*, 4(1), 47-57.
- Brody, R. P., & Cunningham, S. M. (1968). Personality variables and the consumer decision process. *Journal of Marketing Research*, 5(1), 50-57.
- Brown, S. D., & Hirschi, A. (2013). Personality, career development, and occupational attainment. In S. D. Brown, & R. W. Lent (Eds.), *Career development and counseling: Putting theory and research to work* (pp. 299-328) (2nd ed.). Hoboken, NJ: Wiley.
- Creed, P. A., Muller, J., & Patton, W. (2003). Leaving high school: The influence and consequences for psychological well-being and career-related confidence. *Journal of Adolescence*, 26(3), 295-311.
- Crites, J. O. (1981). *Career counseling: Models, methods, and materials*. New York: McGraw-Hill.
- Diener, E., Emmons, R. A., Larsen, R. J., & Griffin, S. (1985). The satisfaction with life scale. *Journal of Personality Assessment*, 49(1), 71-75.
- Fabio, A. D., Palazzeschi, L., Asulin-Peretz, L., & Gati, I. (2013). Career indecision versus indecisiveness: Associations with personality traits and emotional intelligence. *Journal of Career Assessment*, 21(1), 42-56.
- Feldman, D. C. (2003). The antecedents and consequences of early career indecision among young adults. *Human Resource Management Review*, 13(3), 499-531.

- Ginevra, M. C., Pallini, S., Vecchio, G. M., Nota, L., & Soresi, S. (2016). Future orientation and attitudes mediate career adaptability and decidedness. *Journal of Vocational Behavior*, 95, 102-110.
- Glaize, D. L., & Myrick, R. D. (1984). Interpersonal groups or computers? A study of career maturity and career decidedness. *Vocational Guidance Quarterly*, 32(3), 168-176.
- Goldschmid, M. L. (1967). Prediction of college majors by personality tests. *Journal of Counseling Psychology*, 14(4), 302-308.
- Gordon, V. N. (1998). Career decidedness types: A literature review. *The Career Development Quarterly*, 46(4), 386-403.
- Grier-Reed, T. L., & Skaar, N. R. (2010). An outcome study of career decision self-efficacy and indecision in an undergraduate constructivist career course. *The Career Development Quarterly*, 59(1), 42-53.
- Guay, F., Ratelle, C. F., Sen  cal, C., Larose, S., & Desch  nes, A. (2006). Distinguishing developmental from chronic career indecision: Self-efficacy, autonomy, and social support. *Journal of Career Assessment*, 14(2), 235-251.
- Gunkel, M., Schlaegel, C., Langella, I. M., & Peluchette, J. V. (2010). Personality and career decisiveness: An international empirical comparison of business students' career planning. *Personnel Review*, 39(4), 503-524.
- G  rb  z, S., & Bayık, M. E. (2018). *Aracılık modellerinin analizinde modern yaklařım: Baron ve Kenny y  ntemi artık terk edilmeli mi?* 6.   rg  tsel Davranıř Bildiri Kitabı. pp. 30-45.
- Harren, V. A. (1979). A model of career decision making for college students. *Journal of Vocational Behavior*, 14(2), 119-133.
- Horzum, M. B., Tuncay, A., & Padır, M. A. (2017). Beř fakt  r kiřilik   l  eđi'nin T  rk k  lt  r  ne uyarlanması. *Sakarya University Journal of Education*, 7(2), 398-408.
- Hsieh, H. H., & Huang, J. T. (2014). The effects of socioeconomic status and proactive personality on career decision self-efficacy. *The Career Development Quarterly*, 62(1), 29-43.
- Hu, L. T., & Bentler, P. M. (1998). Fit indices in covariance structure modeling: Sensitivity to underparameterized model misspecification. *Psychological Methods*, 3(4), 424-453.
- Iřık, E. (2010). Sosyal biliřsel kariyer teorisi temelli bir grup m  dahalesinin   niversite   ğrencilerinin kariyer kararı yetkinlik ve mesleki sonu   beklenti d  zeylerine etkisi. Yayınlanmamıř Doktora Tezi.   ukurova   niversitesi Sosyal Bilimler Enstit  s  , Adana.

- Jaensch, V. K., Hirschi, A., & Freund, P. A. (2015). Persistent career indecision over time: Links with personality, barriers, self-efficacy, and life satisfaction. *Journal of Vocational Behavior*, 91, 122-133.
- Järnlström, M. (2000). Personality preferences and career expectations of Finnish business students. *Career Development International*, 5(3), 144-154.
- Jin, L., Watkins, D., & Yuen, M. (2009). Personality, career decision self-efficacy and commitment to the career choices process among Chinese graduate students. *Journal of Vocational Behavior*, 74(1), 47-52.
- Jokela, M., Bleidorn, W., Lamb, M. E., Gosling, S. D., & Rentfrow, P. J. (2015). Geographically varying associations between personality and life satisfaction in the London metropolitan area. *Proceedings of the National Academy of Sciences*, 112(3), 725-730.
- Jöreskog, K., & Sörbom, D. (1993). *LISREL 8: Structural equation modeling with the simplis command language*. Chicago, IL: Scientific Software International Inc.
- Kim, H., Schimmack, U., Oishi, S., & Tsutsui, Y. (2018). Extraversion and life satisfaction: A cross-cultural examination of student and nationally representative samples. *Journal of Personality*, 86(4), 604-618.
- Kline, P. (1994). *An easy guide to factor analysis*. New York: Routledge.
- Kline, R. B. (2005). *Principles and practice of structural equation modeling*. New York: Guilford Press.
- Korkut-Owen, F., Kepir, D. D., Özdemir, S., Ulaş, Ö., & Yılmaz, O. (2012). Üniversite öğrencilerinin bölüm seçme nedenleri. *Mersin Üniversitesi Eğitim Fakültesi Dergisi*, 8(3), 135-151.
- Köker, S. (1991). Normal ve sorunlu ergenlerde yaşam doyumu düzeyinin karşılaştırılması. Yayınlanmamış Yüksek Lisans Tezi. Ankara Üniversitesi Sosyal Bilimler Enstitüsü, Ankara.
- Lent, R. W. (2004). Toward a unifying theoretical and practical perspective on well-being and psychosocial adjustment. *Journal of Counseling Psychology*, 51(4), 482-509.
- Lent, R. W., Brown, S. D., & Hackett, G. (1994). Toward a unifying social cognitive theory of career and academic interest, choice, and performance. *Journal of Vocational Behavior*, 45(1), 79-122.
- Lounsbury, J. W., & Gibson, L. W. (2002). *Personal Style Inventory: A work-based personality measurement system*. Knoxville, TN: Resource Associates.



- Lounsbury, J. W., Hutchens, T., & Loveland, J. M. (2005). An investigation of big five personality traits and career decidedness among early and middle adolescents. *Journal of Career Assessment*, 13(1), 25-39.
- Lounsbury, J. W., Saudargas, R. A., Gibson, L. W., & Leong, F. T. (2005). An investigation of broad and narrow personality traits in relation to general and domain-specific life satisfaction of college students. *Research in Higher Education*, 46(6), 707-729.
- Lounsbury, J. W., Tatum, H. E., Chambers, W., Owens, K. S., & Gibson, L. W. (1999). An investigation of career decidedness in relation to "Big Five" personality constructs and life satisfaction. *College Student Journal*, 33(4), 646-652.
- Luzzo, D. A. (1993). Value of career-decision-making self-efficacy in predicting career-decision-making attitudes and skills. *Journal of Counseling Psychology*, 40(2), 194.
- Luzzo, D. A. (1995). Gender differences in college students' career maturity and perceived barriers in career development. *Journal of Counseling & Development*, 73(3), 319-322.
- Lyons, M. D., Huebner, E. S., & Hills, K. J. (2016). Relations among personality characteristics, environmental events, coping behavior and adolescents' life satisfaction. *Journal of Happiness Studies*, 17(3), 1033-1050.
- Martincin, K. M., & Stead, G. B. (2015). Five-factor model and difficulties in career decision making: A meta-analysis. *Journal of Career Assessment*, 23(1), 3-19.
- McCrae, R. R., & John, O. P. (1992). An introduction to the five-factor model and its applications. *Journal of Personality*, 60(2), 175-215.
- Miller, A. D. (2011). *Career decidedness, meaning in life, and anxiety: A mediation/moderation model*. Unpublished Master of Arts Thesis, Southern Illinois University.
- Morgan, G. A., Leech, N. L., Gloeckner, G. W., & Barret, K. C. (2004). *SPSS for introductory statistics: Use and interpretation*. Second Edition. London: Lawrance Erlbaum Associates.
- Nunnally, J. C. (1978). *Psychometrictheory*. Second edition. New York: McGraw-Hill.
- Ojeda, L., Piña-Watson, B., Castillo, L. G., Castillo, R., Khan, N., & Leigh, J. (2012). Acculturation, enculturation, ethnic identity, and conscientiousness as predictors of Latino boys' and girls' career decision self-efficacy. *Journal of Career Development*, 39(2), 208-228.

- Page, J., Bruch, M. A., & Haase, R. F. (2008). Role of perfectionism and five-factor model traits in career indecision. *Personality and Individual Differences*, 45(8), 811-815.
- Penn, L. T., & Lent, R. W. (2018). (in press). The Joint Roles of Career Decision Self-Efficacy and Personality Traits in the Prediction of Career Decidedness and Decisional Difficulty. *Journal of Career Assessment*, doi:10.1177/1069072718758296.
- Rammstedt, B., & John, O. P. (2007). Measuring personality in one minute or less: A 10-item short version of the Big Five Inventory in English and German. *Journal of Research in Personality*, 41(1), 203-212.
- Restubog, S. L. D., Florentino, A. R., & Garcia, P. R. J. M. (2010). The mediating roles of career self-efficacy and career decidedness in the relationship between contextual support and persistence. *Journal of Vocational Behavior*, 77(2), 186-195.
- Sato, M., Jordan, J. S., Funk, D. C., & Sachs, M. L. (2018). Running involvement and life satisfaction: The role of personality. *Journal of Leisure Research*, 49(1), 28-45.
- Sav, D. (2008). *Bireysel kariyer planlamada etkili olan faktörler ve üniversitelerin etkisi üzerine bir araştırma* (Yayımlanmamış Yüksek Lisans Tezi). Süleyman Demirel Üniversitesi, Sosyal Bilimler Enstitüsü, Isparta.
- Schimmack, U., Oishi, S., Furr, R. M., & Funder, D. C. (2004). Personality and life satisfaction: A facet-level analysis. *Personality and Social Psychology Bulletin*, 30(8), 1062-1075.
- Schimmack, U., Radhakrishnan, P., Oishi, S., Dzokoto, V., & Ahadi, S. (2002). Culture, personality, and subjective well-being: Integrating process models of life satisfaction. *Journal of Personality and Social Psychology*, 82(4), 582-593.
- Sharf, R. S. (2016). *Applying career development theory to counseling*. Nelson Education.
- Smith, R. M. (2011). *Personality traits and career decidedness: An empirical study of university students*. Doctoral dissertation. University of Tennessee.
- Solberg, V. S., Good, G. E., Fischer, A. R., Brown, S. D., & Nord, D. (1995). Career decision-making and career search activities: Relative effects of career search self-efficacy and human agency. *Journal of Counseling Psychology*, 42(4), 448.
- Steel, P., Schmidt, J., Bosco, F., & Uggerslev, K. (2018). The effects of personality on job satisfaction and life satisfaction: A meta-analytic

- investigation accounting for bandwidth–fidelity and commensurability. *Human Relations*, 72(2), 217–247.
- Suldo, S. M., Minch, D. R., & Hearon, B. V. (2015). Adolescent life satisfaction and personality characteristics: Investigating relationships using a five factor model. *Journal of Happiness Studies*, 16(4), 965–983.
- Taylor, K. M., & Betz, N. E. (1983). Applications of self-efficacy theory to the understanding and treatment of career indecision. *Journal of Vocational Behavior*, 22(1), 63–81.
- Tokar, D. M., Withrow, J. R., Hall, R. J., & Moradi, B. (2003). Psychological separation, attachment security, vocational self-concept crystallization, and career indecision: A structural equation analysis. *Journal of Counseling Psychology*, 50(1), 3–19.
- Wang, N., Jome, L. M., Haase, R. F., & Bruch, M. A. (2006). The role of personality and career decision-making self-efficacy in the career choice commitment of college students. *Journal of Career Assessment*, 14(3), 312–332.
- Wei, M., Russell, D. W., & Zakalik, R. A. (2005). Adult attachment, social self-efficacy, self-disclosure, loneliness, and subsequent depression for freshman college students: A longitudinal study. *Journal of Counseling Psychology*, 52(4), 602–614.
- Whiston, S. C., Li, Y., Mitts, N. G., & Wright, L. (2017). Effectiveness of career choice interventions: A meta-analytic replication and extension. *Journal of Vocational Behavior*, 100, 175–184.
- Wright, S. L., & Perrone, K. M. (2010). An examination of the role of attachment and efficacy in life satisfaction. *The Counseling Psychologist*, 38(6), 796–823.
- Ye, Y. (2014). Role of career decision-making self-efficacy and risk of career options on career decision-making of Chinese graduates. *Psychological Reports*, 114(2), 625–634.

# ENSURING CORPORATE SUSTAINABILITY BY INNOVATION

Çiğdem KAYA\*

## 1. Introduction

Today, innovation is a significant competitive advantage for businesses and is a necessity to continue their existence and survive in the global market. In today's environment where technological change is a continuity, firms operating in almost every field need to be constantly innovative in all processes with the aim of keeping up with these continuous changes and gaining competitive advantage. Natural resources are limited and firms benefit from these limited resources while performing their activities. Therefore, there is also intense competition between firms in terms of obtaining limited resources. Globalizing world, rapidly changing technological changes, reduction of natural resources and continuous changes in consumers' preferences and expectations increase the competition among businesses. As a result, in this intense competitive environment, the solution that can lead to success of firms is to gain a sustainable competitive advantage as an innovative company.

The issue of sustainability has been discussed for more than 30 years and continues to gain importance. Achieving a sustainable competitive advantage is a key to corporate sustainability, and corporate sustainability can lead firms to success, more innovation and profitability. In order for businesses to be sustainable in terms of both society and themselves, they need to evaluate the economic, social and environmental components of sustainability as a whole and work within all these components in order to reduce their possible negative effects on society.

While innovation is seen as a new product or a process that is primarily related to commercial applications (OECD, 2005: 46), new dimensions such as green, environmental or ecological innovations, which are obligatory for enterprises in time, have become necessary and thus the concept of innovation has expanded and the idea of sustainable innovation has arisen (Schiederig et al., 2012: 180). In addition, the inclusion of sustainability practices, such as sustainability-oriented innovation, into management activities has

---

\* Dr., İstanbul AREL Üniversitesi, (cigdemkaya2810@gmail.com)

brought some positive results for the firms (Garcez et al., 2016: 23). In this study, the types of innovation and their adoption were discussed and then the importance of adopting an ambidexterity approach that provides maximum benefit to the businesses in terms of sustainability was discussed.

## **2. The Concept of Innovation, Types of Innovation and Innovation Strategies**

Under this heading, various definitions of the concept of innovation are given, followed by innovation types and strategies.

### **2.1. The Concept of Innovation**

Innovation is the implementation of a new or significantly improved product (goods or services) or process, a new marketing method or a new organizational method in business practices, workplace organization or external relations. Innovation includes the products, processes and methods developed by enterprises for the first time and adopted from other firms or organizations (OECD, 2005: 46).

Schumpeter is the first to define innovation. Schumpeter (1934: 4) defined innovation as the introduction of a new product that customers do not yet know or launching a new feature of an existing product on the market or, the introduction of a new production method, the opening of a new market, obtaining a new source for the supply of raw materials or semi-finished products. Schumpeter (1934: 4), argued that entrepreneurs have disrupted their market balances with their innovative role and that new balances have been created instead of disrupted balances; therefore, they have created a constant dynamism in the economy. According to Drucker (1985: 30), entrepreneurs make innovation and innovation is in fact the original element of entrepreneurship. Innovation is an action that grants resources to create prosperity and a new capacity; in short, innovation actually creates a resource. Until people find a place of use for any object in nature and therefore the object that gains the quality of usability has an economic value, it cannot be mentioned as a resource (Drucker, 1985: 30). Innovation is the whole of technical, social and economic processes and is defined as the transformation of knowledge into economic and social benefits (Levesque, 2007: 122). According to this, innovation is the product

of a culture that is identified with the desire for change, openness to innovation and a spirit of entrepreneurship.

From the point of view of firms, innovation is a very important competition tool because it increases profitability with efficiency and enables to enter new markets and to enlarge the current market. The economies with efficient, profitable and highly competitive firms are developing and gaining competitive advantage on a global scale (Levesque, 2007: 122). The main objective of innovation is to achieve organizational change by creating new opportunities or using existing ones (Kaya et al., 2017: 33; Kaya et al., 2018: 770). Innovation as a source of competitive advantage and thus survival is a very important concept for the organization to deal with and influence environmental change (Damanpour and Schneider, 2006: 215).

Scientists from different perspectives have shown great interest in innovation. Innovation is often defined as the development and use of new ideas or behaviors in organizations and a new idea, a new product, service or production method or a new market, organizational structure, or managerial system innovation (Damanpour and Wischnevsky, 2006: 271). Innovation is also related to financial growth and can be the basis of sustainable competitive advantage for firms (Damanpour and Wischnevsky, 2006: 270; Tushman et al., 1997: 3). Globalization and thus global competition, the limitation of resources and the speed of technological developments shape the environmental conditions of today and the firms that operate under these conditions and desire to grow must be innovative (Damanpour and Wischnevsky, 2006: 270). Executives decide to adopt innovation in order to obtain the expected benefits from the changes that innovation can bring to the firm. In addition, managers can decide to innovate in order to adapt their organizations to the environment and thus aim to increase their performance and productivity (Damanpour and Schneider, 2006: 495-496).

## **2.2. Types of Innovation**

In the management literature, innovation is categorized according to where and how changes are made. In this section, firstly the classification according to areas based on Oslo Manual (OECD, 2005: 47) and then the classification according to degrees (incremental and radical innovation) will be mentioned.

### **2.2.1. Types of Innovation Based on Areas**

When it comes to innovation based on areas, it is expressed where the innovation is exactly realized. Accordingly, the types of innovation are categorized into four groups such as product innovation, process innovation, marketing innovation and organizational innovation (OECD, 2005: 47).

#### **2.2.1.1. Product Innovation**

Product innovation is a presentation of a new or significantly improved product or service with respect to its features or intended uses, and includes significant improvements in its technical specifications, components and materials, software, user friendliness or other functional features. Product innovation includes both the introduction of new goods and services, and significant improvements in the functional or user characteristics of existing goods and services. The first portable MP3 player, ABS braking system or navigation systems can be given as examples for product innovation. Significant improvements in internet banking services such as improved speed and ease of use or the addition of drop-in and drop-off services that increase customer access to rental cars can be given as examples for service innovation (OECD, 2005: 48).

As a global brand in terms of product innovation, 3M can be given as an example (Köksal, 2008: 58). From painless wound bands to fuel cells, from post-it to digital recognition technology, more than 50 thousand products are all examples of innovation that have been developed by 3M since 1902 (Elçi, 2006: 4). These products that have been developed to meet the simple but important needs of the customers have provided 3M with global competitiveness.

As an example of the innovative products from Turkey, 'Double Vision', a product that can be worn on both sides, launched by Colin's Jeans in 2005 can be given. The traditional Turkish coffee machine Telve, developed by Arçelik, received the IF Design Award in the 2005 product design category. Arçelik received the 2008 Crystal Apple Award with the world's least water-consuming dishwasher innovation (Elçi, 2007: 3-4).

#### **2.2.1.2. Process Innovation**

Process innovation is the implementation of a new or significantly improved production or delivery method and can include significant changes in techniques, equipment and / or software, and can be

designed to reduce the unit costs of production or delivery, improve quality, or produce or deliver new or significantly improved products (OECD, 2005: 49). Production methods include the techniques, equipment and software used to produce goods or services.

Examples of new production methods include the introduction of new automation equipment in a production line or the application of computer aided design for product development. Distribution methods concern the logistics of the firm and include equipment, software and techniques used to obtain inputs, provide internal procurement, or deliver final products. An example of the new delivery method is the use of barcode or active radio frequency-defined goods monitoring system (OECD, 2005: 49).

The most classic example for process innovation is Toyota's just in time production system developed in the 1950s. With just-in-time production systems, only the products and parts needed are produced at the time and quantity required and stock is kept to a minimum (Elçi, 2006: 9) and thus only products ordered by the customer are produced and resources are not wasted (Söyü Eren, 2017: 14). Thus, efficiency will increase due to the reduction of waste and the firms will be able to respond quickly to the changes (Elçi, 2006: 9). Jidoka, another process innovation of Toyota, means that production stops automatically (Elçi, 2006: 9) and thus only quality cars are produced when a breakdown or abnormal situation is encountered during production (Toprak, 2013: 5).

### **2.2.1.3. Marketing Innovation**

Marketing innovation is the application of a new marketing method that involves significant changes in product design or packaging, product placement, product promotion or pricing (Elçi, 2007: 32). In order to increase sales of the companies, marketing innovation aims at better meeting customer needs, opening new markets or positioning their products in the market in a new way. The distinctive feature of marketing innovation is the application of a marketing method that was not used by the company before. Marketing innovation should be part of a new marketing concept or strategy that represents a significant difference from the current marketing methods of the firm. The new marketing method can be developed by the innovative firm or adopted from other firms or organizations. New marketing methods can be applied for both new and existing products (OECD, 2005: 49-50).



When marketing innovation is to be made, different innovation techniques can be used in product design, product positioning and product promotion. Marketing innovation involves significant changes in product design that are part of a new marketing concept. Product design changes here refer to changes in product form and appearance, without altering the functionality or user characteristics of the product. Changes in the packaging of products such as food, beverages and detergents, where the packaging is the main determinant of the appearance of the product are also considered in this content (OECD, 2005: 50).

As an example of marketing innovation in terms of packaging, it can be given to use a new bottle design for body lotion in order to give a different look to the product and to appeal to a new market segment (Köksal, 2008: 35). The Wondra hand lotion from Procter & Gamble is an interesting example. As all the available hand lotions were sold in plastic bottles with top-lid caps, in order to use the lotion when the lotion in the bottle is running low, it was necessary to reverse the bottle. Even if this was done, it was still flushed with a bottle without using an amount of lotion. Innovation in the new lotion bottles was that the lid was under the bottle and that the upper part of the bottle was round, therefore the lotion could easily be used up to the last drop by its floating under the bottle (Arköse, 2004: 122).

As can be seen from this example, it can be said that packaging is important in two points in terms of new products. First, innovation should be delivered to customers as effectively as possible; secondly, in most cases, there is an attempt to create the image of innovation through packaging only, although there is no change in the product. The purchases made by the customers themselves in the large department stores have given the role of the seller to the packaging. In this regard, the purchase decision depends largely on the visual appeal of the packaging (Tunç, 2008: 22-23).

New marketing methods in product positioning primarily involve the introduction of new sales channels. The sales channels here refer mainly to the methods used to sell goods and services to customers, not to the logistical methods (product transport, storage and transportation) that are primarily concerned with productivity. For example, it is possible to introduce furniture sales rooms redesigned

according to themes, allowing customers to see furniture in fully decorated rooms (OECD, 2005: 50).

New marketing methods in product promotion include the use of new concepts for the promotion of products and services of a firm. For example, the first use of a significantly different promotional environment or technique, such as product placement in movies or television programs, or the use of famous people, is a marketing innovation. Another example is branding as the development of a new brand symbol (unlike the regular update of the brand's appearance) for the firm to position its product in a new market or to give a new image to the product. In addition, the introduction of a personalized information system (such as loyal customer cards) can be accepted as a marketing innovation in order to adapt product offerings that are tailored to the specific needs of individual customers (OECD, 2005: 50).

Innovation in pricing involves the use of new pricing strategies to market the goods or services of the enterprise (Kırım, 2007: 19). First use of a new method to change the price of a good or service based on the demand (e.g., when the demand is low, the price is low) and a new method that allows customers to select the desired product features from the company website, and view the price of this particular product are the examples of pricing innovation. New pricing methods aiming to differentiate prices according to customer segments are not considered as innovation (OECD, 2005: 51).

#### **2.2.1.4. Organizational Innovation**

Organizational innovation is the implementation of a new organizational method in business practice, workplace organization or external relations. Organizational innovation can be designed by reducing the management costs or transaction costs of an enterprise, increasing workplace satisfaction (and thus labor productivity), providing access to non-tradable assets (such as non-codified external information) or reducing procurement costs (Köksal, 2008: 51-52). When compared to other organizational changes in a business, the distinctive feature of an organizational innovation is that it is a result of the implementation of an organizational method (business practices, workplace organization or external relations) which has not been used before in the enterprise and that it is implemented as a result of strategic decisions taken by management. Organizational innovation in business practices involves the

application of new methods to regulate routines and procedures for conducting business. An example of such practices is the introduction of new applications to improve learning and information sharing within the organization. It is also another example of implementing applications for coding information such as best practices, lessons learned, and other information stored in databases. Thanks to the applications in these examples, the relevant information becomes easily accessible information for others. Another example is the training and development practices, which have been implemented for the first time in order to increase employees' development and retention rate. Other examples include the introduction of management systems for the first time for general production or procurement operations such as supply chain management systems, enterprise restructuring, lean manufacturing and quality management systems (OECD, 2005: 51).

Organizational innovation can improve the quality and productivity of the product or service, increase the exchange of information between departments, and strengthen the capacity of enterprises to use new information and technologies (Günay, 2007: 16-17). Quality management systems of firms can be given as an example. Quality management systems ensure that an organization is managed and controlled in a systematic and transparent manner. ISO 9001 quality management system is a necessary tool for customer satisfaction and profitability with its customer oriented and continuous improvement philosophy. Quality management systems can be applied to all kinds of organizations regardless of scale and type (Günay, 2007: 16-17). Another example of organizational innovation is the continuous improvement (Kaizen) philosophy that started to be applied in Japanese firms such as Toyota and Komatsu and then spread to the world. According to the philosophy of continuous improvement, all employees in the firm from the employee to the manager participate in the improvement of the processes related to their work (Elçi, 2006: 10-11). Processes are continuously improved and produced with the lowest cost and highest quality, which makes a great contribution to the survival of the firm and the country's economy (Köksal, 2008: 52).

### **2.2.2. Types of Innovation Based on Degree of Innovation**

Research on innovation has progressed through a variety of areas rather than a single area, and covers various types that vary in scope,

depth, and purpose. Among the different types of innovation identified by researchers, managerial and technical, product and process, technological and architectural, and incremental and radical innovation are mentioned (Koberg et al., 2003: 23). The adoption of innovation has been extensively studied in the literature as the adoption of radical and incremental innovation (for example, Damanpour and Schneider, 2006: 215; Germain, 1996: 117; Kuan and Chau, 2001: 507; Moore and Benbasat, 1991: 192).

Radical innovation refers to creating important differences in products, processes, technologies, and organizational structures and methods of firms. On the other hand, the improvement and strengthening of existing products, processes, technologies, organizational structure and methods refer to incremental innovation (Fores and Camison, 2016: 831). Organizational processes in firms aiming at sustainability have been designed in such a way as to enable innovation, in which innovation can be produced or adopted more than other firms (Damanpour and Schneider, 2006: 495; Germain, 1996: 17; Tidd, 2001: 169).

The distinction between incremental and radical innovation is not always clear. Many innovations are based on what already exists, which requires changes in existing functions and practices, and some innovations change the whole of the attributes that make the element of innovation obsolete (Van de Ven et al., 1999: 171). Tushman and Romanelli (1985) differentiate two types of organizational change: incremental and radical. These two researchers define incremental changes as changes that encourage conservation of the current situation; they have characterized radical changes as the process of radical restructuring of continuous patterns (Tushman and Romanelli, 1985: 174).

Radical innovation constitutes the essence of the creation of value by the commercialization of a completely new idea by the large enterprises (Ahuja and Lampert, 2001: 521) and entrepreneurs (Schumpeter, 1934: 4). The most known examples of radical innovation are digital photography, transistor technology, self-repairing materials, low-energy micro-robots and three-dimensional printed tissue (Colombo et al., 2017: 394-395).

Incremental innovation results from combining, using or adapting existing information. Radical innovation is mainly due to the creation of new knowledge and often stems from groundbreaking

views or destructive scientific discoveries (Matusik and Hill, 1998; Nonaka and von Krogh, 2009; O'Connor, 2008, cited in Colombo et al., 2017: 395). Radical innovation therefore arises on the basis of possibilities rather than linear processes, and involves high unpredictability, luck and unplanned results (Colombo et al., 2017: 394-395). Despite the fact that it can potentially create comprehensive business opportunities and projected profits, radical innovation has high risk and uncertainty. Accordingly, as the promises of opportunities with radical innovation increase, the risks and uncertainties that these opportunities may cause will increase (O'Connor and De Martino, 2006: 475-476). Radical innovation (with incremental innovation) is important for the economic sustainability of enterprises in sectors that are dependent on competitive research and development in terms of comparative advantage and long-term survival (Koberg et al., 2003: 22).

Koberg et al. (2003: 24) describes incremental (low-degree) innovation as a type of innovation with a low impact-width, whereas this species includes several broad categories: procedural (innovations determined by management in rules and procedures); staffing (innovation in selection and training policies and human resource management practices); process (new production methods); and structural (changes in equipment and facilities and new ways in which work units are structured). On the other hand, according to Koberg et al. (2003: 24), radical (high-degree) innovation is defined as innovation that is large in scope and breadth, which includes strategic innovations or the creation of new products, services or markets. Radical innovations, whether produced inside or outside the firm, increase the technological processes of an enterprise, and change the way for new markets and product applications over time (Henderson and Clark, 1990: 9). Self-healing computers from the electronics industry, commercial satellites from the aviation industry and wireless web from the telecommunications industry can be given as examples (Koberg et al., 2003: 23).

In addition, the difference between the incremental and radical innovation that an administrator from the telecommunications industry points out is remarkable: "Incremental innovation is like the evolution of a personal computer. The basic structure is the same; but when you change a chip and a diode, the computer gives you a better performance. However, the transition to fiber optics is a radical innovation. With fiber optics, another technology level is

added to the sector. It cannot completely replace everything, but over time it changes the industry's leading technology. The fiber optic connection capability will direct the data up to 1000 times faster than today” (Koberg et al., 2003: 24).

### **2.2.3. Explorative and Exploitative Innovation Strategies and Organizational Ambidexterity**

Exploratory innovation requires the development of new knowledge by experimenting to promote diversity and innovation necessary for a more radical innovation. Exploitative innovation, on the other hand, reinforces and extends existing knowledge that seeks more productivity and improvement to enable incremental innovation (Andriopoulos and Lewis, 2009: 696).

Incremental technological innovations and innovations designed to meet the needs of existing customers are exploitative innovations and built on existing organizational knowledge. On the other hand, radical innovations or innovations for emerging clients or markets are explorative because they require new knowledge or differentiation from existing skills (Benner and Tushman, 2003: 243).

Decisions on exploration and exploitation affect all parts of firms. Utilizing the capacity of a firm to explore new alternatives, and to process and expand existing information is vital to its innovative capabilities. In addition, learning, analysis, imitation, renewal and technological change are the main components of every effort to improve institutional performance and strengthen the competitive advantage, and each component requires a sensitive balance of exploration and exploitation through adaptation (March, 1991: 85).

The essence of exploitation is the improvement and expansion of existing qualifications, technologies and paradigms. The benefits of firms that adopt exploitative innovation strategy are positive, short-term and predictable. The essence of exploration is to experiment with new alternatives. The benefits of firms that adopt an explorative innovation strategy are uncertain, far-term and often negative. Therefore, the firms that adopt the explorative innovation strategy realize returns in learning in the longer run than those adopting exploitative innovation strategy.

In terms of value creation, firms must be successful in both exploitative and exploratory activities to survive and develop. To

this end, a competitive advantage should be created by expanding the available information, and developing new knowledge and making trials in the name of radical innovations. In order to achieve a sustainable competitive advantage, firms benefit from their internal strengths, explore environmental opportunities, neutralize external threats and try to avoid internal weaknesses (Gibson and Birkinshaw, 2004: 209). Competition makes it a race to obtain information for research to be carried out in terms of innovation creation and to transform this knowledge into an innovation (Ayranci, 2018: 43).

With the rapid change of environmental conditions, today's strengths are rapidly turning into weaknesses of tomorrow. Therefore, firms that cannot keep up with the environment may not have a sustainable competitive advantage. Because of the rapid changes, it is necessary to be dynamic and actively seek temporary advantages rather than to be stable and create balance (He and Wong 2004: 482). Conducting exploratory and exploitative innovation strategies simultaneously helps to make their performance sustainable by increasing the ability of firms to adapt to the environment (Gibson and Birkinshaw, 2004: 209).

Based on March's fundamental principle that organizational adaptation requires both to be exploitation and exploration to achieve lasting success, some research has concluded that the answer is in 'ambidexterity' (Benner and Tushman, 2003: 247). The ambidextrous organizations are firms that try to exploit existing products in order to enable incremental innovation and to explore new opportunities to promote radical innovation (Andriopoulos and Lewis, 2009: 696). Ambidexterity refers to a simultaneous search for both exploration and exploitation through loosely connected and differentiated subunits or individuals, each specializing in exploration and exploitation (Gupta et al., 2006: 693).

### **3. Ensuring Corporate Sustainability in Firms through Innovation**

In terms of innovation, some internal and external factors affect the tendency of firms to be innovative. While the structure, strategy and environment, management features, culture and production processes are external factors, the stage of innovation, radicalism, compatibility, risk, cost and innovative nature of the firm are internal factors (Germain, 1996: 117). Colombo et al. (2017) emphasizes that through innovation, firms gain sustainable competitive advantage,

increase their profits and generate above-average income for shareholders and therefore focus on researching the basic mechanisms that make firms innovative. These mechanisms are structural and cultural factors that make firms innovative or prevent them from being innovative, and have an impact on process, team and individual level (Colombo et al., 2017: 394). The rapidly growing accumulation of knowledge in the field of innovation has provided guidelines and practical tools to managers on how to design and organize their organizations, for particularly radical innovation (Colombo et al., 2017: 394; Leifer et al., 2001: 102).

As can be understood from the definitions of radical and incremental innovation, radical innovation is quite different from incremental innovation and has a critical role for the long-term success of enterprises. Developing new products and business processes based on groundbreaking innovations is important for firms to renew their competitive position and requires different management tools and practices than the management tools required by incremental innovation.

As previously mentioned, incremental innovation involves a number of general improvements to existing product offerings or relatively small improvements in existing processes, while radical innovation involves the development and application of significant new ideas and technologies in existing markets or non-existent and newly created markets that require major behavior changes. Radical innovation provides a foundation for producing next generation products. Firms with the largest market share in a product generation often fail to maintain market share leadership when there is a shift towards a new technology. Developing an effective radical innovation is therefore important for the long-term survival of most of today's enterprises (McDermott and O'Connor, 2002: 424).

Firms adopting radical innovation accept many risks. One of the most important risk sources among these risks is resistance to change (Colombo et al., 2017: 395). Radical innovation requires a great transformation of established organizational structures, patterns of activities, routines and resources. These changes normally face significant contrasts and frictions (intended or unintended), which puts the innovators and their prestige at risk (Putney and Putney, 1962: 548). Firms with a well-established structure tend to be conservative and to invest in low levels in the production and



commercialization of new ideas, as they fear that their technology-specific assets and previous investments in knowledge development are wasted (Colombo et al., 2017: 395).

Looking at the new entrants to the market with new ideas, previous investments and rigid organization structures are not constraints in terms of the adoption of radical innovation because firms that adopt radical innovation are more interested in investing in radical innovation than other enterprises and adopting creativeness and flexible organizational structures in order to eliminate barriers to market entry. On the other hand, bringing together human and financial resources that can develop groundbreaking innovations and collecting other necessary complementary assets can become a serious challenge. Thus, it is still a matter of debate whether new firms or established ones are more engaged in radical innovation (Colombo et al., 2017: 395).

Since innovation offers firms the opportunity to increase their sustainable competitive advantage and to survive in the long term and thus increase sustainability, it is necessary to adopt organizational forms and human resources practices that will enable innovation (Lameez and van Krippenberg, 2014: 423; Slater et al., 2014: 552; O'Connor and De Martino, 2006: 475). Because human resources is the only source for firms to make a difference. Firms should appropriately allocate the tasks necessary for the creation of new information and the reintegration of existing knowledge among individuals and make it possible to ensure the coordination between these individuals without any problems. Moreover, firms should give great importance to flexibility and should try to provide maximum benefit from individual skills and competencies, and creative capacities of the individual. In order to fulfill all these issues, individuals, knowledge, and related tasks should be appropriately matched. In addition, the innovation process is a social process by its nature and requires individuals to share their knowledge at various levels of organizational hierarchy. Thus, tacit knowledge can be turned into explicit knowledge to make innovation possible (Colombo et al., 2017: 396).

Leading practices that encourage innovation are the practices that support innovation management and leadership and enable a culture of innovation that will encourage employees to take risks. What is left is the recruitment and development of employees who will

innovate in the context of human resources practices (Aagaard, 2017: 427). In innovation efforts, it is very important for firms to work with individuals who are entrepreneurial, self-motivated, and action oriented, and to work with diversified teams that are interdisciplinary. One of the unique human resources practices that will be implemented to produce new knowledge is to provide job security to employees to explore new areas of research without fear of failure. Job security allows employees to freely share their ideas without risk (Colombo et al., 2017: 397).

The concept of innovation is related to financial growth and constitutes the basis of sustainable competitive advantage for firms (Damanpour and Wischnevsky, 2006: 270; Tushman et al., 1997: 3). As firms become innovative, employment and human welfare are increased with the use of new technologies and techniques, and the development of new products and services and their new usage areas. Due to competitiveness, product and service quality also improve, and thus innovative firms grow financially. In order to invest in research and development activities that will help produce innovations that will lead to corporate sustainability, firms have problems in using traditional financing tools and can meet their financial needs in new and different ways. Examples of these new ways of financing include funding from crowd funding, financing accelerators and working with incubators (Ertuğrul Ayrancı, 2018: 198-203).

The economic dimension of sustainability has also created an internal paradox between firms and sustainability. On the one hand, firms are seen as a means by governments to increasingly implement social and environmental sustainability practices due to their power to control society and to produce large-scale innovations. On the other hand, firms are at the center of concerns about the deterioration of natural resources and the increase of social inequalities. This paradox requires a more in-depth understanding of the relationships between social, environmental and economic dimensions (Giovannoni et al., 2014: 27). In order to evaluate these three dimensions, hybrid business models should be applied. Hybrid business models also face opportunities and challenges resulting from the integration of various elements. Essentially, this diversity is fundamentally a unique source of innovation since the coexistence of different performance dimensions enables enterprises to invest in long-term financial returns to social missions, and social missions

also play a role in increasing financial returns (Giovannoni et al., 2014: 34-35). In short, a positive cycle for the firms is emerging in terms of financial and social consequences.

In 1987, the United Nations World Commission on Environment and Development (WCED-Brundtland Commission) published 'Our Common Future'. In the report, sustainable development is defined as 'not reducing the potential of future generations to meet their own needs while meeting today's needs' (Brundtland, 1987: 43). Sustainability in terms of firms is a highly challenging concept, as it requires the enterprise to effectively achieve its goals and at the same time to operate in a way that improves social welfare while reducing its ecological impacts (Sharma, 2003: 2).

Sustainable development can be a source of success, innovation, and profitability for firms. To use this resource and to deal with the challenges of sustainability, firms need a reliable framework to be sustainable in terms of both themselves and their societies, to identify threats and opportunities to achieve greater economic success, and to implement, control and improve these strategies by developing corporate sustainability strategies (Baumgartner, 2014: 258).

There are three interpretations of sustainable development in management science: innovation-based, normative and rational interpretation (Müller-Christ and Hülsmann, 2003; cited in Baumgartner, 2014: 260). The innovation-based interpretation of sustainable development is based on the concept of eco-efficiency. Economics and ecology are combined as a win-win concept. Ecological innovations are carried out simultaneously with economic advantages. The aim is to reduce costs based on increased resource efficiency (material and energy) and reduced waste and emissions (Baumgartner, 2014: 260).

The main focus of the normative interpretation of sustainable development is justice, equality, and ethics. This main focus is based on the ethical point of view of Brundtland definition and points out that the needs of present and future generations need to be met (Baumgartner, 2014: 260). According to Baumgartner (2014: 260), based on normative interpretation, sustainable development is seen as a concept that helps solve the problem of large energy and resource consumption in industrialized countries in order to enable them to develop economically within the ecological bearing capacity

of developing countries. In addition, normative interpretation also connects with the concept of stakeholder management in order to ensure corporate sustainability and points out the importance of understanding and meeting stakeholder expectations for the survival of firms (e.g. Freeman, 1984: 32; Buysse and Verbeke, 2003: 453).

The rational interpretation of sustainable development focuses on the use of resources (Baumgartner, 2014: 260). If the firm plans its resources effectively with the help of quantitative techniques, is market-oriented, and is managed in accordance with rational decisions, longevity will be ensured (Dil, 2014: 20). Therefore, sustainability can be defined as an expanded economic principle and becomes an extension of the resource-based strategic management view (Baumgartner, 2014: 260). In other words, rational interpretation connects the corporate sustainability management with strategic management and creates the need to secure tangible or intangible resources.

These three interpretations seem to have different motivations to ensure sustainability. Elements of all interpretations are needed to develop corporate sustainability frameworks because each interpretation contains specific information on issues such as innovation, productivity, and cost savings that enable firms to survive in the economic sense for corporate sustainability management. Furthermore, sustainability should be taken into account by reducing environmental and social negative impacts in the implementation of structures that will include these three interpretations, and by contributing to a sustainable society through the products and services offered. The legitimization of corporate activities, both within the firm and in society, is the most vital issue for the business world and therefore requires a responsible and ethical corporate behavior. Therefore, the elements in all three interpretations are integrated into the framework of corporate sustainability management (Baumgartner, 2014: 260).

Innovation is, as already mentioned, a new market, a new organizational structure, or a new administrative system, or a new idea, a new product or a new production method, or developing and using new ideas and behaviors in organizations (Damanpour and Wischnevsky, 2006: 271). Therefore, this concept is also related to financial growth and constitutes the basis of sustainable competitive advantage (Damanpour and Wischnevsky, 2006: 270; Tushman et

al., 1997: 3). In short, innovation contributes to economic sustainability. The social dimension of sustainability is related to the welfare of the people and communities as a form of non-economic wealth. The problem of sustainability arises from trying to find a balance between individual and social needs and nature's capacity to support human life and activities, as well as to support ecosystems (Choi and Ng, 2011: 270).

Human dimension, which is the main part of the social dimension of sustainability, encompasses employees, society, local people, suppliers and many other stakeholder groups (Eş, 2008: 24). The environmental dimension of sustainability is related to all impacts on living and non-living systems, including ecosystems, land, air, and water (Tepe Küçüköğlu, 2014: 22).

There are numerous examples of innovation being objected to by social actors due to ethical concerns, or because they do not meet social needs. In these examples of innovation, firms generally try to justify themselves by saying that it is possible for them to operate in technical and economic terms, that there is an apparently sound ethical reason for their activities, that they are invested heavily and that they are frustrated by the objection of social actors on the basis of ethical, social, and security issues (European Commission, 2013: 13).

Examples of these objected innovations include genetically modified organisms, stem cell studies, biotechnology, online social networks, and nuclear technology. What is common in these examples is to make significant investments to improve these innovations. Nevertheless, ethical concerns regarding social needs and these innovations were not sufficiently defined at the beginning, and were not sufficiently included in the design and development processes of firms. Although it is difficult to predict the costs of unsuccessful innovations, it is clear how critical it is to consider ethical aspects and social needs in the early stages of these innovations. Often the risks of new technologies, the concerns regarding these technologies, and possible uncertainties about these technologies are considered just before the launch of technologies, and hence at a rather late stage (European Commission, 2013: 13). This leaves the firm in a financially difficult position as the economic dimension of sustainability, as well as harms social and environmental sustainability.

#### **4. Discussion and Conclusion**

In order for the innovations to be sustainable in terms of the environment, the wastes must be eliminated in an appropriate manner, their costs should be reduced, the employees involved in the innovations should be inspired and the environment should be protected. Economically sustainable innovations should be given importance to ensure that firms can survive and thus secure the livelihoods of the owner or partners and the investments of all stakeholders. It should be taken into account whether or not an activity has been carried out to enable a positive impact on the outcome of the innovation efforts at all stages of the research and development process. In addition, firms need to be socially sustainable in order to positively affect everyone they interact by respecting the environment in which they operate.

The fact that firms are innovative in social responsibility activities will contribute to their social sustainability. For example, Samsung's efforts to help individuals with disabilities, low-income individuals, or individuals live in areas affected by natural disasters to access information and communication technologies equally with others are social innovations. Samsung's sustainability report states that the company is driven by the vision of making technological innovations to meet the social needs of the society. In the report, the company considers itself environmentally sustainable, and bases this on the eco-products that increase its energy efficiency, that is not making a negative contribution to the climate change problem and that ensure the effective management of water use and wastewater. As an example of sustainability in economic terms, open innovations, product and service development activities in cooperation with companies in various sectors, are shown (Samsung, 2017: 59). Therefore, the company is an ideal example for taking into account the many dimensions and linking them with innovative activities in order to achieve sustainability.

As a result of successful innovation efforts, the benefits of enterprises will be to reduce costs and risks, increase profit margin with sales, increase brand value and reputation, become more attractive for stakeholders, have continuous learning and innovative skills and improve these capabilities. All these contribute to the competitiveness and long-term survival of firms. In addition, these

benefits can have positive effects on social and environmental sustainability.

Eccles et al. (2012: 49) states that innovation is a fundamental cultural capacity for the sustainability of firms. Sustainability-oriented firms tend to innovate in their processes, products, and business models to improve their financial performance over environmental, social and economic dimensions. Commitment to sustainability has become a power function that will create innovation. Being in contact with employees and stakeholders and draw a high degree of interest from employees and stakeholders is an important source of new ideas that are the basis of value-creating innovations. Innovations make an additional contribution to the existing capacities of enterprises and, accordingly, support and facilitate learning, thinking from a broad perspective, and creativity.

Sustainable firms are able to adopt practices in order to develop a continuous learning culture that will enable innovation by allowing individuals to learn from each other, supporting horizontal communication, and allowing low-level conflicts to give a rise to the different views. The aim is to open the way for creating synergy and innovation within the enterprise.

## References

- Aggaard, A. (2017). "Facilitating radical front-end innovation through targeted HRM practices: A case study of pharmaceutical and biotech companies", *Journal of Product Innovation Management*, 34(4), 427-449.
- Ahuja, G., & Lampert, C. (2001). "Entrepreneurship in the large corporation: A longitudinal study of how established firms create breakthrough inventions", *Strategic Management Journal*, 22(6-7): 521-43.
- Andriopoulos, C., & Lewis, M.W. (2009). "Exploitation-exploration tensions and organizational ambidexterity: Managing paradoxes of innovation", *Organization Science*, 20(4), 696-717.
- Arköse, O. (2004). Yaratıcılığa ve Yeniliğe Yönlendirici Örgüt Yapısı (Organizational structure leading to creativity and innovation). Master Thesis, Dokuz Eylül University.
- Ayrancı, E. (2018). "Rekabetçilik açısından yenilik araştırma sürecine yönelik bir değerlendirme" (An evaluation of innovation research process in terms of competitiveness). In Ayrancı, E. (Ed.), Yenilikçilik

ve Giriřimcilik: Yönetim, Pazarlama ve Finans Perspektifli Yaklaşımlar, 13-68, İstanbul: Beta Yayınevi.

- Baumgartner, R.J. (2014). “Managing corporate sustainability and CSR: A conceptual framework combining values, strategies and instruments contributing to sustainable development”, *Corporate Social Responsibility and Environmental Management*, 21(5), 258-271.
- Benner, M.J., & Tushman, M.L. (2003). “Exploitation, exploration, and process management: The productivity dilemma revisited”, *Academy of Management Review*, 28(2), 238-256.
- Brundtland, G.H. (1987). *Our common future*. Oxford: Oxford University Press.
- Buysse K, & Verbeke A. (2003). “Proactive environmental strategies: A stakeholdermanagement perspective”, *Strategic Management Journal*, 24(5): 453–470.
- Choi, S., & Ng, A. (2011). “Environmental and economic dimensions of sustainability and price effects on consumer responses”, *Journal of Business Ethics*, 104(2), 269-282.
- Colombo, M.G., Rossi-Lamastra, C., & Matassini, B. (2015). “The organizational design of high-tech entrepreneurial ventures”, *Foundations and Trends in Entrepreneurship*, 11(6), 427-523.
- Colombo, M.G., von Krogh, G., Rossi-Lamastra, C., & Stephan, P.E. (2017). “Organizing for radical innovation: Exploring novel insights”, *Journal of Product Innovation Management*, 34(4), 394-405.
- Damanpour, F., & Schneider, M. (2006). “Phases of the adoption of innovation in organizations: Effects of environment, organization and top managers”, *British Journal of Management*, 17(3), 215-236.
- Damanpour, F., & Wischnevsky, J.D. (2006). “Research on innovation in organizations: Distinguishing innovation-generating from innovation-adopting organizations”, *Journal of Engineering and Technology Management*, 23(4), 269-291.
- Dil, E. (2014). Stratejik başarı göstergesi olarak örgütsel uzun ömürlülük: Kavramsal ve kuramsal bir tartışma (Organizational longevity as the indicator of strategic success: A conceptual and theoretical discussion), *Bilgi Ekonomisi ve Yönetimi Dergisi*, 9(2), 15-24.
- Drucker, P. (1985). *Innovation and entrepreneurship*. Newyork: Harper & Row Publishers.
- Eccles, R.G., Perkins, K.M., & Serafeim, G. (2012). “How to become a sustainable company”, *MIT Sloan Management Review*, 53(4), 43-50.



- Elçi, Ş. (2006). İnovasyon: Kalkınmanın ve rekabetin anahtarı (Innovation: The key to development and competition). Ankara: Nova Yayınları.
- Elçi, Ş. (2007). İnovasyon: Kalkınma ve rekabetin anahtarı (Innovation: The key to development and competition). (2. Bsk.). İstanbul: Tecnopolisgrup.
- Ertuğrul Ayrancı, A. (2018). “Yenilikçi girişimcilik açısından yeni finansman perspektifleri” (New financing perspectives in terms of innovative entrepreneurship). In Ayrancı, E. (Ed.), Yenilikçilik ve Girişimcilik: Yönetim, Pazarlama ve Finans Perspektifli Yaklaşımlar, 187-213, İstanbul: Beta Yayınevi.
- Eş, A. (2008). Sürdürülebilirlik ve firma düzeyinde sürdürülebilirlik performans ölçümü (Sustainability and sustainability performance measurement at firm level). Master Thesis, Abant İzzet Baysal University.
- European Commission (2013). Options for strengthening responsible research and innovation: Report of the expert group on the state of art in Europe on responsible research and innovation. Lüksemburg: Publications Office of the European Union.
- Fores, B., & Camison, C. (2016). “Does incremental and radical innovation performance depend on different types of knowledge accumulation capabilities and organizational size?”, *Journal of Business Research*, 69(2), 831-848.
- Freeman, R.E. (1984). Strategic Management. A Stakeholder-Approach. Boston: Pitman Publishing.
- Garcez, M.P., Hourneaux Junior, F., & Farah, D. (2016). “Green plastics: Analysis of a firm’s sustainability orientation for innovation”, *Journal of Environmental Management and Sustainability*, 5(3), 21-35.
- Germain, R. (1996). “The role of context and structure in radical and incremental logistics innovation adoption”, *Journal of Business Research*, 35(2), 117-127.
- Gibson, G.B., & Birkinshaw, J. (2004). “The antecedents, consequences and mediating role of organizational ambidexterity”, *Academy of Management Journal*, 47(2), 209-226.
- Giovannoni, E., & Fabietti, G. (2014). “What is sustainability? A review of the concept and its applications”. İçinde: Busco, C., Frigo, M.L., Riccaboni, A., & Quattrone, P. (Eds.), Integrated Reporting: Concepts and Cases that Redefine Corporate Accountability, 21-40, İsviçre: Springer International Publishing.

- Gupta, A.K., Smith, K.G., & Shalley, C.E. (2006). "The interplay between exploration and exploitation", *Academy of Management Journal*, 49(4), 693-706.
- Günay, Ö. (2007). Kobilerde yenilik türlerinin analizi ve yenilik engellerinin belirlenmesine yönelik bir araştırma (A research on the analysis of innovation types and determining innovation barriers in SMEs). Master Thesis, İstanbul University.
- He, Z., & Wong, P. (2004). "Exploration vs. exploitation: An empirical test of the ambidexterity hypothesis", *Organization Science*, 15(4), 481-494.
- Henderson, R.M., & Clark, K.B. (1990). "Architectural innovation: The reconfiguration of existing product technologies and the failure of established firms", *Administrative Science Quarterly*, 35(1), 9-30.
- Kaya, Ç., Ataman, G., & Elbaşı, İ.H. (2017). "Radical or incremental innovation adoption: Do demographics and the frequency and form of innovation matter?", *New Trends and Issues Proceedings on Humanities and Social Sciences*, 4(10), 33-42.
- Kaya, Ç., Ataman, G., & Elbaşı, İ.H. (2018). "Perceived environmental uncertainty and innovation adoption: Exploring the Turkish context", *Business & Management Studies: An International Journal*, 6(4), 770-789.
- Kırım, A.(2007). İş Modeli İnnovasyonu (Business Model Innovation). İstanbul:Sistem Yayıncılık.
- Koberg, C.S., Detienne, D.R., & Heppard, K.A. (2003). "An empirical test of environmental, organizational, and process factors affecting incremental and radical innovation", *Journal of High Technology Management Research*, 14(1), 21-45.
- Köksal, A. S. (2008). Pazarlamada yenilik ve uygulama örnekleri (Innovation and application examples in marketing). Master Thesis, Dokuz Eylül University.
- Kuan, K.K.Y., & Chau, P.Y.K. (2001). "A perception based model for EDI adoption in small businesses using a technology-organization-environment framework", *Information & Management*, 38(8), 507-521.
- Lameez, A., & van Krippenberg, D. (2014). "Teams in pursuit of radical innovation: a goal orientation perspective", *Academy of Management Review*, 39(4): 423-38.
- Leifer, R.G., O'Connor, C., & Rice, M. (2001). "Implementing radical innovation in mature firms: The role of hubs", *Academy of Management Executive*, 15(3), 102-113.

- Levesque, J., and Walker, H. F. (2007). "The innovation process and quality tools", *Quality Progress*, 40(7), 18-22.
- March, J.G. (1991). "Exploration and exploitation in organizational learning", *Organization Science*, 2(1), 71-87.
- McDermott, C.M., & O'Connor, G.C. (2002). "Managing radical innovation: An overview of emergent strategy issues", *Journal of Product Innovation Management*, 19(6), 424-438.
- Moore, G.C., & Benbasat, I. (1991). "Development of an instrument to measure the perceptions of adopting an information technology innovation", *Information Systems Research*, 2(3), 192-221.
- O'Connor, G.C., & De Martino, R. (2006). "Organizing for radical innovation: An exploratory study of the structural aspects of RI management systems in large established firms", *Journal of Product Innovation Management*, 23(6), 475-497.
- OECD (Organization for Economic Cooperation and Development)/Eurostat. (2005). Guidelines for collecting and interpreting innovation data: The Oslo manual (3. Bsk.). Paris: OECD.
- Putney, S., & Putney, G. J. (1962). Radical innovation and prestige, *American Sociological Review*, 27(4): 548-51.
- Samsung. (2017). "Samsung electronics sustainability report". (Online), [https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Samsung\\_Electronics\\_Sustainability\\_Report-2017.pdf](https://www.samsung.com/us/smg/content/dam/samsung/us/aboutsamsung/2017/Samsung_Electronics_Sustainability_Report-2017.pdf) (17.01.2019).
- Schiederig, T., Tietze, F., & Herstatt, C. (2012). "Green innovation in technology and innovation management—An exploratory literature review", *R&D Management*, 42(2), 180-192.
- Schumpeter, J. (1934). The theory of economic development. Londra: Transaction Publishers.
- Sharma, S. (2003). "Research in corporate sustainability: What really matters?" İçinde: Sharma, S., & Starik, M. (Eds.), *Research in Corporate Sustainability: The Evolving Theory and Practice of Organizations in the Natural Environment*, 1-29, Cheltenham: Edward Elgar.
- Slater, S. F., Mohr, J. J., & Sengupta, S. (2014). "Radical product innovation capability: Literature review, synthesis, and illustrative research propositions", *Journal of Product Innovation Management*, 31(3): 552-66.

- Söyü Eren, N. (2017). Süreç iyileştirme yöntemleri ve altı sigma uygulamaları bir işletme örneği. Yüksek Lisans Tezi, İzmir Katip Çelebi Üniversitesi.
- Tepe Küçükoğlu, M. (2014). Sürdürülebilirlik ve yeşil yenilik perspektifinde Türk işletmelerin incelenmesi (Studying Turkish enterprises in the perspective of sustainability and green innovation). PhD Dissertation, İstanbul University.
- Tidd, J. (2001). "Innovation management in context: Environment, organization and performance", *International Journal of Management Review*, 3(3), 169-183.
- Toprak, C. (2013). Özel sağlık sektöründe inovasyon: Özel sağlık sektöründe inovasyon ve finansal performans ilişkisi (Innovation in the private health sector: Relationship between innovation and financial performance in the private health sector). Master Thesis, Başkent University.
- Tunç, H. (2008). Bir yenilik göstergesi olarak patent ve Türkiye patent performansı (Patent as an innovation indicator and patent performance of Turkey). Master Thesis, Süleyman Demirel University.
- Tushman, M.L., & Romanelli, E. (1985). "Organizational evolution: A metamorphosis model of convergence and reorientation". İçinde: Cummings, L.L., & Staw, B.M. (Eds.), *Research in Organizational Behavior*, 171-222, Greenwich, CT: JAI Press.
- Tushman, M.L., Anderson, P., & O'Reilly, C.A. (1997). "Technology cycles, innovation streams, and ambidextrous organizations: Organizational renewal through innovation streams and strategic change". İçinde: Tushman, M.L., & Anderson, P. (Eds.), *Managing Strategic Innovation and Change*, 3-23, UK: Oxford University Press.
- Van de Ven, A., Polley, D.E., Garud, R., & Venkatamaran, S. (1999). *The innovation journey*. New York: Oxford University Press.

# IT IS NOT TIME MANAGEMENT, IT IS *MANAGEMENT* *ACCORDING TO TIME*

Evren AYRANCI\*

## Introduction

Time has always been an important subject throughout the history of humanity. People have reached various conclusions about time, developed approaches and techniques for measurement, and harmonized with time while tasking since the ancient times. Today, time is a much bigger part of everyday life and it has a trend: Getting faster. An investigation of the literature, moreover, implies that this trend is voiced within many fields simultaneously; i.e., sensitivity on the importance of time becomes an eclectic issue gradually. Garhammer (2002: 231-233) for instance, explains without referring to any field, that people's lives are incrementally speeding up, and this fact can be best detected via their specific behaviors such as rushing, giving up a specific task to start another quickly, and saving time through multitasking.

That being said; the proponents of hastiness pose a great deal of variety in the literature. As for examples; many facts such as speed, altering tasks in terms of timing, time use, timing importance, time effectiveness, consideration of time limits, and time saving by multitasking are mentioned in a vast variety of subjects including psychology (Major et al., 2002: 434), sociology (Sa-idi et al., 1993: 93), business management (Vijai et al., 2017: 460), corporate resource planning (Daneva, 2008: 90), project management (Pennypacker, 2002: 36), education (Pond & Harrington, 2013: 10, 15), risk management (Ahmad Zaini et al., 2010: 330, 331), sustainability (Hailey & Salway, 2016: 585, 588), service systems (Rhee, 2008: 1), and innovation (Toma et al., 2018: 876).

When similar studies in the literature and all these referred ones are investigated together, it becomes possible to speak of scientific efforts not only in terms of *application*, but also in terms of *theory* for time consideration and management. For instance, along with the theoretical research that scrutinize how time poses effects by means of its use in organization studies (Wright, 2002: 343-344); there also exist studies that model organizational members' individual time management patterns theoretically and test it afterwards (Macan, 1994: 382, 385-388).

It becomes appropriate, in this case, to bring up and express opinions about questions such as what is meant by time management, how time is or should be managed via a normative paradigm, what measurement and assessment approaches regarding time management exist, what kind of

---

\* Prof. Dr., Istanbul Kultur University, e.ayranci@iku.edu.tr

shortcomings could be noted in time management literature, and naturally, how to deal with these.

In this current study, steps are taken according to aforementioned questions. The first step involves a scrutinizing about time management's brief history and scientific evolution, and some subtopics – components – of time management. This step ends with several evaluations, conclusions, and critics. In the next step, contextualization of time management in the literature is investigated and is, again, heavily criticized. These two steps, especially by means of the critical approach embraced, gave rise to the author's proposition for a new definition. After explaining details of this proposed definition, the author names it as *management according to time* instead of *time management* on many grounds. In the third step, measurement approaches for time are investigated and their integrations into the research processes of studies in distinctive scientific fields are questioned. The author ends this step by criticizing and by offering some suggestions. Previous steps necessitate a last step: Considering time management awareness. Accordingly, the author investigates the issue and finds out that this awareness depends on two paradigms. As a final act, all steps' essence and related comments, conclusions, critics, and suggestions are aggregated under conclusions title.

Briefly, this study involves a considerable extent of literature review, exhibits core of the subject, signifies the author's ideas, conclusions, serious critics and some suggestions. All these efforts lead to the development of a unique definition, new paradigms, and a great potential for future discussions.

## **1. History of Time Management, Related Subtopics, and Some Considerations**

Time management is in fact an old subject. The oldest accessible studies containing "time management" phrase date back to 1800s (e.g., Schott, 1883: 570) and direct scientific interest in this matter emerges in late 1950s initially (e.g., McCay, 1959). This interest, moreover, continues in 1960s (e.g., Drucker, 1967) and in 1970s (e.g., Mackenzie, 1972). A catchy point is that older studies generally involve a theoretical approach and exhibit a tendency towards *prescribing* as a result of normative paradigms. The content of time management, in this sense, is to prioritize tasks according to timing, and accomplish these afterwards (Halverson, 1974: 11; Moore, 1968: 77).

When it comes to 1980s, the theoretical and normative status quo is heavily questioned by using critical paradigms and is challenged by a vast variety of research to clear away scientific doubts. This challenge is, however, mostly study-specific; i.e., a weakness in addressing a *general* frame of time management exists (McConalogue 1984: 25-26). Besides,

the aforesaid questioning and challenges stem from many scientific fields. It is impossible to express all these fields, as there are as many as tens of thousands of articles, proceedings, books, and research reports present when the studies investigating or at least involving time management are listed from 1980s till today on Google Scholar, which is one of the most fundamental sources to be used for a literature review currently.

Nevertheless, some examples can be given in terms of social, natural, and medical sciences once a literature review in a vast range is made. In social sciences, studies performed in 1980s and 1990s involve many qualitative (e.g., Hall & Hursch, 1982: 88) and quantitative (e.g., Macan, 1994: 385-388) methods to scrutinize time management, whereas mixed approaches could also be preferred (e.g., Simons & Galotti, 1992: 61-63). On the other hand, studies of natural and medical sciences consider time management as a component of the main subject at hand or a distinct matter in connection with the main subject; and therefore, it is merely integrated into analyses in such studies (e.g., McClanahan et al., 2006: 1411; Rubia & Smith, 2004: 331-332).

It is, furthermore, attention-taking that studies in social sciences prefer using widely accepted time management measurement instruments in the literature, but usually make study-specific customizations in terms of wording, meaning, and ordering (Lay & Schouwenburg, 1993: 652). On the other hand, natural and medical sciences underemphasize the use of prominent instruments; and therefore, stick to very unique or distinct measurement approaches (e.g., Brown et al., 1999: 162-163; Bryson, 1997: 270). Finally, it is also possible to spot proponents of these approaches in the aforementioned science fields (e.g., Schreiber, 1994: 297-300).

Although a similar situation occurs in 2000s, an important difference from 1980s and 1990s is the profound increase in the number of studies that address or involve time management. A simple literature review using Google Scholar, again, clearly shows that the number of such studies from 2000s till today is far greater than that of the ones made in 1980-1999 period. Another notable difference is the powerful scientific interest about time management as a distinct research subject since 2000s. Besides studies commenting on time management without adhering to any specific field (e.g., Mackenzie & Nickerson, 2009: 263), there are also studies in social (e.g., Boniwell, 2005: 61), and natural and medical (e.g., Davies et al., 2002: 358; Waterworth, 2003: 432) sciences that consider time management as a focal point.

Despite these stated differences between 1980s-1990s and 2000s, there is an interclusion at a common point. It would be, however, more convenient to express the time management process that has become a classic in the literature before moving to this interclusion. There are steps

such as people's determination of self-demands and needs first, and listing these according to priorities afterwards (Kearns & Gardiner, 2007: 237) or determining and listing goals and priorities, and forming a scheme in order to act (Macan et al., 1990: 760). The emerged interclusion is directly headed towards these time management steps at heart. In other words, various studies in different dates address some subjects commonly while referring to time management. These subjects are actually considered as components of time management in the literature.

The author considers that it would be positive to comment on these components before giving details. Accordingly, the first noteworthy fact is that neither one of these components could address time management entirely; each could only target a specific part or step of time management process. A second point is the possibility of reaching to a new and unique time management definition once these components are harmonized and combined altogether. A third determination is that they are not limited to any field; they could exist in social and natural sciences, and even in medical sciences. The fourth indication is the great deal of variety in these components. The fifth and last finding is that each component could survive without referring to time management. The author prefers to call these components as *subtopics* due to aforementioned comments and considerations.

A subtopic, to start with, is *time scale*. With a simple definition, time scale is the time period determined objectively or subjectively in order to bring up, perform or investigate any event, process, or task (Zaheer et al., 1999: 725). The first outcome reached is that scientific studies including time scale phrase date back as old as the ones that involve time management phrase and that these are initially included in natural sciences such as geology (Williams, 1893: 283) and biology (Gotch, 1903: 398). Time scale also attracts the attention of social sciences in subsequent eras and takes place in many fields such as economics (Allais, 1966: 1129; Ramsey & Lampart, 1998: 23), business (Raihan et al., 2005: 6), entrepreneurship (Matlay, 2004: 409), and psychology (Roe, 2008: 42-44).

Another subtopic, almost as old as time scale in terms of scientific interest, is *time horizon* (e.g., Diller, 1902: 45). This phenomenon, defined as the future time extent that is considered by a decision maker in terms of assessing the consequences of a potential action or task (Ebert & Piehl, 1973: 35), appears as a phrase in natural (Johnson, 1916: 286) and some fields of social (Stamp, 1913: 194) sciences initially, albeit having different meanings. Afterwards, time horizon finds its spot gradually within many domains in social sciences (Leontief, 1959: 1041-1043; Merton, 1969: 252, 253, 255; Stigler, 1955: 180) in accordance with the mentioned definition. Further to that, studies that scrutinize time horizon *itself* (e.g., Taschdjian, 1977: 41) or that consider time horizon as a central subject to investigate



its effects on some other issues (e.g., Wright & Weitz, 1977: 429) are performed by 1970s. Currently, time horizon exists in a vast variety of studies within different scientific contexts (e.g., Celikovsky et al., 2010: 767; Young Yun & Hyeon Choi, 2000: 269), it is generally used with the intention of making comparisons regarding subjected variables or variables' relationships (e.g., Mitrovic-Minic et al., 2004: 683; Zellweger, 2007: 1), and it is grouped into different types such as finite (Shah, 2006: 9) and infinite (Li et al., 2003: 149) time horizons.

*Time pressure* is another subtopic within time management. A distinctive feature of this subtopic is that the first accessible related studies are relatively newer (e.g., Burgess, 1932: 1048; Fulton & Prange, 1950: 127). Another significant property is that the pioneering studies that emphasize time pressure as a central variable belong to social sciences (e.g., Siipola, 1968: 562; Sutherland, 1964: 447) rather than being within natural sciences domain. When these pioneering studies are investigated, another distinctive feature is unearthed. Time pressure is especially considered and used as an independent variable in various research (e.g., Pruitt & Drews, 1967: 46). With an in-depth look, time pressure is posited to be affective on subjects such as decision making (Maule, 1993: 133, 195), risk management (Zur & Breznitz, 1981: 89), marketing (Dhar & Nowlis, 1999: 372-373), research and development (Sheremata, 2000: 390), accounting (McDaniel, 1990: 278-281), and organizational behavior (Kinicki & Vecchio, 1994: 78-79), along with many aspects in medical sciences (e.g., Fasotti et al., 2000: 61-63). Finally, while time pressure could be defined as the amount of information that must be processed within a specific unit of time or the time that must be used to process a specific unit of information (Zur & Breznitz, 1981: 90); it could also be explained as the time limits that are formed by external environment according to different situations (Rastegary & Landy, 1993: 218).

The investigation of the literature also points out *time estimation* phrase. An assessment of accessible studies exhibit that this phrase is initially used in studies that belong to archeology (West, 1925: 146) and history (Quinn, 1935: 225), and that it incrementally spreads into research within psychology (Bindra & Waksberg, 1956: 155), pharmacology (Clark et al., 1961: 118, 123, 125), and medicine (Tarkowska et al., 1980: 337). Today, time estimation is perceived as a technical issue overall in medical sciences (e.g., Nunez et al., 2004: 364) and engineering (e.g., Hrachowitz et al., 2010: 1), and of course, it exists in social sciences (e.g., Chebat & Filiatrault, 1993: 38; Oche & Adamu, 2013: 589). The sensitivity on technical aspect, moreover, results in a specific effort for measurement and assessment (e.g., Chastin et al., 2014: 2324). Besides these facts, an amusing finding about time estimation is that it is usually subjected by means of study-specific definitions rather than facilitating from a general

definition; and hence, these definitions are limited to specific subjects or scientific fields. The author, therefore, investigates some of the related studies (e.g., Coull et al., 2004: 1506; Macar et al., 1994: 673; Nicolson et al., 1995: 44) and makes a general definition of time estimation as a result: Time estimation is the assessment or determination of the time era that an item belongs to, or the extent of time used by a task performed. This general definition gives rise to the idea that the length of a time period is determined if time horizon and time estimation are under the spotlights, but the determination is towards the future in time horizon whereas it is directed towards the present or the past in time estimation.

Another attention-taking subtopic is *time structure*. A brief definition calls that it is the perception of people about the extent to which their time use is structured (planned and organized) and abides by their goals (Feather & Bond, 1983: 241). The focus on perception leads to the idea that the subjects' cognitive dimension is brought forward, and thus, scientific efforts that monitor this dimension with the intent of pursuing a sound theoretical frame are needed. However, a literature investigation reveals that this need is not satisfied well enough. Among the accessible old-dated scientific texts covering the phrase time structure, many belong to natural sciences (e.g., MacKay, 1888: 238), similar to the situation with the previously mentioned subtopics. Old dated examples in social sciences are members of finance (Boulding, 1936: 214), econometrics (Tinbergen, 1938: 24, 25, 30), and economics (Lutz, 1944: 210). Time structure is a matter of investigation and assessment (Bond & Feather, 1988: 321), is included in studies as a factor (Jahoda, 1982: 59), or is added to analyses as a variable (Wanberg et al., 1997: 89-90).

A presentation of these subtopics enables the author to make some comparisons, and there are indeed some similarities and differences that should be stated. A noteworthy distinction among subtopics overall is the way of considering *time*. Time is taken into account as a passive issue by time structure and time scale. In other words, these two subtopics consider time as if being a matter that could be controlled or used as required. On the other hand, definition of time pressure suggests that time has an active role; and therefore, it is able to pose effects on tasks and their ways of accomplishment. Another interesting difference is the varieties in the years of initial studies that mention these subtopics. For example, the oldest accessible studies that involve the phrases time scale or time horizon in their texts date back to the right beginnings of 1900s, whereas those including the phrases time pressure or time estimation emerge thereafter.

Despite these differences, there are also similarities. A major part of these subtopics (for instance time scale, time horizon, and time structure) initially appear in natural sciences domain and expand to social sciences

thereafter. Besides, all these subtopics are eclectic; there are many instances where they are mentioned or investigated in different fields.

The author, with the expectation that there could be some relationships or orderings among these subtopics, encounters studies that involve more than one of these subtopics simultaneously in their texts (e.g., Collins & Cruz, 1999: 709, 713; Meng et al., 2005: 497), but fails to find such connections.

This is regarded as an important gap; and therefore, the author wants to express some own ideas. First of all, there should be a close relationship between time scale and time horizon because time scale calls for a determination of a time period for a future task, whereas time horizon elaborates a specific time period in the future, in which potential results of a task will be effective. A rational approach is to expect some related consequences after a task is accomplished; and hence, it is logical that time scale should precede time horizon.

On the other hand, the definition of time estimation emphasizes the past. A possible implication according to the author, is the possibility of giving the highest priority to time estimation when a juxtaposing among the subtopics is necessary. For instance, the temporal dimension of a task that depends on the evaluation of the past necessitates an array of time estimation, time scale, and time horizon.

Time structure, the perception about the extent of pertinence of time use to time requirement, could be used in the evaluation of any other subtopic. Put other way, its definition enables time structure to check the mentioned accordance for the past (time estimation), or for the future (time scale and time horizon), which also makes it unnecessary to bring time structure in the aforementioned order.

The author gives particular importance to time pressure. It has a common point with time structure; it could be considered simultaneously with all remaining subtopics, including time structure itself. Its unique feature, further to that, stems from the fact that it is an active subtopic. To put a finer point on it, time pressure is not a temporal control component like the time structure and it is not a temporal scrutinizing aspect for tasks like the time scale or for tasks' potential consequences like the time horizon. It is exactly the confessed timeless effect of time – on the past, present, and the future and on the tasks, tasks' potential outcomes, and the denoted pertinence.

## **2. Current Definitions of Time Management, Some Critics, and a New Definition Proposal**

There is a very clear outcome of the literature review: There is not a *common* definition of time management. Hence, a reverse opinion is that

there are various different definitions and approaches, some of which are even developed study-wise: Appropriate time usage techniques (Melinte, 2013: 18); control and distribution of time (Britton & Tesser, 1991: 408); human's perceptions about the extent to which they are using time effectively (Sabelis, 2001: 389-390); humans' efforts to get a discipline about time use (Hendrix, 1984: 35); time planning, distribution and coherent behaviors (Francis-Smythe & Robertson, 1999: 337, 339); efforts of maximizing temporal cognitive effectiveness (Britton & Tesser, 1991: 409); making arrangements about plans and their effectiveness with a consideration of time (Eilam & Aharon, 2003: 306); and as a last example, the application of techniques that could be used to make a prioritization of the tasks to perform (Kaufman-Scarborough & Lindquist, 1999: 292).

These definitions pose differences; nevertheless, they involve many common points. An instant resemblance is the consideration of time management as an application, technique, or an effort. This urges the author to conclude that the evaluation and evolution of the theoretical dimension remain in the background. The outcome, in this sense, is an atony about understanding time management thoroughly due to the fact that the scientific interest towards theoretical side cannot match that of practical side.

Another notable commonality is the traces of the aforementioned normative approach. Many definitions call for a specific process or patterns regarding time management, and this enables a great potential for discussion. A normative – prescriptive – approach forms rules and necessities about what and how to do for any given subject. That said, it is impossible to store, alter, or control time as required. Time, hereunder, is a source that could lead to emerge of partly or maybe fully undesirable consequences. Under this circumstance, it would be wrong to prepare de facto prescriptions about time as it is impossible to think within specific patterns continuously about a subject that cannot be controlled as desired; and hence, that could lead to unexpected outcomes.

A third common tendency of the definitions is the promotion of planning and execution steps. When it is realized that time management is fundamentally within the domain of *management*, the first critic that occurs is the exclusion of steps such as control and feedback that are inalienable components of management process. Put it differently; time is emphasized in the definitions; nevertheless, control, feedback, correction, and coordination for all tasks and their outcomes are ignored within the domain of time management. This critic could be even further extended; time management is subjected as if being a process that is activated once in the majority of definitions. On the contrary, the aforesaid ignored issues necessitate time management to be embraced as a repeating cycle rather than as being a one-time process for each instance.

It is furthermore striking that some of the definitions lack the emphasis on a specific purpose. Accordingly, questions such as *what?* and *how?* are answered by a majority of definitions, whereas the question *for what?* is mostly unanswered. What is more, the author has the notion that time is underemphasized while answering *for what?* More clearly, the author is of the opinion that the enclosed purpose towards answering the question *for what?* is not about time, it addresses tasks though the phrase being defined is *time management*. Conclusively, the *time* itself is simply regarded as a tool rather than being the core subject within some of the time management definitions.

There is one last critic to be voiced according to the author. A thorough evaluation of the exemplified definitions gives rise to the opinion that they are not the definitions for time management. The basis for this opinion are the aforementioned critics and the author considers that a briefing of these would be helpful before embarking on details: An under emphasis of theoretical infrastructure; ignorance of possible temporal unexpected events or outcomes due to the normative approach; exclusion of steps such as control, feedback, and coordination; absence of a continuous cycle approach in terms of time management; and orientation of the purposes towards tasks rather than towards time in related definitions. Shortly, the main problem being highlighted by the critics is the existence of vulnerabilities about *time* and *management* in these exemplified definitions of *time management*.

There are some clues in the literature that encourage the author's opinion in question and a foremost clue is related to time pressure. Some studies that subject time management claim that time could have an active role to alter tasks or decisions due to time pressure (e.g., Kenny & McQuade, 1987: 303; Svenson & Edland, 1987: 324). The aforementioned time pressure would be recalled that it is a subtopic of time management and that it is able to affect other variables due to being an independent variable (e.g., Pruitt & Drews, 1967: 58). This is a finding that enforces the opinion that time could assume a directive role. Therefore, the phrase *time management* cannot precisely intend *management of time*. It should not be forgotten that time is not a source that could be controlled, altered, and stored as needed.

In this case, what should be the solution? In the shortest way, the solution would be to define time management with a perspective that strongly emphasizes time and that considers its active role. Accordingly, the author develops and proposes a new time management definition: *When time management is in question, it should be considered as the process of self-management of some entities (person, group, organization, business, etc.) or the management of related issues (tasks, relationships, behaviors, etc.) to the furthest extent of efficacy, effectiveness, and*

*efficiency by means of facilitating from the possibilities to make the move, which are provided by time or by a specific time period continuously.*

There are some clarifications needed with this proposed definition. *Possibilities to make the move*, first of all, refers to taking the necessary steps and substeps of management. *The provision of time or a specific time period of the possibilities to make the move* posits a set of temporal actions that should be realized before taking the aforementioned steps and substeps. These include planning and performing the tasks in the preparation stage before taking the steps and substeps in terms of time, and making sure that the time or the time frame has enough duration for each step and substep beforehand.

It is also possible to figure out that this proposed definition has the answers to the previous critics. Accordingly, the critic about the weakness of theoretical infrastructure is answered by the conclusion that the proposed definition provides new theoretical discussion possibilities in terms of subjecting and commenting on time. As a simple example, could time intervals of preparation and time intervals of steps and substeps be considered as a continuation of each other or could they be considered as separate time frames if there are preparation shortcomings despite enough time length for the preparation stage, which later necessitates a time extension for steps and substeps to be taken? In other words, should time intervals of preparation and those of steps and substeps be combined within a single line of temporal continuity or should they be considered as distinct temporal pieces? Therefore, questions as such emphasize the vitality of a theoretical or perhaps even philosophical infrastructure development.

The two other former critics are the embracement of a normative approach, and the ignorance of unexpected events and outcomes that could be formed by time. To address the second one, time is considered to be an active issue within the proposed definition. The proposed definition is, moreover, able to overarch this consideration by emphasizing time's provision of possibilities to make the move. The meaning of this provision is explained earlier; and hence, the explanation brings forth that time has a *determination power*. With this implication, the definition also refers to the possibility of time to give rise to unexpected outputs. When it comes to the normative approach, the answer lies in the management core. The proposed definition calls for the management of some issues by various entities, but it neither gives details about nor writes a prescription of what to do or how to act within the domain of management. As it is, a normative approach may or may not be used willingly in terms of management.

The critic that could be the most easily answered by the proposed definition is about the exclusion of management process-specific components such as control, feedback, and coordination in the literature.

As is seen, the proposed definition involves the management core, but it does not interfere with the components of management.

Another previous critic is about the absence of a continuous cyclical approach for time management process. In response to this, the proposed definition reflects the approach to perform management via the use of possibilities provided by time or by a specific time period with a continuous manner. Accordingly, the combination of time's deterministic role with the proposed definition leads to the conclusion that the cyclical and continuous understanding is valid for both management and time.

The last pre-existing critic is about the direction of goals towards tasks rather than being towards time. The proposed definition, on the other hand, claims that the single goal of management towards tasks is to maximize efficacy, effectiveness, and efficiency. The other end of the definition addresses time and exhibits a sole goal: To use the action possibilities that are provided by time or by a specific time period.

It may be stated that the author's proposed definition is more satisfying than the ones present in the literature. Besides this claim, the definition needs one last issue according to the author: *Naming*. A deep consideration of the proposed definition implies a conflict when the part of the definition emphasizing the self-management of some entities or the management of related issues is noted. If the definition is named as *time management* given the aforementioned part, a vast confusion occurs as the literature involves many other subjects that emphasize self-management or management of related issues with temporal relations (e.g., Moray et al., 2000: 44).

Then, in this case, there are some questions the author should ask: Where is time in terms of management? Is the management a superset of time, or does the time pose a role that includes or at least directs management? If something is to be managed, is it always necessary to refer to time?

In order to name the proposed definition, the author aggregates various issues: these questions, literatures' definition examples, own definition proposed, reasons for the proposition, and own ideas about the proposed definition's answers to the critics altogether. As for the outcome, the author considers that own proposed definition should be named as *management according to time* instead of *time management*. With a very brief definition, *management according to time refers to the accomplishment of management successfully under the active (deterministic) effects of time continuously*.

Management according to time is now defined and the definition is also summarized as shortly as possible. Nevertheless, there is one last step to be taken. Previously, some subtopics under the umbrella of time

management are expressed. Thus, it is appropriate to rephrase the definition of *management according to time* using these subtopics: *Management according to time refers to the choice of the most appropriate time scale in the planning of management process in order to maximize efficacy, effectiveness, and efficiency during the self-management process of some entities (person, group, organization, business, etc.) or during the management process of related issues (relationships, tasks, behaviors, etc.); investigation of each step to be taken in terms of time structure by depending on this mentioned choice; scrutinizing of possible outcomes' time horizons; and making time estimations of the steps taken after accomplishing the management process, followed by the investigation of these estimations' harmony with time structure, re-running the entire process after taking corrective actions if required, and considering feedback and time pressure while performing all of these.*

As a summary, the author considers that the phrase management according to time is better at explaining what is intended to be explained by time management phrase scientifically on the grounds of various aforesaid aspects. The author then makes full and shortened definitions of management according to time; and moreover, makes a third definition by using the subtopics within the domain of time management literature.

In the next section, approaches for the measurement of time management according to literature are subjected. The phrase, time management, will be used as current studies are considered and as there are not any scientific examinations of author's developed management according to time, yet.

### **3. Measurement Approaches for Time Management and Their Critics**

Mentioning these approaches necessitates to note differences between natural, medical, and social sciences beforehand. It is very hard to express a scientific effort addressing the measurement of time management in natural and medical sciences. Instead, time management is generally perceived as a concept to be included in the analysis of the subjects considered, albeit related studies' titles involve time management phrase. Therefore, it would be interesting to exemplify this issue.

A study within the domain of nuclear medicine has the purpose of synchronizing the simulations in order to compare among PET scan processes. A specific *time scale* is chosen accordingly; and after dividing this time scale into three parts, emission frequencies of the observed isotope are measured along each part as well as among these parts altogether (Santin et al., 2003: 1517). Though this study has the phrase of time management in its title, it only involves time scale that is considered in accordance with its definition in the literature.



A research in the chemistry field aims to arrive at an atmospheric chemistry model via combining two distinct models. Beside the existence of time management phrase, it is concluded that the phrase does not abide by definitions in the literature and that it is the composition of some temporal variables (time step, start time, end time, restart frequency) that are determined by a sub code of the proposed model (Kerkweg & Jöckel, 2012: 93-94).

Regarding animal science, connections between gorillas' biogeographical scatters and group sizes with their time management behaviors are investigated. Similar to the previous examples, the phrase time management is present in both the title and in the text; nevertheless, what is really meant is a time limit that is defined as the time spent by gorillas to eat, move, and rest (Lehmann et al., 2008: 529).

A last example regarding the issue could be related to medical science. The cognitive dimension of time management is evaluated. The evaluation is made by using brain scanning techniques in order to find out how interactions among different brain regions could affect cognitive processes about time management; however, time management only refers to motor timing and time estimation (Rubia & Smith, 2004: 336).

These examples reveal that measurement approaches for time management could vary profoundly from each other within the domains of natural and medical sciences. When social sciences are in question, on the contrary, it is obvious that the measurement approaches for time management are much more standardized in comparison. It is, moreover, possible to state that there is a distinct scientific interest in time management measurement approaches.

An overwhelming part of the approaches involve data collection via questionnaires and analyses of these data by using statistical techniques in order to evaluate and use time management (e.g., Britton & Tesser, 1991: 405). Relatively fewer studies add journal entries besides questionnaires to collect data (e.g., Hall & Hursh, 1982: 84), or use a combination of questionnaires, journal entries, notes, and interviews with subjects altogether (e.g., Slaven & Totterdell, 1993: 22, 24). There are also some studies that benefit from some of these sources along with video records (e.g., Eilam & Aharon, 2003: 313). Journal entries, interviews, and video records are relatively subjective, but it could be stated that the scales used in questionnaires are usually standardized. Hence, some of these scales could be explained.

One of such is the *time structure scale*, developed by Bond and Feather (1988: 324). The author concludes that the scale is in harmony with its respective definition in the literature; in other words, it aims to understand the extent to which time use is systematic and abides by the goals.

Originally, there are six factors emerged but only five of these could be named logically (Bond and Feather, 1988: 325): Effective tasking scheme, structured routine tasks, acting with specific goals, persistency, and current orientation. Sample studies using the scale confirm this five-factor structure statistically (e.g., Kelly, 2003: 1123; Wanberg et al., 1997: 80-81).

There is also an instrument called as the *time management scale*. Britton and Tesser (1991: 407), the creators of this scale, posit a tripartite structure composed of short term planning, long term planning, and attitudes towards time. Consecutive studies (e.g., Barling et al., 1996: 825) conclude that a bipartite structure involving short and long term planning is better than the original one scientifically.

Another instrument, developed in the same year as time management scale, is named as *time urgency scale*. The owners, Landy et al. (1991: 644), aim to scrutinize time use, time awareness, and pressure of time. The emerged five factors clearly indicate a behavioral inclination towards haste (Landy et al., 1991: 653-654): Eating behavior, speaking pattern, general hastiness, hastiness towards a specific task, and assertiveness. While reliability and validity of the scale's original structure are confirmed by latter studies (e.g., Conte et al., 2001: 130), it is also noteworthy that there are no reliability and validity problems statistically even if the scale items are aggregated within a single factor (e.g., Mohammed & Angell, 2004: 1025).

Another prominent instrument, used in many studies (e.g., Adams & Jex, 1997: 225; Lay & Schouwenburg, 1993: 652), is the *time management behavior scale*. This scale is developed by Macan et al. (1990: 761-762) and it is originated by the combination of four factors: Perceived time control, tasking system, goal and prioritization order, and tasks for time management. The scale is revised later and it is asserted that the perceived time control factor is actually an outcome of the scale instead of being a component (Macan, 1994: 389). The tripartite structure as a result of this claim is investigated and confirmed scientifically (e.g., Adams & Jex, 1997: 226; Francis-Smythe & Robertson, 1999: 338).

A relatively older instrument is the *temporal experience scale*. This scale is developed by Wessman (1973: 103) and it focuses on the aims to experience, use, and alter time. The scale has four factors: Time pressure, time use, procrastination tendency, and an orientation towards long term goals (Wessman, 1973: 103). A review of related studies reveals that distinct factors of the scale could be used (e.g., Gerson et al., 1986: 113), and that some rewordings could be made on scale items (e.g., Roşeanu, 2010: 54).

The oldest instrument in comparison to all the rest exemplified is the *time attitudes scale*. Belonging to Calabresi and Cohen (1968: 435-437), the scale involves four distinct attitude factors related to time as its name suggests: Flexible, possessive, concerned, and obedient attitudes. Some of the studies that use this scale reject this original structure and leave some attitude factors behind (e.g., Lilienfeld et al., 1996: 296).

It should be pointed out that some studies prefer to use multiple scales simultaneously but distinctively. Among are the ones that belong to Francis-Smythe and Robertson (1999: 338), and Shahani et al. (1993: 239-240) that use time management behavior and time structure scales together. Mudrack (1997: 238), on the contrary, compares these two instruments and provides some suggestions that result in the shortened versions for both scales.

An overall evaluation of these scales provides some similarities involving the emphasis on planning and goal setting, attention to prioritization while tasking, attitude towards time, and the existence of temporally routinized tasks.

The author considers that there is some space for criticism for all mentioned measurement approaches. Initially, the profound differences among these approaches in natural and medical sciences challenge the objective comparison among very similar studies. Further to that, the same study may point out different results once different time or time management approaches are used for measurement. In other words, notable divergence of measurement approaches could easily cause variations within the same study that considers the very same sample. Eventually, a combination of the comparison difficulties and the variations could prevent researchers from arriving at general conclusions. The author's suggestion, in this case, is to strive for standardization up to a certain extent. A time or a time management framework with appropriate measurement approaches may be developed for specific fields within natural and medical sciences.

Social sciences are much more fortunate in terms of standardization due to the specific measurement, evaluation, and data collection approaches for time management as exemplified. These, however, have some drawbacks. Starting with data collection, an impediment lies in the use of questionnaires. Participants' answers are naturally expected to be shaped according to their emotions, ideas, and perceptions at that time, which in turn, may hinder collected data to be used for general conclusions in some cases. Combining questionnaires with other additional data collection approaches aforementioned (investigating journal entries, interviewing, and video recording) would be a good idea to reach to peripheral conclusions. In other words, it would be a better approach to use multiple data collection methods and perform analyses after comparing and

aggregating the collected data when the intention is to reach to generalized conclusions.

Scales in the questionnaires are also a matter of criticism according to the author. Despite having different names, their main subject is time management. It is also observed that those studies that benefit from multiple scales prefer to add these to their research processes distinctively. As told before, use of different scales to collect data from the same sample within the same study could easily cause shifts in the outcomes. Therefore, the author suggests an aggregation by combining the aforementioned scales and by analyzing the statistical validity and reliability of this combination thereafter. In other words, development of a more peripheral, composite scale could be considered.

Another point of criticism is similar to that related to time management definitions in the literature. Accordingly, despite the common emphasis on planning, goal setting, and tasking; the scales ignore afterwards of tasking. Nevertheless, performed tasks need to be evaluated in temporal terms and lessons for future corrective actions need to be learned according to the outcome of this evaluation. Put other way, time management should evolve in order to involve continuous learning and should become a continuous process - a cycle - instead of merely being an ordinary process as aforementioned. Thus, the author recommends that the scales gain the features of learning and continuity by the addition of some factors.

#### **4. Time Management Awareness**

People's awareness for time management is another domain of scientific curiosity and the literature points out that the related studies could be grouped into two fields. While one field deals with personality and related subjects to figure out how these are effective on time management, the other one is curious about the extent to which time management awareness could be enhanced via education and some applications.

There are notable results achieved by the studies in the first field. For example, Bond and Feather (1988: 323) prove that the data obtained by the time structure scale are positively affected by people's exhibition of Type A personality behaviors. Williams et al. (1995: 37), in their study that uses time management scale, find out that all the three factors of the scale are positively affected by the Myers-Briggs type indicator's judicial-perceptive dimension, which implies the pattern of extraversion. Lay and Schouwenburg (1993: 658-659) dwell on the procrastination behavior, a part of the behavioral dimension that they perceive to be a component of personality, and conclude that people who have this behavior chronically are vulnerable to temporal planning and goal setting. Kaufman-Scarborough and Lindquist (1999: 305), who emphasize tasking behavior

with a similar approach, investigate differences between multitasking and unitasking. An outcome of the study is that people, who prefer unitasking, are able to make a much detailed time planning. On the other hand, these people fail to exhibit the necessary skills to deal with possible problems during implementation; and therefore, fall behind those people who prefer multitasking in terms of performance and results. Shahani et al. (1993: 231) subject the extent of coping up with stress as a dimension of personality and find out that this extent is able to affect the results of time management behavior scale.

The second field, related to education and applications, reveals mixed results. An outcome is that the majority of people, who experience education and applications for time awareness, report major progress for time management (Hafner & Stock, 2010: 429; Van Eerde, 2003: 421). There also exist studies with the opposite result (e.g., Macan, 1994: 388).

A question that comes into the author's mind in this case is how the awareness for time management could be presented. As a matter of fact, a partial answer is already provided to this question according to the author as the aforementioned scales exhibit participants' awareness. The unanswered part of the question is, however, as follows: These scales exhibit participants' awareness depending on their own evaluations solely; what objective outcomes could be used by other people to understand participants' time management awareness?

The author faces various approaches while seeking an answer to this question. Examples include effectiveness of time distribution among tasks due to their priorities (Hall & Hursch, 1982: 73), effectiveness of estimating the length of time used (Francis-Smythe & Robertson, 1999: 335), task (Macan, 1994: 382) and academic (Britton & Tesser, 1991: 405) performance, physical stress (Macan, 1994: 382), changes in general health condition (Bond & Feather, 1988: 326), and psychological tensions (Jex & Elacqua, 1999: 182).

## **Conclusions**

The author believes that an order is needed for subjects considered so far while writing down the conclusion. It would thus be logical to start with the most general subject, time, primarily. A consideration of time points out that there is a vast interest addressing this issue, the interest becomes eclectic today, and that the general consideration rests on the claim that time should be used while paying attention to utmost efficacy, effectiveness, and efficiency. The question, how time is or should be used, is asked within the scope of this consideration and answers are searched via theoretical and practical approaches. The second subject to mention, hence, happens to be time management.

The author investigates the scientific history of time management initially in order to understand the fundamental ideas underlying time management definitions, instead of starting with time management definitions right off. Studies in social, natural and medical sciences are considered in order to maximize the scope of this investigation potentially. To sum up briefly, scientific studies that involve the time management phrase date back to the end of the 1800s, time management is initially considered via a normative and theoretical approach, it is started to be questioned by more critical paradigms since the 1980s, the extent of questioning intensifies, there is a gradual inclination to step away from a general time management approach, and some measurement approaches are proposed especially in social sciences.

Some common features of time management definitions are encountered at the end of the investigation process. Time management is defined as a process, it is composed of the combination of specific steps, these steps could show variations, and time management is considered as a tool to perform tasks effectively and efficiently instead of being considered as a purpose to be achieved. A very catchy point is that there are some subtopics of time management. In other words, there are some temporal sub units that assume some roles in the definitions, and therefore, in the process of time management. The third subject to be concluded is, hence, these subtopics.

The author detects each of these subtopics, explains the encapsulating studies, and investigates their definitions, but before, explains some own findings pertaining to each subtopic. The subtopics cannot cover time management issue entirely; i.e., each subtopic is only able to take place in a specific part of time management. There are some studies that involve or address these subtopics; however, there is not a single effort or approach that combines all subtopics together to arrive at an integrative time management definition. The subtopics are not limited to any specific field; they exist in many scientific branches simultaneously. Furthermore, there are many subtopics; and therefore, the author lists some of these: Time scale, time horizon, time pressure, time estimation, and finally time structure. The last step taken by the author is to comment on and explain similarities and differences among these subtopics, and scrutinize proper ordering.

A review of the definitions, contents, and subtopics of time management yields a great deal of weaknesses according to the author. These include consideration of time management in terms of a heavy technical, normative, and practical approach; under emphasis of theoretical dimension; treating time as a source that could be used as needed rather than noting the fact that it is uncontrollable; embracing time management as a tool solely; excluding vital components such as control and feedback

of management process while emphasizing planning and implementation; and ignorance of the idea that time management should be taken as a continuous cycle. As a summary, the author believes that time management definitions pose important gaps regarding time and management. This belief gives rise to the fourth subject - to propose a new definition that is capable of making up these shortages.

The author evaluates all aforementioned issues in the literature and combines these with own critics in order to propose the new definition. After giving the details of this definition, the author facilitates from the features of this proposed definition to answer each critic, all of which stem from the literature review. The definition enables possibilities for a chance of theoretical discussion and enhancement in order to evaluate and comment on time; emphasizes that time is a directive and deterministic matter rather than being a dependent variable; keeps away from normative approaches; implicitly refers to issues such as control, correction, and feedback that are ignored in the literature; considers time management as a continuous cycle; and finally, implies objectives regarding time and management simultaneously. The author names own proposed definition afterwards. Accordingly, the definition is entitled as *management according to time* instead of *time management*. The author, moreover, makes a one-sentence definition of management according to time and rephrases its definition by using the aforementioned subtopics.

Being suspicious about measurement of management according to time, the author investigates time management measurement approaches due to the absence of proposed definition related studies. Thus, measurement is the fifth subject at hand. A review of the related studies in social, natural, and medical sciences implies many shortcomings for measurement. These may be summed up as the weaknesses in measurement standardization within the domains of natural and medical sciences; problems about objective measurement; and the absence of an embedded understanding that contains corrective temporal actions within measurement. On the contrary, the author's solutions involve use of various data collection methods simultaneously, followed by comparisons among the collected data to start necessary analyses; development of composite scales; and consideration of steps such as control, correction, feedback, and learning in the development process. The author also witnesses that there is a question about objectively figuring out an individual's time management awareness by others; and hence, scrutinizes this aspect in the sixth subject – time management awareness.

Time management awareness, i.e., delicacy towards time, is a research domain and is evaluated by various studies via reducing into two dimensions. While one dimension focuses on personality and some related factors, and finds out that these are effective on the awareness; the other

dimension states that awareness building could be achieved by education and some specific applications. An in-depth review of the dimensions exemplifies necessary answers to the mentioned question and refers to time distribution effectiveness, time length estimation success, performance in various contexts, physical and psychological disorders, and changes in general health condition.

## References

- ADAMS, G. A., & JEX, S. M. (1997), "Confirmatory Factor Analysis of the Time Management Behavior Scale", *Psychological Reports*, Vol. 80, pp. 225-226.
- AHMAD ZAINI, A., ADNAN, H., & CHE HARON, R. (2010), "Contractors' Approaches to Risk Management at the Construction Phase in Malaysia", *Munich Personal RePEc Archive Paper*, No. 33883.
- ALLAIS, M. (1966), "A Restatement of the Quantity Theory of Money", *The American Economic Review*, Vol. 56, Issue 5, pp. 1123-1157.
- BARLING, J., KELLOWAY, E. K., & CHEUNG, D. (1996), "Time Management and Achievement Striving Interact to Predict Car Sale Performance", *Journal of Applied Psychology*, Vol. 81, pp. 821-826.
- BINDRA, D., & WAKSBERG, H. (1956), "Methods and Terminology in Studies of Time Estimation", *Psychological Bulletin*, Vol. 53, Issue 2, pp. 155-159.
- BOND, M. J., & FEATHER, N. T. (1988), "Some Correlates of Structure and Purpose in the Use of Time", *Journal of Personality and Social Psychology*, Vol. 55, Issue 2, pp. 321-329.
- BONIWELL, I. (2005), "Beyond Time Management: How the Latest Research on Time Perspective and Perceived Time Use Can Assist Clients with Time-related Concerns", *International Journal of Evidence Based Coaching and Mentoring*, Vol. 3, Issue 2, pp. 61-74.
- BOULDING, K. E. (1936), "Time and Investment", *Economica*, Vol. 3, Issue 10, pp. 196-220.
- BRITTON, B. K., & TESSER, A. (1991), "Effects of Time Management Practices on College Grades", *Journal of Educational Psychology*, Vol. 83, pp. 405-410.
- BROWN, S., DOMASCHKE, J., & LEIBL, F. (1999), "No Cost Applications for Assembly Cycle Time Reduction", *International Conference on Semiconductor Manufacturing Operational Modeling and Simulation*, 5-8 December, Phoenix, AZ, USA. *Proceedings Book*, pp. 159-163.



- BRYSON, S. (1997), "Time, Data-Time, and Real-Time Interactive Visualization", *Computers in Physics*, Vol. 11, Issue 3, pp. 270-274.
- BURGESS, M. A. (1932), "Quality Nursing", *The American Journal of Nursing*, Vol. 32, Issue 10, pp. 1045-1053.
- CALABRESI, R., & COHEN, J. (1968), "Personality and Time Attitudes", *Journal of Abnormal Psychology*, Vol. 73, Issue 5, pp. 431-439.
- CELIKOVSKY, S., PAPACEK, S., CERVANTES-HERRERA, A., & RUIZ-LEON, J. (2010), "Singular Perturbation Based Solution to Optimal Microalgal Growth Problem and Its Infinite Time Horizon Analysis", *IEEE Transactions on Automatic Control*, Vol. 55, Issue 3, pp. 767-772.
- CHASTIN, S. F. M., CULHANE, B., & DALL, P. M. (2014), "Comparison of Self-reported Measure of Sitting Time (IPAQ) with Objective Measurement (activPAL)", *Physiological Measurement*, Vol. 35, Issue 11, pp. 2319-2328.
- CHEBAT, J. C., & FILIATRAULT, P. (1993), "The Impact of Waiting in Line on Consumers", *International Journal of Bank Marketing*, Vol. 11, Issue 2, pp. 35-40.
- CLARK, M. L., RAY, T. S., PAREDES, A., COSTILOE, J. P., CHAPPELL, J. S., HAGANS, J. A., & WOLF, S. (1961), "Chlorpromazine in Chronic Schizophrenic Women: I. Experimental Design and Effects at Maximum Point of Treatment", *Psychopharmacology*, Vol. 2, Issue 2, pp. 107-136.
- COLLINS, B. E., & CRUZ, R. L. (1999), "Transmission Policies for Time Varying Channels with Average Delay Constraints", *Proceedings of the Annual Allerton Conference on Communication Control and Computing*, Vol. 37, pp. 709-717.
- CONTE, J. M., RINGENBACH, K. L., MORAN, S. K., LANDY, F. J., & SHL, S. H. (2001), "Validity Study", *Applied HRM Research*, Vol. 6, Issue 2, pp. 129-134.
- COULL, J. T., VIDAL, F., NAZARIAN, B., & MACAR, F. (2004), "Functional Anatomy of the Attentional Modulation of Time Estimation", *Science*, Vol. 303, Issue 5663, pp. 1506-1508.
- DANEVA, M. (2008), "Complementing Approaches in ERP Effort Estimation Practice: An Industrial Study", *The 4<sup>th</sup> International Workshop on Predictor Models in Software Engineering*, 12-13 May, Leipzig, Germany. *Proceedings Book*, pp. 87-92.
- DAVIES, D. K., STOCK, S. E., & WEHMEYER, M. L. (2002), "Enhancing Independent Time-Management Skills of Individuals with

- Mental Retardation Using a Palmtop Personal Computer”, *Mental Retardation*, Vol. 40, Issue 5, pp. 358-365.
- DHAR, R., & NOWLIS, S. M. (1999), “The Effect of Time Pressure on Consumer Choice Deferral”, *Journal of Consumer Research*, Vol. 25, Issue 4, pp. 369-384.
- DILLER, J. S. (1902), *Topographic Development of the Klamath Mountains*, USA: US Government Printing Office.
- DRUCKER, P. F. (1967), *The Effective Executive*, New York: Harper & Row.
- EBERT, R. J., & PIEHL, D. (1973), “Time Horizon: A Concept for Management”, *California Management Review*, Vol. 15, Issue 4, pp. 35-41.
- EILAM, B., & AHARON, I. (2003), “Students Planning in the Process of Self-regulated Learning”, *Contemporary Educational Psychology*, Vol. 28, pp. 304-334.
- FASOTTI, L., KOVACS, F., ELING, P. A., & BROUWER, W. H. (2000), “Time Pressure Management as a Compensatory Strategy Training after Closed Head Injury”, *Neuropsychological Rehabilitation*, Vol. 10, Issue 1, pp. 47-65.
- FEATHER, N. T., & BOND, M. J. (1983), “Time Structure and Purposeful Activity among Employed and Unemployed University Graduates”, *Journal of Occupational Psychology*, Vol. 56, Issue 3, pp. 241-254.
- FRANCIS-SMYTHE, J. A., & ROBERTSON, I. T. (1999), “On the Relationship between Time Management and Time Estimation”, *British Journal of Psychology*, Vol. 90, Issue 3, pp. 333-347.
- FULTON, R. E., & PRANGE, E. M. (1950), “Motor Learning of Highly Chosen and Unchosen Teammates”, *Research Quarterly American Association for Health, Physical Education and Recreation*, Vol. 21, Issue 2, pp. 126-131.
- GARHAMMER, M. (2002), “Pace of Life and Enjoyment of Life”, *Journal of Happiness Studies*, Vol. 3, pp. 217-256.
- GERSON, L. W., MCCORD, G., & WIGGINS, S. L. (1986), “A Strategy to Increase Appointment Keeping in a Pediatric Clinic”, *Journal of Community Health*, Vol. 11, Issue 2, pp. 111-121.
- GOTCH, F. (1903), “The Time Relations of the Photo-electric Changes in the Eyeball of the Frog”, *The Journal of Physiology*, Vol. 29, Issue 4-5, pp. 388-410.

- HAFNER, A., & STOCK, A. (2010), "Time Management Training and Perceived Control of Time at Work", *The Journal of Psychology*, Vol. 144, Issue 5, pp. 429-447.
- HAILEY, J., & SALWAY, M. (2016), "New Routes to CSO Sustainability: The Strategic Shift to Social Enterprise and Social Investment", *Development in Practice*, Vol. 26, Issue 5, 580-591.
- HALL, B. L., & HURSCH, D. E. (1982), "An Evaluation of the Effects of a Time Management Training Program on Work Efficacy", *Journal of Organizational Behaviour Management*, Vol. 3, Issue 4, pp. 73-96.
- HALVERSON, D. E. (1974), *Time Management. Revised*, California, USA: San Mateo County Office of Education.
- HENDRIX, P. E. (1984), "Antecedents and Consequences of Time Use: Proposed Measures and Preliminary Evidence", *ACR North American Advances*, Vol. 11, Issue 1, pp. 35-40.
- HRACHOWITZ, M., SOULSBY, C., TETZLAFF, D., MALCOLM, I. A., & SCHOUPS, G. (2010), "Gamma Distribution Models for Transit Time Estimation in Catchments: Physical Interpretation of Parameters and Implications for Time-variant Transit Time Assessment", *Water Resources Research*, Vol. 46, Issue 10, pp. 1-15.
- JAHODA, M. (1982), *Employment and Unemployment: A Social-psychological Analysis*, Cambridge: UK: Cambridge University Press.
- JEX, S. M., & ELACQUA, T. C. (1999), "Time Management as a Moderator of Relations between Stressors and Employee Strain", *Work and Stress*, Vol. 13, pp. 182-191.
- JOHNSON, J. P. (1916), "The Movements of the Moon", *Popular Astronomy*, Vol. 24, pp. 276-286.
- KAUFMAN-SCARBOROUGH, C., & LINDQUIST, J. D. (1999), "Time Management and Polychronicity: Comparisons, Contrasts, and Insights for the Workplace", *Journal of Managerial Psychology*, Vol. 14, pp. 288-312.
- KEARNS, H., & GARDINER, M. (2007), "Is It Time well Spent? The Relationship between Time Management Behaviours, Perceived Effectiveness and Work-related Morale and Distress in a University Context", *High Education Research & Development*, Vol. 26, Issue 2, pp. 235-247.
- KELLY, W. E. (2003), "No Time to Worry: The Relationship between Worry, Time Structure, and Time Management", *Personality and Individual Differences*, Vol. 35, Issue 5, pp. 1119-1126.

- KENNY, G. K., & MCQUADE, D. J. (1987), "Effects of Time Pressure on Decision-Making", *Journal of Management in Engineering*, Vol. 3, Issue 4, pp. 303-307.
- KERKWEIG, A., & JÖCKEL, P. (2012), "The 1-way On-line Coupled Atmospheric Chemistry Model System MECO (n)–Part 1: Description of the Limited-area Atmospheric Chemistry Model COSMO/MESSy", *Geoscientific Model Development*, Vol. 5, Issue 1, pp. 87-110.
- KINICKI, A. J., & VECCHIO, R. P. (1994), "Influences on the Quality of Supervisor-Subordinate Relations: The Role of Time-pressure, Organizational Commitment, and Locus of Control", *Journal of Organizational Behavior*, Vol. 15, Issue 1, pp. 75-82.
- LANDY, F. J., RASTEGARY, H., THAYER, J., & COLVIN, C. (1991), "Time Urgency: The Construct and Its Measurement", *Journal of Applied Psychology*, Vol. 76, Issue 5, pp. 644-657.
- LAY, C. H., & SCHOUWENBURG, H. C. (1993), "Trait Procrastination, Time Management, and Academic Behavior", *Journal of Social Behavior and Personality*, Vol. 8, pp. 647-662.
- LEHMANN, J., KORSTJENS, A. H., & DUNBAR, R. I. M. (2008), "Time Management in Great Apes: Implications for Gorilla Biogeography", *Evolutionary Ecology Research*, Vol. 10, Issue 4, pp. 517-536.
- LEONTIEF, W. (1959), "Time Preference and Economic Growth: Reply", *The American Economic Review*, Vol. 49, Issue 5, pp. 1041-1043.
- LI, X., ZHOU, X. Y., & RAMI, M. A. (2003), "Indefinite Stochastic Linear Quadratic Control with Markovian Jumps in Infinite Time Horizon", *Journal of Global Optimization*, Vol. 27, Issue 2-3, pp. 149-175.
- LILIENFELD, S. O., HESS, T., & ROWLAND, C. (1996), "Psychopathic Personality Traits and Temporal Perspective: A Test of the Short Time Horizon Hypothesis", *Journal of Psychopathology and Behavioral Assessment*, Vol. 18, Issue 3, pp. 285-303.
- LUTZ, F. A. (1944), "History and Theory in Economics", *Economica*, Vol. 11, Issue 44, pp. 210-214.
- MACAN, T. H. (1994), "Time Management: Test of a Process Model", *Journal of Applied Psychology*, Vol. 79, pp. 381-391.
- MACAN, T. H., SHAHANI, C., DIPBOYE, R. L., & PHILLIPS, A. P. (1990), "College Students' Time Management: Correlations with Academic Performance and Stress", *Journal of Educational Psychology*, Vol. 82, Issue 4, pp. 760-768.

- MACAR, F., GRONDIN, S., & CASINI, L. (1994), "Controlled Attention Sharing Influences Time Estimation", *Memory & Cognition*, Vol. 22, Issue 6, pp. 673-686.
- MACKAY, W. S. (1888), "Iron v. Earthenware Pipes in House Drainage", *The British Architect*, Vol. 29, Issue 13, pp. 238-239.
- MACKENZIE, A., & NICKERSON, P. (2009), *The Time Trap: The Classic Book on Time Management*, USA: Amacom.
- MACKENZIE, R. A. (1972), *The Time Trap: Managing Your Way Out*, New York, NY: Amacom.
- MAJOR, V. S., KLEIN, K. J., & EHRHART, M. G. (2002), "Work Time, Work Interference with Family, and Psychological Distress", *Journal of Applied Psychology*, Vol. 87, pp. 427-436.
- MATLAY, H. (2004), "E-entrepreneurship and Small E-business Development: Towards a Comparative Research Agenda", *Journal of Small Business and Enterprise Development*, Vol. 11, Issue 3, pp. 408-414.
- MAULE, O. S. A. J. (1993), *Time Pressure and Stress in Human Judgment and Decision Making*, USA: Springer Science & Business Media.
- MCCAY, J. (1959), *The Management of Time*, Englewood Cliffs, NJ: Prentice Hall.
- MCCLANAHAN, T. R., MARNANE, M. J., CINNER, J. E., & KIENE, W. E. (2006), "A Comparison of Marine Protected Areas and Alternative Approaches to Coral-reef Management", *Current Biology*, Vol. 16, Issue 14, pp. 1408-1413.
- MCCONALOGUE, T. (1984), "Developing the Skill of Time Management", *Leadership & Organization Development Journal*, Vol. 5, Issue 1, pp. 25-27.
- MCDANIEL, L. S. (1990), "The Effects of Time Pressure and Audit Program Structure on Audit Performance", *Journal of Accounting Research*, Vol. 28, Issue 2, pp. 267-285.
- MELINTE, I. E. (2013), "Time Management - A Paradigm of Contemporary Society", *International Journal of Communication Research*, Vol. 3, Issue 1, pp. 15-21.
- MENG, A., AHRENDT, P., & LARSEN, J. (2005), "Improving Music Genre Classification by Short Time Feature Integration", *IEEE International Conference on Acoustics, Speech, and Signal Processing*, 23-25 March, Pennsylvania, USA. *Proceedings Book*, pp. 497-500.

- MERTON, R. C. (1969), "Lifetime Portfolio Selection under Uncertainty: The Continuous-time Case", *The Review of Economics and Statistics*, Vol. 51, Issue 3, pp. 247-257.
- MITROVIC-MINIC, S., KRISHNAMURTI, R., & LAPORTE, G. (2004), "Double-horizon Based Heuristics for the Dynamic Pickup and Delivery Problem with Time Windows", *Transportation Research Part B: Methodological*, Vol. 38, Issue 8, pp. 669-685.
- MOHAMMED, S., & ANGELL, L. C. (2004), "Surface-and deep-level Diversity in Workgroups: Examining the Moderating Effects of Team Orientation and Team Process on Relationship Conflict", *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, Vol. 25, Issue 8, pp. 1015-1039.
- MOORE, L. B. (1968), "Managerial Time", *Industrial Management Review*, Vol. 9, Issue 3, pp. 77-85.
- MORAY, N., INAGAKI, T., & ITOH, M. (2000), "Adaptive Automation, Trust, and Self-confidence in Fault Management of Time-critical Tasks", *Journal of Experimental Psychology: Applied*, Vol. 6, Issue 1, pp. 44-58.
- MUDRACK, P. E. (1997), "The Structure of Perceptions of Time", *Educational and Psychological Measurement*, Vol. 57, pp. 222-241.
- NICOLSON, R. I., FAWCETT, A. J., & DEAN, P. (1995), "Time Estimation Deficits in Developmental Dyslexia: Evidence of Cerebellar Involvement", *Proceedings of the Royal Society of London Series B: Biological Sciences*, Vol. 259, Issue 1354, pp. 43-47.
- NUNEZ, S. C., NOGUEIRA, G. E., RIBEIRO, M. S., GARCEZ, A. S., & LAGE-MARQUES, J. L. (2004), "He-Ne Laser Effects on Blood Microcirculation during Wound Healing: A Method of in vivo Study through Laser Doppler Flowmetry", *Lasers in Surgery and Medicine: The Official Journal of the American Society for Laser Medicine and Surgery*, Vol. 35, Issue 5, pp. 363-368.
- OCHE, M. O., & ADAMU, H. (2013), "Determinants of Patient Waiting Time in the General Outpatient Department of a Tertiary Health Institution in North Western Nigeria", *Annals of Medical and Health Sciences Research*, Vol. 3, Issue 4, pp. 588-592.
- PENNYPACKER, J. S. (2002), *Justifying the Value of Project Management*, USA: Center for Business Practices.
- POND, K., & HARRINGTON, A. (2013), *Models of Employability Development in Undergraduate Business Education - A Critical Review of Current Practice*, UK: Ziureta.

- PRUITT, D. G., & DREWS, J. L. (1967), "The Effect of Time Pressure, Time Elapsed, and the Opponent's Concession Rate on Behavior in Negotiation", *Journal of Experimental Social Psychology*, Vol. 5, Issue 1, pp. 43-60.
- QUINN, D. B. (1935), "The Irish Parliamentary Subsidy in the Fifteenth and Sixteenth Centuries", *Proceedings of the Royal Irish Academy Section C: Archaeology, Celtic Studies, History, Linguistics, Literature*, Vol. 42, pp. 219-246.
- RAIHAN, S. M., WEN, Y., & ZENG, B. (2005), "Wavelet: A New Tool for Business Cycle Analysis", *Federal Reserve Bank of St. Louis Working Paper Series*, No. 2005-050.
- RAMSEY, J. B., & LAMPART, C. (1998), "The Decomposition of Economic Relationships by Time Scale Using Wavelets: Expenditure and Income", *Studies in Nonlinear Dynamics & Econometrics*, Vol. 3, Issue 1, pp. 23-42.
- RASTEGARY, H., & LANDY, F. J. (1993), "The Interactions among Time Urgency, Uncertainty, and Time Pressure", In Svenson, O. & Maule, A. J. (Eds.), *Time Pressure and Stress in Human Judgment and Decision Making*. pp. 217-239, New York: Plenum Press.
- RHEE, S. H. (2008), "Designing a Time-aware Service System: Bridging the Front and Back Stages in Service System Design", *UCB iSchool Report*, No. 2008-018.
- ROE, R. A. (2008), "Time in Applied Psychology: The Study of *What Happens* rather than *What is*", *European Psychologist*, Vol. 13, Issue 1, pp. 37-52.
- ROȘEANU, G. (2010), "Investigating the Relationship between Psychological Time and Health Relevant Self Cognitions", *Analele Universității din Oradea, Fascicula Psihologie*, Vol. 18, pp. 54-68.
- RUBIA, K., & SMITH, A. (2004), "The Neural Correlates of Cognitive Time Management: A Review", *Acta Neurobiologiae Experimentalis*, Vol. 64, pp. 329-340.
- SABELIS, I. (2001), "Time Management: Paradoxes and Patterns", *Time & Society*, Vol. 10, pp. 387-400.
- SA-IDI, A., NAKACHART, K., JITPIROMSRI, S., NILCHANG, S., & KING, D. Y. (1993), "Women in Rural, Southern Thailand: A Study of Roles, Attitudes, and Ethno-religious Differences", *Southeast Asian Journal of Social Science*, Vol. 21, Issue 1, pp. 81-97.
- SANTIN, G., STRUL, D., LAZARO, D., SIMON, L., KRIEGUER, M., MARTINS, M. V., ...& MOREL, C. (2003), "GATE: A Geant4-based

- Simulation Platform for PET and SPECT Integrating Movement and Time Management”, IEEE Transactions on Nuclear Science, Vol. 50, Issue 5, pp. 1516-1521.
- SCHOTT, C. A. (1883), “Standard Railroad Time”, Science, Vol. 2, Issue 38, pp. 570.
- SCHREIBER, F. A. (1994), “Is Time a Real Time? An Overview of Time Ontology in Informatics”, In Halang, W. A. & Stoyenko, A. D. (Eds.), *Real Time Computing. NATO ASI Series (Series F: Computer and Systems Sciences)*. pp. 283-307, Berlin, Heidelberg, Germany: Springer.
- SHAHANI, C., WEINER, R., & STREIT, M. K. (1993), “An Investigation of the Dispositional Nature of the Time Management Construct”, Anxiety, Stress, and Coping, Vol. 6, pp. 231-243.
- SHAH, N. H. (2006), “Inventory Model for Deteriorating Items and Time Value of Money for a Finite Time Horizon under the Permissible Delay in Payments”, International Journal of Systems Science, Vol. 37, Issue 1, pp. 9-15.
- SHEREMATA, W. A. (2000), “Centrifugal and Centripetal Forces in Radical New Product Development under Time Pressure”, Academy of Management Review, Vol. 25, Issue 2, pp. 389-408.
- SIIPOLA, E. M. (1968), “Incongruence of Sentence Completions under Time Pressure and Freedom”, Journal of Projective Techniques and Personality Assessment, Vol. 32, Issue 6, pp. 562-571.
- SIMONS, D. J., & GALOTTI, K. M. (1992), “Everyday Planning: An Analysis of Daily Time Management”, Bulletin of the Psychonomic Society, Vol. 30, pp. 61-64.
- SLAVEN, G., & TOTTERDELL, P. (1993), “Time Management Training: Does it Transfer to the Workplace?”, Journal of Managerial Psychology, Vol. 8, pp. 20-28.
- STAMP, J. C. (1913), “The Incidence of Increment Duties”, The Economic Journal, Vol. 23, Issue 90, pp. 194-205.
- STIGLER, G. J. (1955), “Mergers and Preventive Antitrust Policy”, University of Pennsylvania Law Review, Vol. 104, Issue 2, pp. 176-184.
- SUTHERLAND, B. V. (1964), “Social Desirability, Item-response Time, and Item Significance”, Journal of Consulting Psychology, Vol. 28, Issue 5, pp. 447-451.



- SVENSON, O., & EDLAND, A. (1987), "Change of Preferences under Time Pressure: Choices and Judgements", *Scandinavian Journal of Psychology*, Vol. 28, Issue 4, pp. 322-330.
- TARKOWSKA, A., ADAM, W. E., & BITTER, F. (1980), "Assessment of the Left Ventricular Function with the Nuclear Stethoscope", *European Journal of Nuclear Medicine*, Vol. 5, Issue 4, pp. 333-338.
- TASCHDJIAN, E. (1977), "Time Horizon: The Moving Boundary", *Behavioral Science*, Vol. 22, Issue 1, pp. 41-48.
- TINBERGEN, J. (1938), "On the Theory of Business-cycle Control", *Econometrica: Journal of the Econometric Society*, Vol. 6, Issue 1, pp. 22-39.
- TOMA, L., BARNES, A. P., SUTHERLAND, L. A., THOMSON, S., BURNETT, F., & MATHEWS, K. (2018), "Impact of Information Transfer on Farmers' Uptake of Innovative Crop Technologies: A Structural Equation Model Applied to Survey Data", *The Journal of Technology Transfer*, Vol. 43, pp. 864-881.
- VAN EERDE, W. (2003), "Procrastination at Work and Time Management Training", *Journal of Psychology*, Vol. 137, pp. 421-434.
- VIJAI, J. P., SOMAYAJI, G. S. R., SWAMY, R. J. R., & AITAL, P. (2017), "Relevance of FW Taylor's Principles to Modern Shop-floor Practices: A Benchmarking Work Study", *Benchmarking: An International Journal*, Vol. 24, Issue 2, pp. 445-466.
- WANBERG, C. R., GRIFFITHS, R. F., & GAVIN, M. B. (1997), "Time Structure and Unemployment: A Longitudinal Investigation", *Journal of Occupational and Organizational Psychology*, Vol. 70, Issue 1, pp. 75-95.
- WATERWORTH, S. (2003), "Time Management Strategies in Nursing Practice", *Journal of Advanced Nursing*, Vol. 43, Issue 5, pp. 432-440.
- WESSMAN, A. E. (1973), "Personality and the Subjective Experience of Time", *Journal of Personality Assessment*, Vol. 37, Issue 2, pp. 103-114.
- WEST, A. B. (1925), "Aristidean Tribute in the Assessment of 421 BC", *American Journal of Archaeology*, Vol. 29, Issue 2, pp. 135-151.
- WILLIAMS, H. S. (1893), "Studies for Students: The Elements of the Geological Time-Scale", *The Journal of Geology*, Vol. 1, Issue 3, pp. 283-295.
- WILLIAMS, R. L., VERBLE, J. S., PRICE, D. E., & LAYNE, B. H. (1995), "Relationship between Time Management Practices and

- Personality Indices and Types”, *Journal of Psychological Type*, Vol. 34, pp. 36-42.
- WRIGHT, P., & WEITZ, B. (1977), “Time Horizon Effects on Product Evaluation Strategies”, *Journal of Marketing Research*, Vol. 14, Issue 4, pp. 429-443.
- WRIGHT, T. A. (2002), “Dialogue: The Importance of Time in Organizational Research”, *Academy of Management Journal*, Vol. 45, pp. 343-345.
- YOUNG YUN, W., & HYEON CHOI, C. (2000), “Optimum Replacement Intervals with Random Time Horizon”, *Journal of Quality in Maintenance Engineering*, Vol. 6, Issue 4, pp. 269-274.
- ZAHEER, S., ALBERT, S., & ZAHEER, A. (1999), “Time Scales and Organizational Theory”, *Academy of Management Review*, Vol. 24, Issue 4, pp. 725-741.
- ZELLWEGER, T. (2007), “Time Horizon, Costs of Equity Capital, and Generic Investment Strategies of Firms”, *Family business review*, Vol. 20, Issue 1, pp. 1-15.
- ZUR, H. B., & BREZNITZ, S. J. (1981), “The Effect of Time Pressure on Risky Choice Behavior” *Acta Psychologica*, Vol. 47, Issue 2, pp. 89-104.

# **EVALUATION OF BRAND AUTHENTICITY AND CUSTOMER SATISFACTION - CASE OF TORKU FROM LOCAL TO NATIONAL BRAND**

Kazım KARABOĞA\*, Murat ÇAKIRKAYA\*

## **1. INTRODUCTION**

It is important for marketers to consider brand authenticity. Because authenticity creates a unique brand identity and contributes to brand status and brand equity. Brand essence is largely related to authenticity. It consists of brand elements that the consumer perceives as unique. Brand authenticity is vital for brands. Because being unique is an important aspect of brand identity (Brown et al., 2003: 21). In case of fulfilling the requirements of brand authenticity dimensions and meeting the expectations in this area, trust will be felt on the customers. This will lead to customer loyalty (Khadat and Simsek, 2017: 48). In addition, brand authenticity will serve as a multiplier that increases the impact of other brand concepts and promotional efforts (Lynch, 2000: 39). The literature on marketing and consumer research indicates that the search for authentic consumption is due to the loss of traditional meaning and self-identification resources (Beverland and Farrelly 2010: 839).

Customer satisfaction is the level of satisfaction that the customer receives from the product or service they purchase. According to another definition, customer satisfaction is the co-ordination of the level offered by a brand to the expectations of its customers (ie brand promise / brand perception). Therefore, to what extent customers' expectations are met when purchasing a product or service is the most important performance indicator of customer satisfaction. If the performance is below the expectation, it will lead to dissatisfaction and this may cause the company to face the unintended consequences. Therefore, the prerequisite for creating customer satisfaction is to determine the customer's wishes and expectations in the most accurate way (Khadat and Simsek, 2017: 49). When an organization continually realizes the brand promise and creates customer perception over it, it will be considered as a successful institution. This will enable the perception of the authentic structure to be positive.

Incorrectly designed brand experiences, not paying attention to the issues that customers are most interested in, occur when all activities carried out by the institution are considered extremely good. Incorrectly designed brand experiences will lead to reduced market share and

---

\* Necmettin Erbakan University, Applied Science Faculty, Department of Management Information System, Assistant Professor, kzmkrbg@hotmail.com

\* Necmettin Erbakan University, Applied Science Faculty, Department of Transportation and Logistics, Assistant Professor, murat.cakirkaya39@gmail.com

performance over time. Focus should be able to change rapidly in line with customer needs and an intense discussion should be made on how to best meet these needs. The important point to be considered here is that customers are exposed to competitive alternatives. If the needs of the customers cannot be met, expecting them to stay near the institution will not be more than imagination.

In this study, the degree to which consumers perceived the Torku brand authenticity and the effect of this authenticity perception on consumer satisfaction was examined.

## **2.LITERATURE AND CONCEPTUAL FRAMEWORK**

### **2.1.Perceived Brand Authenticity**

The concept of authenticity is derived from the words “authenticus” in Latin and “authentikos” in Greek. It is worthy of approval, authoritarian, imaginary, non-counterfeit, original etc. meaning. (Bruhn at al., 2012: 567). Because the concept of authenticity is a suitable area for social sciences and humanities, it has brought with it broad conceptual association. However, in marketing research, there are few definitions for the concept of authenticity. It is explained with different concepts due to the fact that authenticity association of many different concepts (Grayson and Martinec 2004: 297). When the concept of authenticity is evaluated through consumer behaviors, it is very difficult to make a single definition. Therefore, the relevant concept is expressed in various ways (Leigh et al., 2006: 481). When the studies on the concept of authenticity are examined, it is seen that the following concepts are generally accepted and the related concepts are agreed;

- Authenticity in the context of brands takes care of the authenticity of the market (objects and services).
- Brand authenticity is not only about the natural qualities of the brand. Besides, it is based on the evaluations of individuals. (Beverland and Farrelly 2010: 838).
- Since there is no single definition of brand authenticity, it can have various characteristics especially in the context of branding.

Authentic consumption is related to a wide range of consumption objects and activities with the potential to create meaning. (Grayson and Martinec 2004: 297). Although the impact of authenticity on consumer behavior is widely understood, there is no widely accepted conceptualization of authenticity in the literature. There are various and fragmented approaches. In line with this observation, Beverland and Farrelly (2010: 838) state that the nature of authenticity in consumption is still controversial. As a result: there is still no widely accepted definition of perceived brand authenticity.

## **2.2.Effects of Brand Authenticity on Consumer Perceptions**

Despite the fact that there is no standardized approach to the brand value added to the brand, positive results have been reached in all of the studies on the subject. As a result of our study, it was seen that there is a positive relationship between brand authenticity and customer satisfaction. Therefore, there is a need for experimental studies on the effects of brand authenticity, especially on consumers' decision making process and purchasing behavior. If these studies give positive results, the institutions will be able to develop strategies on brand authenticity in promotion and positioning studies. This will make significant contributions to the marketing activities of institutions.

Although authenticity cannot find enough place in today's consumer culture, consumer research at the point of authenticity is a cornerstone of modern marketing (Brown et al., 2003: 21). Some important studies for the perception of the brand in the consumer's point of authenticity is presented below:

Brand authenticity has a positive impact on brand attitudes and evaluations. In a study, it has been shown that as a brand's perceived authenticity increases, consumers agree to pay more for the brand's products, start defending the brand and develop loyalty to the brand (Chalmers, 2007; 442).

Brand authenticity can affect consumers' attitudes and behaviors towards the brand. As a matter of fact, in a study, it has been concluded that brand authenticity has a positive effect on brand confidence and brand satisfaction. Confidence in the brand can be conceptualized as the belief that consumers will meet the expectations of the brand in situations that pose a risk to them and, if an unexpected problem arises, the brand will strive to solve the problem (Delgado-Ballester, 2004: 574).

Consumers believe that authentic brands are more reliable than other non-authentic brands because of their commitment to the values they have from their establishment, their efforts to maintain the quality standards of their products and their successful position in their sectors. (Holt, 2002: 81).

On the other hand, there are studies showing how consumers perceive the brand as authentic in the formation of customer satisfaction (Carbonaro and Votava 2005: 71; Chhabra, 2010: 735). Consumers' satisfaction with the brand increases their tendency to buy again and allows them to pay more for branded products (Fornell et al., 2010: 28; Homburg et al., 2005: 85).

Recent studies show that the authenticity of the brand; attitude towards brand (Ilicic and Webster, 2014: 342), intention to purchase (Ilicic and

Webster, 2014: 342), word of mouth marketing communication, emotional brand loyalty and brand selection decision (Morhart et al., 2015: 200) has shown that the positive relation.

The literature also shows that authentic brands are a significant source of identity creation. As a matter of fact, authentic brands are also effective in customers verify their identity (Beverland and Farrelly 2010: 839).

Arnould and Price, (2003: 145) focused on the brand authenticity studies and how these performances are evaluated by consumers. Beverland et al., (2008: 5) emphasized the clues used to attribute authenticity to objects. Indeed, there are three types of authenticity: pure authenticity, approximate authenticity, and moral authenticity. While consumers' judgments about authenticity are different, their clues and their degree of abstraction vary, but they either use symbolic or indexary clues. In the study, it was concluded that the relationship between symbolic and indexary clues was more than that thought. Therefore, it can be said that the advertising studies to be carried out meticulously will strengthen the brand authenticity perception.

According to Rose and Wood (2005: 284), consumers' perceptions of the authenticity of a brand are emerging and consumers' approach is as follows: Consumers mix the index elements that have programmed fantastic elements to create a remarkable authenticity with their own experiences.

According to Brown et al. (2003: 29), the meaning of retro brands is based on a utopian social element. Consequently, situations that appear to be contrary to logic may evoke. For this reason, retro-brand management is an uncomfortable alliance that requires uneasiness for producers and consumers and requires them to form something together.

Eggers et al., (2013: 346) emphasized the effects of the consumer's perceptions of authenticity towards brands on the brand's trust and the growth of small and medium-sized enterprises. The authors discussed brand authenticity in three dimensions. These are: brand consistency, brand customer orientation, and brand congruency.

Alexander (2009: 558) focused on the role of authenticity in the establishment and preservation of the brand atmosphere.

### **2.3.Customer Satisfaction**

Satisfaction is a mental state that varies depending on the person, product or service and circumstances. Customer satisfaction is an abstract concept and examined in marketing literature in detail (Edvardsson et al., 2000: 917).

One of the important questions that should be taken into consideration at the point of ensuring customer satisfaction is how buyers create their expectations. In general, expectations consist of past purchasing experience, advice from friends and business partners, and information and promises of marketers and competitors. If the marketer raises a lot of expectations, the buyer will probably be disappointed. On the other hand, the expectations are very low, but this time it does not attract enough buyers. Some of today's most successful companies increase expectations and offer performances that match those expectations (Boulding et al., 1999: 463).

In another study, it is stated that the expectations are composed of the following elements: trading with other people, experiences, discussions and marketing activities with suppliers and so on. If the performance falls below expectations, customer dissatisfaction will be in question. If the actual performance matches the expected performance, customer satisfaction will be revealed (Rashed et al., 2018: 24).

The value created for the product is an important factor in establishing consumer satisfaction and plays an important role in the consumer's purchase choices. The consumer takes into account the valuable content produced for the product when determining the level of benefit for the product to be purchased (Andaç et al., 2016: 126).

If organizations want to ensure customer satisfaction, they should be able to keep the attention of customers in the long term. In this way, satisfied customers will share their satisfaction with their relatives through word of mouth marketing (Zeithaml, 2000: 82).

Although the customer-oriented company aims to create high customer satisfaction, this is not the ultimate goal. Lowering prices or enhancing customer satisfaction with services may result in lower profits. Some applications (for example, improving production processes or investing in more R&D) can increase profitability while increasing the level of satisfaction in companies. Companies on the other hand; It has many stakeholders including employees, dealers, suppliers and shareholders. Spending more to increase customer satisfaction may prevent it from increasing the satisfaction of other stakeholders. As a result, the company should endeavor to develop strategies by considering the satisfaction of all stakeholders when considering the total resources. (Kotler and Keller, 2012: 128).

#### **2.4.The Relationship Between Brand Authenticity and Customer Satisfaction**

Customer perceptions do not occur spontaneously. The advertisements offered by the media, the cycle of word of mouth marketing, the large

operational activities carried out by the companies, and all other factors arising from both inside and outside the organization affect the formation of customer perceptions. (Brown et al., 2003: 30). The participation of institutions in this process makes their activities much more important. All activities targeted or not targeted in the management of a brand in order to influence and direct customers affect perception. This is a critical element that cannot be predicted in measuring customer satisfaction. Managers often wonder how the activities they perform affect the customer experience and what steps to take next. (Hall et al., 2009). As a result of a study on the subject, it was observed that satisfaction affects attitude change and purchase intention. (Oliver, 1980: 460).

Customer perception is often considered reality. This is not a mistake of customer satisfaction management. Focusing on perceived experiences alone can often lead to decisions that may overlook the hint of the essence of the subject, since it is not an integrated assessment of the customer experience. It is enough to look at one's own experience to see if this is true. Although people have the same experience, they can have very different individual interpretations. There may also be differences between perception and actual experiences. Indeed, there is more than a personal perception. Although the real experience is somewhere between the two, each individual's interpretation of this experience is different.

Instead of trying to manage customer perceptions, the authors propose to measure and manage the real elements of the customer experience with the same care as the customer perception. A clear understanding of the actual experience reduces the risk of customer perceptions being mistaken or biased. Real experiences also allow organizations to understand how good their specific operational standards are and how their implementation is relevant to customer perception. Without this, misguided strategies and tactics will not bring success.

One way to improve this understanding is the mystery shopper program that can carry the customer-level perspective to the process. This is useful because while customers tend to see their experience in a much less detailed manner, organizations often see customer experience in complex procedural methods. Customers are often reluctant to provide accurate and reliable operational feedback. However, in the event that the program is implemented correctly, shopping by mystery shoppers may serve as a means to enable measurement.

In addition, customer perceptions are often incorrect or misleading. It is assumed that there are some prejudices in all measurements. However, shopping by mystery shoppers can reduce this prejudice by enabling the emotional motivators to mobilize and enjoy the experience. Furthermore, the appropriate statistical analysis of the data on the shopping carried out



by the mystery shoppers reveals the raw and validated findings that make up any existing bias.

If customers' perceptions cannot be measured correctly, it will be difficult to ensure their satisfaction. The basic dynamics that must be taken into consideration in the creation of a brand worthy of praise; to give the customer a good experience and to be able to determine his / her perception towards the brand correctly.

Brand experience is the standard in which customers evaluate products, services and institutions. These experiences are shaped simultaneously with customer expectations and brand promises. This framework enables the determination of customer satisfaction. Organizations can achieve a strong and sustainable growth by adopting a more holistic approach to customer experience management.

### **3. Research Method**

The development of the brand authenticity is a very difficult process. Because a long-term cooperation between brands and customers and customers, ethics and moral rules based on mutual trust is formed as a result of respect. In this study, brand authenticity is examined in terms of continuity, individuality, reliability/ naturalness and originality. In addition, whether the brand authenticity has any effect on customer satisfaction and the level of it is investigated. In addition, the research examines whether a company that does not have a long history and brands can create an effective brand authenticity. Therefore, the research was carried out on the Torku brand and its products that do not have a long historical background.

In this section, after providing conceptual information about the main and sub-dimensions of the research variables, hypothesis is given by creating a research model.

#### **3.1. Conceptual Framework**

##### **3.1.1. Perceived Brand Authenticity**

In order to express brand authenticity as a holistic concept, different scales have been developed by taking consumers' brand authenticity perceptions into consideration. Since brand authenticity is not a one-dimensional concept, multidimensional measurement is required (Yaşın et al., 2017: 129). In this study, four dimensions developed by Bruhn vd. (2012:569) were used to measure brand authenticity. These:

##### ***Continuity***

To be present in time. When the literature is examined, it will be seen that the concept of continuity is constantly discussed in the context of

relations between individuals, customers and companies. Research conducted so far shows that continuity of relations can be identified and measured (Anderson and Weitz 1989: 317). The level of participation of survey participants in the following statements regarding the continuity in the structure of brand authenticity is questioned: Torku brand has a stable posture from past to present. Torku brand remains true to its principles. Torku brand is a brand with continuity. Torku brand has a long-standing concept.

### ***Originality***

To be creative, genuine and / or innovative. For originality, brand image, customer and advertising research should be studied (Netemeyer et al., 2004: 218) and scales should be determined, such as the originality scale, to assess how a person looks (Im, Bayus and Mason 2003: 61). The level of participation of survey participants on originality in the structure of brand authenticity was questioned: Torku brand is different from all other brands in the same sector. Torku brand is easily recognizable from all brands. Torku brand is unique to its competitors. Torku brand clearly distinguishes itself from other brands.

### ***Reliability / Naturalness***

Promises are to fulfill and / or be reliable. For reliability, branding studies, customers and advertising research literature should be reviewed and appropriate scales should be determined. (Goldsmith, Lafferty and Newell 2000: 43). The relevant literature has been reviewed and some of the developed scales are listed below: Reliability scale (Erdem and Swait 2004), brand trust scale (Delgado-Ballester, Munuera-Alemán and Yagüe-Guillén 2003), advertising credibility scale (Beltramini 1988: 26) etc. Naturalness is the fact that products or brands are true and / or healthy. There is a limited number of literature dealing with the naturalness of products or brands. The naturalness of the products has become more prominent especially in the food sector. This has led to a significant increase in the demand for organic foods. For this reason, all articles related to the naturalness of the products produced should be reviewed and the ones that need to be done should be provided in a healthy way (Verhoog et al., 2003: 29). Regarding the reliability / naturalness in structure of brand authenticity, the questionnaire participants were questioned about the following issues: Torku brand keeps its promises according to my general experience. The Torku brand manages to offer its customers what they promise. Torku's promises to the customer are convincing. The promise of the Torku brand to the customer is reliable. The Torku brand does not appear to be a artificial brand. The Torku brand gives the impression of being an intimate brand. Torku brand gives the impression of a natural brand.

## ***General Brand Authenticity***

It is necessary to provide consumers with a authentic brand experience and then to create brand trust in the long term to achieve stable growth. (Eggers et al., 2013: 346). The brand's commitment to its values and products leads consumers to trust the brand and lead them to develop brand loyalty (Hess, 1995: 22). The authentic brands provide numerous benefits compared to their non-authentic counterparts. These brands are perceived more commercially successful (Beverland, 2005: 1024) and are consumed at a higher rate than non-authentic brands (Kates, 2004: 462). Participants were asked about their opinions on the following judgments about the general brand authenticity: Torku brand has a clear philosophy that guides its promises. Torku brand does not behave in any way contrary to its essence and character, knowing exactly what it represents. When considering the activities of the Torku brand is seen as an imitation of another brand. Torku brand in an appropriate manner to their self-esteem, behave according to the expectations of the audience. Torku brand does not compromise its originality in order to adapt to current changes.

### **3.1.2.Perceived Customer Satisfaction**

Customer satisfaction is defined as an assessment of the perceived difference between previous expectations and the actual performance of a product (Oliver, 1999: 34). In other words, satisfaction is a feeling of dissatisfaction or frustration with the difference between expected and actualized performance (Prasadh, R. R., 2018: 178).

## **3.2.Scale and Hypotheses**

### **3.2.1.Scale Design, Data Collection and Sampling Calculation**

Data were collected by face-to-face survey method. The questionnaire consists of three main dimensions to determine the effect of perceived brand authenticity on perceived customer satisfaction. In the first part, there are three multiple choice questions besides the questions about demographic variables. In the second part, questions about the perceived brand authenticity main dimension are composed of Likert scale (1: Strongly Disagree; 5: Strongly Agree) 20 items and four dimensions (continuity, originality, reliability / naturalness and general brand authenticity). The third section is the likert scale (1: Strongly Disagree; 5: Strongly Agree) which is the main dimension of perceived customer satisfaction consisting of 7 items and one dimension. Related scale Hausman (2004: 415), Oliver (1980: 463); Bruhn et al. (2012: 572); Yaşın at al. (2012:134) is the customer satisfaction scale.

In the study, it was tried to reach the audience who made purchases from Torku brand by face to face interviews. Data was collected on 01.09.2018-15.09.2018 with the relevant questionnaire. Target audience in the research; People who prefer Torku brand and shop at Torku stores. The error margin was found to be 0.07 in contrast to similar studies. As the

number of samples; As a result of the calculation formulas it is aimed to reach at least 196 people in total. In the data collection phase, 420 questionnaires were reached. This number was found to be sufficient because it was more than the number determined by the sample calculation.

3.2.2.Research Model

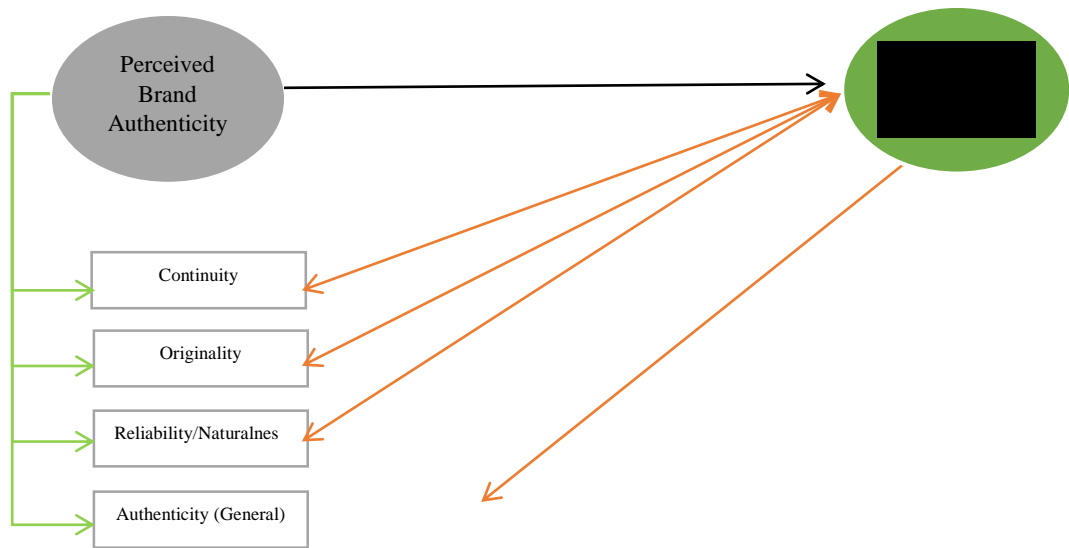


Figure 1: The Relationship Between Perceived Brand Authenticity and Perceived Customer Satisfaction Concepts

3.2.3.Research Hypotheses

The hypotheses developed within the framework of this study are:

**H<sub>1</sub>** = Continuity variable from the sub-dimensions of the perceived brand authenticity in customers who prefer the Torku Brand is statistically significant in predicting the perceived customer satisfaction variable.

**H<sub>2</sub>** = Originality variable from the sub-dimensions of the perceived brand authenticity in customers who prefer the Torku Brand is statistically significant in predicting the perceived customer satisfaction variable.

**H<sub>3</sub>** = Reliability / naturalness variable from the sub-dimensions of the perceived brand authenticity in customers who prefer the Torku Brand is statistically significant in predicting the perceived customer satisfaction variable.

**H<sub>4</sub>** = General brand authenticity in customers who prefer the Torku brand is statistically significant in predicting the perceived customer satisfaction variable.

**H<sub>5</sub>** = Perceived brand authenticity variables, predicting the perceived customer satisfaction variables are statistically significant.

**H<sub>6</sub>** = There is a positive relationship between perceived continuity and perceived customer satisfaction.

**H<sub>7</sub>** = There is a positive relationship between perceived originality and perceived customer satisfaction.

**H<sub>8</sub>** = There is a positive relationship between perceived reliability/naturalness and perceived customer satisfaction.

**H<sub>9</sub>**= There is a positive relationship between perceived general brand authenticity and perceived customer satisfaction.

**H<sub>10</sub>**=There is a positive relationship between perceived brand authenticity and perceived customer satisfaction variable.

#### 4.Analysis and Findings

SPSS computer program was used to analyze the data. Cronbach's Alpha value, which is an internal consistency indicator, was calculated to test the reliability of the scales used in the study before the analyzes. Afterwards, frequency, correlation and multiple regression analysis were used to analyze the data.

##### 4.1.General Statistics (Frequency Analysis)

Demographic characteristics of the 420 people participating in the research are shown in Table 1 below.

**Table 1.** Frequency Distribution of Demographic Characteristics of Participants

Demographic Variable		Number	Percent
<b>Gender</b>	Female	212	50,50
	Male	208	49,50
<b>Total</b>		<b>420</b>	<b>100,00</b>
<b>Marital status</b>	Married	200	47,60
	Single	220	52,40
<b>Total</b>		<b>420</b>	<b>100,00</b>
<b>Age</b>	Under 18 years	4	1,00

	18-24 years	150	35,70
	25-35 years	109	26,00
	36-49 years	109	26,00
	50-65 years	45	10,70
	65 years and over	3	0,70
	<b>Total</b>	<b>420</b>	<b>100,00</b>
<b>Education</b>	Elementary school	28	6,70
	Secondary school	37	8,80
	High school	90	21,40
	Associate Degree	180	42,90
	University	48	11,40
	Graduate	37	8,80
	<b>Total</b>	<b>420</b>	<b>100,00</b>
<b>Job</b>	Housewife	37	8,80
	Worker	74	17,60
	Officer-Teacher	61	14,50
	Specialized Professions	48	11,40
	Artisan	73	17,40
	Instructor	18	4,30
	Student	95	22,6
	Unemployed	2	0,50
	Retired	12	2,90
	<b>Total</b>	<b>420</b>	<b>100,00</b>

According to Table 1, when the gender and marital status distribution of the participants are examined, it is possible to say that there is an equal distribution and the majority of the age group is between 18 and 50 years of age.

**Table 2.** Frequency Distribution of Multiple Choice Questions

Multiple Choice Questions		Num ber	Perc ent
<b>6. How many times per month do you shop at a store?</b>	I never do	7	1,70
	1-2 times	92	21,90
	3-4 times	171	40,70
	5 times and above	150	35,70
	<b>Total</b>	<b>420</b>	<b>100,00</b>
<b>7. How do you do your food shopping in general?</b>	Planned do	230	54,80
	Unplanned suddenly decision	19	45,20
	<b>Total</b>	<b>420</b>	<b>100,00</b>
<b>8. Would you prefer Torku brand and products?</b>	Yes	370	88,10
	No	50	11,90
	<b>Total</b>	<b>204</b>	<b>100,00</b>

According to Table 2, 40.7% of respondents stated that they made grocery shopping every week, 54.8% of them had planned food purchases and 88.1% preferred Torku brand.

#### **4.2.Dimensions and Importance Levels**

The dimensions related to the scales used in the study and their severity related to the items are summarized in Tables 3, 4, 5, 6, 7 and 8.

**Table 3.** Significance Levels Regarding the Perceptions Related to Perceived Continuity Size

Continuity	Ortalama	Std. Sapma
Torku brand has a stable posture from past to present.	3,97	0,91
Torku brand remains true to its principles.	3,83	0,90
Torku brand is a brand with continuity.	4,18	0,81
Torku brand has a long-standing concept.	4,04	0,92
Notes: (i) 370; (ii) 1: I strongly disagree - 5: Strongly Agree; (iii) Friedman two-way ANOVA testi Chi-Square: 63,493, sd: 3, p:0,00		

Table 3 shows the continuity dimension of the respondents; **“Torku brand is a brand with continuity.”** Accordingly, the respondents perceived the Torku brand as a brand with continuity (Average value is 4,18). In the perceived continuity dimension; **“Torku brand has a long-standing concept.”** According to this, respondents have positioned the Torku brand as a brand that exists within a prominent contraceptive continuum. (Average value: 4,04). **“Torku brand has a stable posture from past to present.”** According to this, the respondents were found to participate in this statement (Average value: 3,87).

**Table 4.** Significance Levels For Items Related To The Perceived Originality Dimension

Originality	Ortalama	Std. Sapma
Torku brand is different from all other brands in the same sector.	3,77	1,04
Torku brand is easily recognizable from all brands.	3,78	0,98
Torku brand is unique to its competitors.	3,46	1,10
Torku brand clearly distinguishes itself from other brands.	3,68	1,02
Notes: (i) 370; (ii) 1: I strongly disagree - 5: Strongly Agree; (iii) Friedman two-way ANOVA testi Chi-Square: 60,787, sd: 3, p:0,036		

As can be seen in Table 4; the perceived originality dimension of respondents; **“Torku brand is easily recognizable from all brands.”** According to this, the respondents were found to participate in this statement (Average value is 3,78). Perceived originality size; **“Torku brand is different from all other brands in the same sector.”** According to this, the respondents were found to participate in this statement (Average value is 3,77). Perceived originality size; **“Torku brand clearly distinguishes itself from other brands.”** According to this, the



respondents were found to participate in this statement (Average value is 3,68). According to these levels of participation, the Torku brand can easily be distinguished from other brands in the same sector in the eyes of consumers and create an original brand perception.

**Table 5.** Significance Levels Regarding Items Related to Perceived Reliability / Naturalness Dimension

Reliability / Naturalness	Ortalama	Std. Sapma
Torku brand keeps its promises according to my general experience.	3,84	
Torku brand manages to offer its customers what they promise.	3,84	
Torku's promises to the customer are convincing.	3,90	
The promise of the Torku brand to the customer is reliable.	3,97	
Torku brand does not appear to be a artificial brand.	4,18	
Torku brand gives the impression of being an intimate brand.	4,16	
Torku brand gives the impression of a natural brand.	4,19	

Notes: (i) 370; (ii) 1: I strongly disagree - 5: Strongly Agree; (iii) Friedman two-way ANOVA testi Chi-Square: 184,163, sd: 6, p:0,000

As can be seen in Table 5, respondents; within the perceived reliability / naturalness dimension; **“Torku brand gives the impression of a natural brand.”** According to this, the respondents were found to participate in this statement (Average value is 4,19). In the perceived reliability / naturalness dimension; **“Torku brand does not appear to be a artificial brand.”** According to this, the respondents were found to participate in this statement (Average value is 4,18). In the perceived reliability / naturalness dimension; **“Torku brand gives the impression of being an intimate brand.”** According to this, the respondents were found to participate in this statement (Average value is 4,16). Apart from these participation levels, it can be said that with an average participation level of 3.86, the Torku brand is defined as a reliable brand.

**Table 6.** Significance Regarding Items Related to the Perception of General Brand Authenticity

General Brand Authenticity	Ortalama	Std. Sapma
Torku brand has a clear philosophy that guides its promises.	3,67	0,86
Torku brand does not behave in any way contrary to its essence and character, knowing exactly what it represents.	3,83	0,87
When considering the activities of the Torku brand is seen as an imitation of another brand.	2,64	1,32
Torku brand in an appropriate manner to their self-esteem, behave according to the expectations of the audience.	3,84	0,81
Torku brand does not compromise its originality in order to adapt to current changes.	3,85	0,90
Notes: (i) 370; (ii) 1: I strongly disagree - 5: Strongly Agree; (iii) Friedman two-way ANOVA testi Chi-Square: 301,049, sd: 4, p:0,000		

In Table 6, the perceived general brand authenticity of respondents; **“Torku brand does not compromise its originality in order to adapt to current changes.”** According to this, the respondents were found to participate in this statement. (Average value is 3,85). Perceived general brand authenticity within the title; **“Torku brand in an appropriate manner to their self-esteem, behave according to the expectations of the audience.”** According to this, the respondents were found to participate in this statement (Average value is 3,84). In the perceived general brand authenticity **“Torku brand does not behave in any way contrary to its essence and character, knowing exactly what it represents.”** According to this, the respondents were found to participate in this statement (Average value is 3,83). In the perceived general brand authenticity **“When the activities of the Torku brand are considered, it imitates another brand.”** According to this, the respondents do not perceive the Torku brand as an imitator (Average value is 2,64).

**Table 7.** Significance Levels Related to Perceived Customer Satisfaction

<b>Customer Satisfaction</b>	<b>Ortalama</b>	<b>Std. Sapma</b>
Torku brand can meet all my needs in the food industry.	<b>3,68</b>	<b>1,06</b>
Torku brand is one of the best brands I can purchase in the food industry.	<b>4,16</b>	<b>2,29</b>
It is wise for me to choose the Torku brand.	<b>3,94</b>	<b>0,88</b>
I'm quite glad I chose the Torku brand.	<b>4,07</b>	<b>0,85</b>
I am pleased with the firm performance of the Torku brand.	<b>3,92</b>	<b>0,90</b>
I really like the Torku brand.	<b>3,98</b>	<b>0,86</b>
It was a good experience for me to choose the Torku brand.	<b>4,09</b>	<b>0,83</b>
Notes: (i) 370; (ii) 1: I strongly disagree - 5: Strongly Agree; (iii) Friedman two-way ANOVA testi Chi-Square: 102,881, sd: 6, p:0,000		

In Table 7, the perceived customer satisfaction dimension of the respondents; **“Torku brand is one of the best brands I can purchase in the food industry.”** According to this, respondents put the Torku brand at the top of their shopping preferences (Average value is 4,16). Within the scope of perceived customer satisfaction; **“It was a good experience for me to choose the Torku brand.”** According to this, the respondents are satisfied with their experience with the torque brand (Average value is 4,09). Within the scope of perceived customer satisfaction; **“I’m quite glad I chose the Torku brand.”** According to this, the respondents were highly involved in this statement (Average value is 4,07).

**4.3.Correlation and Regression Analysis**

Before the analysis, Cronbach’s alpha coefficient was used to evaluate the reliability (internal consistency) of the scales in the questionnaire form and these coefficients are presented in Table 9.

**Table 8.** Reliability Coefficients of Scales Used in Research

Scale Sizes	Number of Questions	Standard (Cronbach) Alpha	Mean	Standard Deviation
<b>Perceived Brand Authenticity</b>	<b>20</b>	<b>0,922</b>	<b>3,81</b>	<b>0,59</b>
Perceived Continuity	4	0,787	4,00	0,69
Perceived Originality	4	0,861	3,67	0,87
Perceived Reliability / Naturalness	7	0,896	4,01	0,67
Perceived General Brand Authenticity	5	0,758	3,57	0,63
<b>Perceived Customer Value</b>	<b>7</b>	<b>0,781</b>	<b>3,98</b>	<b>0,79</b>

Criteria for reliability coefficient are as follows (Akgül & Çevik, 2003: 435):

- $0,00 \leq \alpha \leq 0,40$ : The scale is not reliable.
- $0,40 \leq \alpha \leq 0,60$ : The scale is low reliability.
- $0,60 \leq \alpha \leq 0,80$ : The scale is very reliable.
- $0,80 \leq \alpha \leq 1,00$ : The scale is highly reliable.

Considering the above mentioned criteria values, the reliability coefficient of the perceived brand authenticity scale ( $\alpha = 0.922$ ) and the perceived customer satisfaction scale ( $\alpha = 0.781$ ) is highly reliable.

After looking at the reliability of the scales used in the study, Pearson Correlation analysis was used in this section to see the relationships between the sub-factors of the scales used in the questionnaire form and the results are shown in Table 10.

**Table 9.** Correlation Analysis Results of Scales Used in the Research Model

	Perceived Brand Authentic ity	Perceive d Custom er Satisfac tion	Perceive d Continu ity	Perceive d Original ity	Perceive d Reliabili ty / Naturaln ess	Perceived General Brand Authentic ity
Perceived Brand Authenticit y	1					
Perceived Customer Satisfaction	0,638**	1				
Perceived Continuity	0,819**	0,494**	1			
Perceived Originality	0,853**	0,565**	0,560**	1		
Perceived Reliability / Naturalness	0,868**	0,567**	0,693**	0,625**	1	
Perceived General Brand Authenticit y	0,776**	0,482**	0,485**	0,560**	0,589**	1

As seen in Table 9;

- There was a significant positive correlation between perceived brand authenticity and perceived customer satisfaction ( $r = 0.638$ ,  $p < 0.01$ ). According to these findings,  $H_{10}$  hypothesis was accepted.
- When the relationship is examined in terms of sub-dimensions; There is a positive correlation between perceived continuity and perceived customer satisfaction ( $r = 0.494$ ,  $p < 0.01$ ). According to these findings,  $H_6$  hypothesis was accepted.
- When the relationship is examined in terms of sub-dimensions; There is a positive relationship between perceived originality and perceived customer satisfaction ( $r =$

0.565,  $p < 0.01$ ). According to these findings,  $H_7$  hypothesis was accepted.

- When the relationship is examined in terms of sub-dimensions; There is a positive correlation between perceived reliability / naturalness and perceived customer satisfaction ( $r = 0,567$ ,  $p < 0,01$ ). According to these findings,  $H_8$  hypothesis was accepted.
- When the relationship is examined in terms of sub-dimensions; There is a positive correlation between perceived general brand authenticity and perceived customer satisfaction ( $r = 0.482$ ,  $p < 0.01$ ). According to these findings,  $H_9$  hypothesis was accepted.

After the correlation analysis, multiple regression analysis was applied in order to determine the extent to which perceived brand authenticity dimension affects the perceived customer satisfaction in shopping and the results of the analysis are given in Table 11.

**Table 10.** Impact of Perceived Brand Authenticity for Torku Brand on Perceived Customer Satisfaction

Dependent Variable	R2/ Adjusted R2	Independent Variable	B	Standard Error	t	p	F	p
Perceived Customer Satisfaction	0,407/0,405	Fixed Variate	0,761	0,205	0,443	0,658	252,847	0,000
		Perceived Brand Authenticity	0,844	0,064	13,292	0,053		

When examined in Table 10, the concept of perceived brand authenticity for Torku customers is statistically significant in explaining perceived customer satisfaction.  $H_5$  hypothesis was accepted. The model was found to be quite significant ( $F = 252,847$   $p = 0,000$ ,  $R^2 = 0,405$ ). According to these results, approximately 40.5% of the concept of customer satisfaction can be explained alone with the brand authenticity perception variable.

**Table 11.** The Effects of Perceived Brand Authenticity Dimensions for the Torku Brand on Perceived Customer Satisfaction

Dependent Variable	R2/ Adjusted R2	Independent Variable	B	Std. Hata	t	p	F	p

Perceived Customer Satisfaction	0.411/ 0.405	Fixed Variate	0,844	0,219	3,854	0,000	63,836	0,000
		Perceived Continuity	0,123	0,065	1,881	0,061		
		Perceived Originality	0,255	0,050	5,113	0,000		
		Perceived Reliability / Naturalness	0,278	0,074	3,761	0,000		
		Perceived General Brand Authenticity	0,166	0,065	2,541	0,011		

Table 11 shows that the model is generally significant ( $F = 63,836$   $p = 0,000$ ,  $R^2 = 0,405$ ). All of brand authenticity sub-dimensions (Authenticity, Reliability / Naturalness and Generic Brand Authenticity) were found to have a significant effect on perceived customer satisfaction, and  $H_{1,0}$ ,  $H_{2a}$ ,  $H_{3a}$ ,  $H_{4,a}$  hypotheses were accepted ( $p < 0.01$ ).

The evaluation of hypotheses in the context of the research model is summarized in Table 12 and the results are consistent with the findings in the literature.

**Table 12.** Hypothesis Results in the Context of Research Model

Hypotheses	Evaluation	Analysis Method
$H_1$ = In the customers who prefer the Torku brand, the continuity variable from the sub-dimensions of the perceived brand authenticity is statistically significant in predicting the customer satisfaction variable.	$H_{1,0}$ Accept	Regression
$H_2$ = In customers who prefer the Torku brand, the originality variable from the sub-dimensions of the perceived brand authenticity is statistically significant in predicting the customer satisfaction variable.	$H_{2,a}$ Accept	Regression
$H_3$ = In customers who prefer the Torku brand, reliability / naturalness variable from the sub-dimensions of the perceived brand authenticity is statistically significant in predicting the customer satisfaction variable.	$H_{3,a}$ Accept	Regression

H <sub>4</sub> = In customers who prefer the Torku brand, the general brand authenticity variable from the sub-dimensions of the perceived brand authenticity is statistically significant in predicting the customer satisfaction variable.	H <sub>4.a</sub> Accept	Regression
<i>H<sub>5</sub>= Perceived brand authenticity variable is statistically significant in predicting perceived customer satisfaction.</i>	H <sub>a</sub> Accept	Regression
H <sub>6</sub> = There is a positive relationship between perceived continuity and perceived customer satisfaction.	H <sub>6.0</sub> Accept	Correlation
H <sub>7</sub> = There is a positive relationship between perceived originality and perceived customer satisfaction.	H <sub>7.a</sub> Accept	Correlation
H <sub>8</sub> = There is a positive relationship between perceived reliability / naturalness and perceived customer satisfaction.	H <sub>8.a</sub> Accept	Correlation
H <sub>9</sub> = There is a positive relationship between perceived general brand authenticity and perceived customer satisfaction.	H <sub>9.a</sub> Accept	Correlation
<i>H<sub>10</sub>= There is a positive correlation between perceived brand authenticity and perceived customer satisfaction variable.</i>	H <sub>10.a</sub> Accept	Correlation

## 5.Results and Discussion

Today, the concept of authenticity has been used frequently in marketing as well as in other disciplines. The conceptual studies on the subject have been replaced by empirical research. Although the number of these studies is still insufficient, they are increasing day by day. For this reason, it does not seem possible to explain exactly what brand authenticity will bring to businesses and what effects it will have on consumers (Kiyat and Simsek, 2017: 50).

In today's business world, authentic brands that are able to be faithful to the original have a competitive advantage. This allows them to be valued in the eyes of the consumer. This is mainly due to the extreme similarities in the products and services offered by companies. In the literature, the interaction of brand authenticity with different variables has been investigated and positive results have been reached. In this study, the effect of brand authenticity on brand loyalty has been examined and positive results have been achieved similar to previous studies.



The results found with some important variables whose interaction with brand authenticity are investigated are as follows:

Bruhn et al. (2012: 566) conducted a literature review on different consumer and brand groups and developed a scale to measure the power of consumers' perceived brand authenticity. According to this scale, the brand handles its authenticity in 4 dimensions. (continuity, originality, reliability and naturalness). In addition, the relationship between brand authenticity, brand awareness, brand image and brand satisfaction has been questioned and positive results have been reached.

Lunardo and Guerinet (2007: 69) concluded that the label in bottled wines influenced young consumers' wine selection. Other results are that authenticity and design influence the performance risk, perceived price and purchase intentions of young consumers.

As a result of the study by Kolar and Zebkar (2010: 652); It is seen that cultural motivation is an important pioneer of both tourist-based and existential authenticity, which affects tourist loyalty.

Choi et al., (2014: 233) stated that brand authenticity is composed of 7 elements in their study in the fashion industry. Accordingly, a brand; have determined that their authority, fashionability, consistency, innovativeness, sustainability, origin, and finally heritage have a significant impact on consumers' sense of brand loyalty.

Arikan and Telci, (2014: 523) have reached the following results in their study: The degree of authenticity of the brands has a positive effect on the brand's confidence, brand satisfaction levels and consumer behavior to purchase the brand again.

Napoli et al. (2014: 1090) developed 14 items for brand authenticity. In order to provide a more advanced brand authenticity, quality commitment, sincerity and inheritance are the first three factors related to each other.

As a result of the study conducted by Demirel and Yıldız (2015: 83), it has been observed that brands that offer different experiences to consumers, make promising promises and realize them significantly affect their preferences.

Morhart et al. (2015: 200) find that brand authenticity perceptions are influenced by indexical, existential, and iconic cues, whereby some of the latters' influence is moderated by consumers' level of marketing skepticism. Results also suggest that perceived brand authenticity increases emotional brand attachment and word-of-mouth, and that it drives brand choice likelihood through self-congruence for consumers high in self-authenticity.

Grayson and Martinec (2004: 296) examined whether the perception of authenticity in customers differs between these two hotels based on the data they collected from two tourist sites, and they concluded that different effects have occurred.

Yaşın et al. (2017: 127) concluded that the originality and reliability / naturalness dimensions had a significant effect on the measurement of brand authenticity and that the effect of brand authenticity on the overall brand equity was high.

Studies have shown that authenticity is an important source of competitive advantage. In situations where problems and confidence crises are experienced, the contribution of authenticity to the company will be much more (Demirel and Yıldız, 2015: 83).

All these studies show that brands that can distinguish themselves from other brands, provide original experiences to consumers, make executable promises and make them come true, can significantly affect their preferences.

Brand authenticity, which contains important elements of marketing, should be considered as an integral part of future strategic decisions by brand managers. This requires brand authenticity not only as a concept related to product or service but also as an important weapon for companies (Kiyat and Simsek, 2017: 48).

The findings of the study which was designed to determine the impact of Perceived Brand Authenticity on Perceived Customer Satisfaction can be summarized as follows:

- ✓ In order to measure the reliability of the research scale and its success in measuring the concepts, reliability analysis was applied to the main and sub-dimensions and a high level of reliability was obtained in general. The reliability coefficients of the scale dimensions were determined as 0: 0,758 ile 0,922. According to these results, it can be said that the main and sub-dimensions forming the scale are highly reliable.
- ✓ In order to determine the level of participation of the respondents in the judgments of the scale, the Friedman test and their participation levels were compared. In general, the mean values were found to vary between  $\mu$ : 3,46 and  $\mu$ : 4,19. According to these results, the participants found that the Torku brand was generally authentic. In addition, the participants stated that they are generally satisfied with the Torku brand and products. These results are very important for a brand with a history of about 10 years. This is because a long period

of time is required for the concept of brand authenticity to develop and develop on a brand. This is because the authenticity of the brand is built on the bond between the brand and the customers.

- ✓ According to the results of the correlation analysis, a significant positive relationship was detected between perceived customer value and perceived customer satisfaction. When the correlation coefficient values were examined, it was determined that  $r = 0,482$  and  $r = 0,868$ , and a relatively high level of relationship was found.
- ✓ After the correlation analysis, regression analysis was performed to determine the extent to which perceived brand authenticity affects perceived customer satisfaction. As a result of the analysis, it was found that the multiple regression model established for the Torku brand was generally significant. However, it was determined that only the perceived continuity variable had no significant effect from the independent variables in the model. In addition, it was determined that the originality, reliability / naturalness and general brand authenticity variables from other sub-dimensions had a positive effect on perceived customer satisfaction.

Considering the results; Although Torku brand is a new brand, it has been determined that it has been continuously expanding and renewing its product range and it can establish a connection with its customers as if there is a long-term relationship. The effects of the Torku brand being a farmer's co-operative with the Anatolian capital and the effective promotion activities and distribution breaks should be taken into consideration in the period when the domestic / national perceptions and sensitivities are high. This study was carried out in Konya, the epicenter of the Torku brand. It can also be said that these results are associated with micro-nationalism perceptions. In future studies, it is possible to investigate the level of these results at national level and to present new perspectives.

## REFERENCES

- Alexander, N. (2009). Brand authentication: Creating and maintaining brand auras. *European Journal of marketing*, 43(3/4), 551-562.
- Andaç, A., Akbiyuk, F., & Karkar, A. (2016). Customer satisfaction factor in digital content marketing: Isparta Province as an example. *Int'l J. Soc. Sci. Stud.*, 4, 124.
- Anderson, E., & Weitz, B. (1989). Determinants of continuity in conventional industrial channel dyads. *Marketing science*, 8(4), 310-323.

- Arıkan, E. & Telci, E.E. (2014). Marka özgünlüğü, marka güveni ve müşteri satın alma davranışı. *19. Ulusal pazarlama kongresi bildirisi kitabı*, Gaziantep, 523-532
- Arnould, E.J. and Price, L.L. (2003). Authenticating acts and authoritative performances; Questing for self and community. *Routledge*, USA and Canada.
- Beltramini, R. F. (1988). Perceived believability of warning label information presented in cigarette advertising. *Journal of advertising*, 17(2), 26-32.
- Beverland, M. B., & Farrelly, F. J. (2009). The quest for authenticity in consumption: Consumers' purposive choice of authentic cues to shape experienced outcomes. *Journal of consumer research*, 36(5), 838-856.
- Beverland, M. B., Lindgreen, A., & Vink, M. W. (2008). Projecting authenticity through advertising: Consumer judgments of advertisers' claims. *Journal of advertising*, 37(1), 5-15.
- Beverland, M. B. (2005). Crafting brand authenticity: The case of luxury wines. *Journal of management studies*, 42(5), 1003-1029.
- Boulding, W., Kalra, A., & Staelin, R. (1999). The quality double whammy. *Marketing science*, 18(4), 463-484.
- Brown, S., Kozinets, R. V., & Sherry Jr, J. F. (2003). Teaching old brands new tricks: Retro branding and the revival of brand meaning. *Journal of marketing*, 67(3), 19-33.
- Bruhn, M., Schoenmüller, V., Schäfer, D., & Heinrich, D. (2012). Brand authenticity: Towards a deeper understanding of its conceptualization and measurement.
- Carbonaro, S., & Votava, C. (2005). Paths to a new Prosperity. *The Nordic textile journal* 2005, 71-85.
- Chhabra, D. (2010). Branding authenticity. *Tourism analysis*, 15(6), 735-740.
- Chalmers, T. D. (2007). Advertising authenticity: Resonating replications of real life. *ACR European advances*.
- Choi, H., Ko, E., Kim, E. Y., & Mattila, P. (2015). The role of fashion brand authenticity in product management: A holistic marketing approach. *Journal of product innovation management*, 32(2), 233-242.
- Delgado-Ballester, E., Munuera-Aleman, J. L., & Yague-Guillen, M. J. (2003). Development and validation of a brand trust scale. *International Journal of market research*, 45(1), 35-56.

- Demirel, E. Ü., & Yıldız, E. (2015). Marka özgünlüğünün marka tercihi, müşteri tatmini ve marka sadakati üzerindeki etkileri: Bilgisayar markaları üzerine bir araştırma. *Öneri dergisi*, 11(44), 83-100.
- Edvardsson, B., Johnson, M. D., Gustafsson, A., & Strandvik, T. (2000). The effects of satisfaction and loyalty on profits and growth: products versus services. *Total quality management*, 11(7), 917-927.
- Eggers, F., O'Dwyer, M., Kraus, S., Vallaster, C., & Guldenberg, S. (2013). The impact of brand authenticity on brand trust and SME growth: A CEO perspective. *Journal of world business*, 48(3), 340-348.
- Erdem, T., & Swait, J. (2004). Brand credibility, brand consideration, and choice. *Journal of consumer research*, 31(1), 191-198.
- Fornell, C., Rust, R. T., & Dekimpe, M. G. (2010). The effect of customer satisfaction on consumer spending growth. *Journal of marketing research*, 47(1), 28-35.
- Goldsmith, R. E., Lafferty, B. A., & Newell, S. J. (2000). The impact of corporate credibility and celebrity credibility on consumer reaction to advertisements and brands. *Journal of advertising*, 29(3), 43-54.
- Grayson, K., & Martinec, R. (2004). Consumer perceptions of iconicity and indexicality and their influence on assessments of authentic market offerings. *Journal of consumer research*, 31(2), 296-312.
- Hall, J., Robbins, D., & Colligan, K. Evolving customer satisfaction through brand authenticity. *Quirk's media*, October 2009
- Hausman, A. (2004). Modeling the patient-physician service encounter: improving patient outcomes. *Journal of the academy of marketing science*, 32(4), 403-417.
- Hess, J. S. (1995). Construction and assessment of a scale to measure consumer trust. In *American marketing association* (Vol. 6, pp. 20-26). Chicago.
- Holt, D. B. (2002). Why do brands cause trouble? A dialectical theory of consumer culture and branding. *Journal of consumer research*, 29(1), 70-90.
- Homburg, C., Koschate, N., & Hoyer, W. D. (2005). Do satisfied customers really pay more? A study of the relationship between customer satisfaction and willingness to pay. *Journal of marketing*, 69(2), 84-96.
- Illicic, J., & Webster, C. M. (2014). Investigating consumer-brand relational authenticity. *Journal of brand management*, 21(4), 342-363.

- Im, S., Bayus, B. L., & Mason, C. H. (2003). An empirical study of innate consumer innovativeness, personal characteristics, and new-product adoption behavior. *Journal of the academy of marketing science*, 31(1), 61-73.
- Kates, S. M. (2004). The dynamics of brand legitimacy: An interpretive study in the gay men's community. *Journal of consumer research*, 31(2), 455-464.
- Kıyat, G. B. D., & Şimşek, H. (2017). Marka özgünlüğü ile ağızdan ağıza pazarlama ilişkisinde müşteri memnuniyetinin aracılık rolü: Hazır giyim sektöründe bir araştırma. *International journal of academic value studies*, 3(12), 46-70.
- Kolar, T., & Zabkar, V. (2010). A consumer-based model of authenticity: An oxymoron or the foundation of cultural heritage marketing?. *Tourism management*, 31(5), 652-664.
- Kotler, P., & Keller, K. L. (2006). *Marketing management* 12e. New Jersey.
- Leigh, T. W., Peters, C., & Shelton, J. (2006). The consumer quest for authenticity: The multiplicity of meanings within the MG subculture of consumption. *Journal of the academy of marketing science*, 34(4), 481-493.
- Lunardo, G. & Guerinet, R. (2007). The influence of label on wine consumption: Its effects on young consumers' perception of authenticity and purchasing behavior. *105th seminar of the european association of agricultural economists*, Bologna., 69-84.
- Lynch, C.A. (2000). *Authenticity in a digital environment*, Council on library and information resources Washington DC.
- Morhart, F., Malär, L., Guèvremont, A., Girardin, F., & Grohmann, B. (2015). Brand authenticity: An integrative framework and measurement scale. *Journal of consumer psychology*, 25(2), 200-218.
- Napoli, J., Dickinson, S. J., Beverland, M. B., & Farrelly, F. (2014). Measuring consumer-based brand authenticity. *Journal of business research*, 67(6), 1090-1098.
- Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... & Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of business research*, 57(2), 209-224.
- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of marketing research*, 17(4), 460-469.

- Oliver, R. L. (1999). Whence consumer loyalty?. *Journal of marketing*, 33-44.
- Prasadh, R. R. (2018). Examining the roles of perceived quality and customer satisfaction as predictors of customer loyalty in the indian e-banking context. *Journal of management research* (09725814), 18(3), 176-187.
- Rashed, C.A.A. Rifath, J. Begum, R. and Bhuiyea, S.H. (2018). Investigation Of Satisfaction Level Of Customers And Hidden Factors For Selected Retail Store Shopping. *Review of general management*. 27(1), 22-43
- Rose, R. L., & Wood, S. L. (2005). Paradox and the consumption of authenticity through reality television. *Journal of consumer research*, 32(2), 284-296.
- Verhoog, H., Matze, M., Van Bueren, E. L., & Baars, T. (2003). The role of the concept of the natural (naturalness) in organic farming. *Journal of agricultural and environmental ethics*, 16(1), 29-49.
- Yaşın, B. Zulfugarova, N. Uysal, A. & Doumbia, F. (2017). Marka otantikliğinin tüketici temelli marka değeri üzerindeki etkisi. *Uluslararası iktisadi ve idari incelemeler dergisi*, 127-144.
- Zeithaml, V. A. (2000). Service quality, profitability, and the economic worth of customers: what we know and what we need to learn. *Journal of the academy of marketing science*, 28(1), 67-85.