T.R.
ISTANBUL SABAHATTIN ZAIM UNIVERSITY
GRADUATE EDUCATION INSTITUTE
DEPARTMENT OF BUSINESS ADMINISTRATION

ASSESSING STRATEGY DEVELOPMENT PROCESSES AT SMALL AND MEDIUM ARAB COMPANIES OPERATING IN ISTANBUL: A SURVEY-BASED STUDY

MA THESIS

Abdulrahman Khaled Abdullah Yahya AL-BAREDA

Istanbul
May -2025

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Abdulrahman Khaled Abdullah Yahya AL-BAREDA

Supervisor

Asst. Dr. Nicoleta ISAC

Istanbul

May-2025

The current study has been approved in partial fulfillment of the requirements for MA Degree in Business Administration

Chairperson of jury Asst. Prof. Dr. Nicoleta ISAC

Member of jury Asst. Prof. Dr. Abdalrahman M. I. MIGDAD

Member of jury Prof. Dr. Rasim OZCAN

Approval by

Prof. Dr. Erhan İÇENER

Director, Graduate Education Institute

DECLARATION OF ETHICS AND ORIGINALITY

This is to certify that the MBA thesis titled “Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study” is entirely my own work. Throughout its development, I have adhered to scientific ethics and academic regulations. In accordance with scientific principles and Sabahattin Zaim University's thesis writing guidelines, I have carefully collected and utilized all relevant materials and data. Furthermore, all direct and indirect quotations, as well as the sources referenced in this work, have been properly cited both within the text and in the bibliography.

Abdulrahman Khaled Abdullah Yahya AL-BAREDA

Istanbul, May 2025

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ABSTRACT

ASSESSING STRATEGY DEVELOPMENT PROCESSES AT SMALL AND MEDIUM ARAB COMPANIES OPERATING IN ISTANBUL: A SURVEY-BASED STUDY

Abdulrahman Khaled Abdullah Yahya AL-BAREDA

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In the aftermath of the events that took place in Arab countries, many people and businesses, especially businessmen, sought out alternative places to live and settle. Turkey emerged as the top destination due to the advantages and facilities provided by the Turkish government, as well as the strategic geographical location that enables it to play a significant role in the global economy and trade. This has encouraged many individuals to establish their companies and invest in Turkey, including some members of the Arab communities. While some of these companies have thrived, others have faced challenges due to the high competition and constantly changing environment. As a result, these companies have been seeking new solutions and ways to improve their methods, operations, and means of achieving success. One of the most important solutions that these companies must have is to develop strategies that guarantee them to survive challenges and exploit opportunities to achieve the desired goals. This approach ensures the survival and continuity of these companies within the competitive Istanbul market. Therefore, all companies must learn how to develop and apply strategies to maintain market share in their respective environments.

Keywords: Strategic Management, Strategy, Planning, Strategic Planning, Strategy Development, Competitive Advantage, Small and Medium Enterprises (SMEs), Arab Companies in Istanbul, Business.

ÖZET

İSTANBUL'DA FAALİYET GÖSTEREN KÜÇÜK VE ORTA BÜYÜKLÜKTEKİ ARAP ŞİRKETLERİNDE STRATEJİ GELİŞTİRME SÜREÇLERİNİN DEĞERLENDİRİLMESİ: ANKET TABANLI BİR ARAŞTIRMA

Abdulrahman Khaled Abdullah Yahya AL-BAREDA

Yüksek Lisans, İşletme

Tez Danışmanı: Dr. Öğr. Üyesi Nicoleta ISAC

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Arap ülkelerinde yaşanan olayların ardından, özellikle işadamları olmak üzere birçok kişi, yaşam ve yerleşim için alternatif yerler aramaya başladı. Türkiye, stratejik coğrafi konumu ve Türk hükümetinin sağladığı avantajlar sayesinde küresel ekonomi ve ticarette önemli bir rol oynayarak en önemli hedef ülke haline gelmiştir. Bu durum, birçok kişinin, özellikle Arap topluluklarından bazı üyelerin, şirket kurmasını ve Türkiye'ye yatırım yapmasını teşvik etmiştir. Ancak bu şirketlerin bazıları başarılı olurken, diğerleri yüksek rekabet ve sürekli değişen çevre nedeniyle zorluklarla karşılaşmıştır. Sonuç olarak, bu şirketler, operasyonlarını geliştirmek ve başarıya ulaşmak için yeni çözümler aramaktadır. Bu şirketlerin en önemli ihtiyacı, zorlukların üstesinden gelmelerini ve fırsatları değerlendirerek hedeflerine ulaşmalarını sağlayacak stratejiler geliştirmektir. Bu yaklaşım, rekabetçi İstanbul pazarında hayatta kalmalarını ve sürekliliklerini sağlamaktadır. Bu nedenle, tüm şirketler pazar paylarını korumak için stratejiler geliştirmeyi ve uygulamayı öğrenmelidir.

Anahtar Kelimeler: Stratejik Yönetim, Strateji, Planlama, Stratejik Planlama, Strateji Geliştirme, Rekabet Avantajı, Küçük ve Orta Ölçekli İşletmeler (KOBİ'ler), İstanbul'daki Arap Şirketleri, İş.

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LIST OF ABBREVIATIONS

SMEs: Small and Medium Enterprises

CFA: Confirmatory Factor Analysis

OECD: Organisation for Economic Co-operation and Development

TSI: Turkish Standards Institute

CHAPTER I

INTRODUCTION

In recent years, many Arab business owners have chosen Istanbul as a business destination due to its strategic location, favorable investment environment, and cultural proximity. While some Arab SMEs have successfully adapted to the local market, others have struggled to survive due to intense competition and a lack of strategic planning.

The changing business environment in Istanbul requires companies to constantly adapt and evolve their strategies. However, there is limited academic research that specifically focuses on how Arab SMEs in Istanbul approach strategy development.

This thesis seeks to address this problem by analyzing the strategy development processes adopted by Arab SMEs operating in Istanbul. The study aims to understand the strategic approaches used, evaluate the relationships between different development approaches, and identify practices that contribute to sustainability and competitiveness.

By exploring this topic, the research contributes both academic knowledge and practical insights that can support Arab business owners in improving their strategic capabilities and resilience in a competitive market.

1.1 The Purpose of the Thesis

According to the thesis topic, we can say that the purpose of this thesis is to achieve these goals.

1- Identify the importance of applying the strategy development process in Arab companies in Istanbul.

2- Highlighting the most important aspects of the strategy development process and explaining how to achieve it.

3- Introducing small and medium-sized Arab companies operating in Istanbul.

4- Clarifying the impact of the strategy development process by revealing the positive effects on Arab companies operating in Istanbul to advance their market position in light of competitive challenges.

1.2 The Scope and Content of the Thesis

This thesis focuses on assessing how strategy development processes are applied in small and medium-sized Arab companies operating in Istanbul. It examines how these processes function within the challenging and competitive business environment of the city.

The scope of this study includes:

• Theoretical analysis of strategic management and development frameworks as they relate to SMEs.

• A survey-based investigation into six specific strategy development styles (Command, Planning, Incremental, Political, Cultural, and Enforced Choice).

• The collection and analysis of quantitative data from Arab-owned SMEs in Istanbul to explore patterns, relationships, and the effectiveness of different approaches to strategy formulation and execution.

The content of the thesis is organized as follows:

• Chapter 1 introduces the topic, objectives, research questions, and methodology

• Chapter 2 presents the literature review, covering core concepts such as strategic management, SMEs, and competitive advantage.

• Chapter 3 explains the research design, data collection methods, and analysis tools.

• Chapter 4 details the findings from the study and tests the proposed hypotheses.

• Chapter 5 offers discussion, conclusions, and recommendations for practice and future research.

This structure emphasizes how the selected strategy development styles are applied and evaluated in the context of Arab SMEs in Istanbul

1.3 The Question of the Thesis

Considering the above, “"Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study". will be studied.

The problem can be embodied in the following main question:

How do Arab companies employ strategy development processes in Istanbul?

1.4 Thesis Hypothesis / Hypotheses

H1: There is a practice of strategic development processes in Arab small and medium companies operating in Istanbul

H2: There is no statistically significant negative relationship between the command and planning

H3: There is no statistically significant negative relationship between the command and Incremental

H4: There is no statistically significant positive relationship between the command and Political

H5: There is no statistically significant Positive relationship between the planning and Incremental

H6: There is no statistically significant negative relationship between the planning and Political

H7: There is no statistically significant negative relationship between the planning and Cultural

H8: There is no statistically significant negative relationship between the planning and Enforced choice

H9: There is no statistically significant positive relationship between political and cultural

H10: There is no statistically significant positive relationship between the political and Enforced choice

1.5 The Importance and Original Contribution of the Thesis Subject

1- This thesis can contribute to educating small and medium-sized Arab companies operating in Istanbul about the necessity of applying the Strategy Development Processes to achieve their strategic goals, which enables them to create a distinctive position in the market.

2- This thesis can also reveal the crises that medium and small companies suffer from in Istanbul and helping them overcome these crises in the event of achieving the strategy development processes.

3- The urgent need of companies for an appropriate management method that enables companies to overcome problems and obstacles and through which they can achieve their goals and tasks for which they were created, especially in the presence of a changing environment.

4- This study can also contribute to raising awareness of small and medium-sized Arab companies operating in Istanbul about the necessity of applying the Strategy Development Processes to achieve their strategic goals, which enables them to create a distinctive position in the market.

5- The importance of this study also lies in the impact that occurs to companies if they do the Strategy Development Processes to learn about the external environment and analyze the competitors' market, as well as identify challenges and opportunities, in addition to knowing the strengths and weaknesses within companies.

1.6 The Research Method of the Thesis

In this thesis, I will review the topic "Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study". Emphasis will be placed on understanding how strategy development processes can be a key factor in achieving success for these companies in the dynamic business environment and challenges that characterize this diverse and evolving market.

To be able to answer the research Question posed previously, several approaches were relied upon:

• The applied descriptive analytical approach.

• Case study approach, through which some Arab companies will be addressed regarding the field aspect through a field survey and detailed questionnaires for the targeted companies.

To achieve the best results in the study, it will rely on more than one tool, the most important of which are the questionnaire, interviews, and desk survey.

CHAPTER II

LITERATURE REVIEW

2.1 SMALL AND MEDIUM-SIZED ENTITIES (SMEs)

2.1.1 Introduction

Small and medium enterprises play an important role in the local and global economy, as they are considered an essential part of achieving economic development in various countries of the world. This is due to their acquisition of the largest proportion among the various types of economic projects, which makes them an important element in supporting the economy.

These companies have contributed significantly to providing job opportunities for the unemployed and have also played an effective role in meeting the basic needs of society, especially for low-income groups. In addition, small and medium enterprises have contributed to increasing the added value in industrial sectors, by enhancing their contribution to production, which has prompted many countries to pay great attention to them and support them to develop the economy.

These companies have also played a prominent role in promoting and developing exports, especially in developed countries, as they contribute to providing intermediate products needed by large companies, which previously relied on importing them from abroad. Consequently, these companies have helped reduce the need for imports and support local production.

From this standpoint, the importance of focusing on small and medium enterprises comes, and for this reason this section has been allocated to discussing them in detail. The basic concepts related to these companies and their role in achieving economic development will be reviewed, in addition to shedding light on the challenges they face and the reasons for their success or failure, in addition to discussing their characteristics and importance in supporting the economy and promoting sustainable growth.

2.1.2 Definition of SMEs

Definitions of small and medium enterprises vary from one region to another, as each has its own unique characteristics and features. There is no single global definition, as each entity uses different criteria when classifying them. For example, the Foreign Trade Bank looks at the company's foreign trade volume, while the State Statistical Institute relies on the number of employees, and the Ministry of Commerce determines the classification based on the size of annual revenues. Although definitions vary between institutions, the most important factors taken into account when classifying small and medium enterprises include foreign trade volume, annual revenues, number of employees, and the value of assets included in the budget (Çolakoğlu, 2006).

Around the world, this category includes many commercial activities, from individual projects and manufacturing industries to small grocery stores and large commercial chains. This definition has several benefits, including facilitating loans, benefiting from state support, enhancing recognition of the sector, and increasing contracting opportunities. Determining the size of the business also helps in developing appropriate policies to support and develop these companies (Koçel, 1993).

Basic criteria for defining SMEs:

According to many studies, SMEs are classified based on the following criteria (Akgemci, 2001).

Market share.

- Clarity of management style.
- Annual revenue.
- Number of employees.
- Number of years of company activity.
- Volume of production and services.
- Effective borrowing strategies.
- Wages paid to employees.

- Level of technological development.
- Vision and mission adopted by the company.
- Working capital.
- Brand value.

2.1.3 Definition of SMEs in the EU

The first official definition of SMEs was introduced in the European Union on 7 February 1996. The aim of this definition was to unify concepts and avoid confusion between different companies. This definition was developed by the European Commission to be advisory, combining traditional and modern criteria. According to the Council decision, companies are classified based on three main criteria: number of employees, size of budget, and degree of independence of the company.

In the 1996 definition (Civan and Tekinkuş, 2003):

- Small companies: those with 1 to 100 employees, annual revenues of less than 7 million euros or annual budgets of less than 5 million euros.
- Medium companies: those with 100 to 200 employees, annual revenues of less than 40 million euros or annual budgets of less than 27 million euros.
- Large companies: those with 251 or more employees.

Before the 1970s, SMEs in Europe did not receive enough attention or support from governments. However, after the oil crisis of 1973 and the economic recession that followed, countries realized that these companies were able to adapt quickly to crises and provide more flexible solutions compared to large companies. This discovery contributed to strengthening incentives for the creation and expansion of SMEs, and these companies became part of the solution to the unemployment problem in the 1980s. With the development of the European single market, policies were put in place to further support these companies, especially after 1987.

Considering global developments, the European Union updated the definition of SMEs as of 1 January 2005 to further clarify the criteria and avoid any new confusion. According to this update:

- Very small companies: with between 1 and 10 employees, and their annual revenue or budget does not exceed 2 million euros.
- Small companies: with between 10 and 50 employees, and their annual revenue or budget does not exceed 10 million euros.
- Medium-sized companies: have 50 to 250 employees and have an annual revenue or budget of less than 50 million euros.

A summary of the SME definition in the European Union is given in Table 2.1 below.

Table 2.1 Classification of SMEs in the EU

	Micro-Scale Business	**Small-Scale Business**	**Medium-Scale Business**
Number of Employees	<10	10-49	50-249
Annual Net Sales	≤ 2 Milyon Euro	≤10 Milyon Euro	≤50 Milyon Euro
Annual Financial Balance Sheet Total	≤ 2 Milyon Euro	≤10 Milyon Euro	≤50 Milyon Euro

Source: Demir,2018:121

2.1.4 Definition of SMEs in Turkey

There is no agreed-upon definition of SMEs in Turkey. In Turkish law, the concept of "SMEs" is included in several legislations. However, its definition is only found in the "Law on the Establishment of the Small and Medium-Sized Industries Development and Support Administration". Before the establishment of KOSGEB, KÜSGET and SEGEM were established in accordance with international agreements. Then, it was decided to merge the two organizations due to their insufficient services, and

KOSGEB was established by Law No. 3624 on April 20, 1990. KOSGEB started to provide support to SMEs in the manufacturing industry until 2009. However, with the development of other sectors in Turkey, it became necessary to update the scope of KOSGEB's work to include service and trade sectors, which was achieved by amending Law No. 5891 on May 5, 2009 (www.kosgeb.gov.tr, 10.02.2022). The most common definition of SMEs in Turkey is as follows: According to Article 2 of the Regulation on the Establishment of KOSGEB, small enterprises in the manufacturing industry are defined as those employing 1 to 50 people, and medium enterprises are defined as those employing 51 to 150 people.

However, according to the amendment made in the "Regulation on the Definition and Classification of Small and Medium-Sized Enterprises" (2018/11828), the definitions have been updated as follows:

- Very small enterprises: their annual revenue does not exceed 3 million liras, and their number of employees does not exceed 10 people,
- Small enterprises: their annual revenue does not exceed 25 million liras, and their number of employees does not exceed 50 people,
- Medium enterprises: their annual revenue does not exceed 125 million liras, and their number of employees does not exceed 250 people.

KOSGEB sees and supports all businesses within these three classifications as stakeholders.

Table 2.2 Classification of SMEs in Turkey

	Micro-Scale Business	**Small-Scale Business**	**Medium-Scale Business**
Number of Employees	<10	<50	<250
Annual Net Sales	≤ 3 Milyon TL	≤ 25 Milyon TL	≤ 125 Milyon TL

Annual Financial Balance Sheet Total	≤ 3 Milyon TL	≤ 25 Milyon TL	≤ 125 Milyon TL

Source: KOSGEB, 2018

2.1.5 The Importance of SMEs

At the beginning of the twentieth century, it was believed that SMEs would disappear over time, but since 1970, they have increased significantly due to technological progress (Dinçer ve

Şencan,1995: 2). These companies are able to quickly adapt to market changes and are flexible in production. They also have a positive impact on local development and reduce unemployment and contribute significantly to economic growth and social development (Cansız, 2008). SMEs have become more important due to globalization. With increasing competition, rapid development of technology, and increasing demand for products and services, SMEs have become more able to adapt to these changes compared to large companies that find it difficult to respond quickly (Sucu, 2010).

These companies operate in the private sector, which represents a large part of the free market economy. They receive support from the government through incentives and aid to enhance their competitiveness and increase their sustainability in the local and international market.

If we study the economic importance of small and medium-sized enterprises in points, we can define them as follows:

- SMEs are considered major innovators in the sector, contributing to development and growth.
- The number of employees in small and medium-sized enterprises is greater compared to large companies, which means that these companies provide more job opportunities.

- SMEs respond quickly to sudden demands from customers thanks to the flexibility of their production structures, which helps avoid price increases in the market.
- These companies contribute to stimulating the market and increasing competition through their practices and pricing policies.
- Most employees in small and medium-sized enterprises do not have high qualifications. However, these companies provide them with training opportunities and practical experience.

2.1.6 The SMEs in the world

Small and medium-sized enterprises (SMEs) play a pivotal role in the development of the global economy. In the European Union, they represent about 99% of all companies and contribute significantly to job creation, employing about 65% of the private sector workforce (Mantzari et al. 2009). The data in Table 2.3 support what Mantzarri stated regarding the number of SMEs in the European Union in 2008. According to these figures, SMEs constitute 99.8% of all entities in the European Union and employ one in three people. SMEs also contribute 58.6% of the added value of the economy. They are therefore the main players in the European Union economy, with 20.9 million companies employing 90.6 million people. Moreover, SMEs contribute more than half of the European Union's GDP (Tudor and Motiu, 2008: 7).

Table 2.3 Role of SMEs in the EU: the non-financial business economy in 2008

	Number of enterprises	**Persons employed**	**Value added**
	(million)		**(€ billion)**
All enterprises	21.0	135.8	6.176

All SMEs	20.9	90.6	3.617
Micro	19.3	39.3	1.348
Small	1.4	27.9	1.147
Medium-sized	0.2	23.4	1.122

	Number of enterprises	**Persons employed**	**Value added**
Share in total (%)			
All enterprises	100.0	100.0	100.0
All SMEs	99.8	66.7	58.6
Micro	92.0	29.0	21.8
Small	6.7	20.5	18.6
Medium-sized	1.1	17.2	18.2

Source: Eurostat, 2011

2.1.7 The SMEs in Turkey

SMEs are a vital component of the Turkish economy due to their large numbers and employment generation capacity (OECD, 2004). However, they face a range of challenges such as a lack of qualified human skills, financing constraints, and weak technological infrastructure. In the following sections, we briefly review the role of SMEs in the Turkish economy as well as the challenges they face.

2.1.8 The role of SMEs in the Turkish economy

Small and medium-sized enterprises (SMEs) play a fundamental role in Turkey's economy, as in many developed and developing countries. They are a major driver of economic and social development, foster innovation, and contribute to job creation. According to the data in Table 2.4, SMEs constitute 99.9% of all enterprises in Türkiye.

Table 2.4 Number of SMEs in Turkey

	Number of enterprises	**Percentage (%)**	
All enterprises	3,225,462	100.0	All enterprises
All SMEs (0–249 employees)	3,222,133	99.9	All SMEs (0–249 employees)
Micro (1–9 employees)	3,084,183	95.7	Micro (1–9 employees)

Source: KOSGEB, 2012

In Turkey, SMEs accounted for 77.8% of employment, 55.5% of value-added, and 64.8% of total sales in 2009 (TSI, 2012).

2.1.9 Characteristics and advantages of SMEs

Small and medium-sized enterprises are characterized by a number of characteristics that distinguish them from large projects, the most important of which are the following:

- Linking ownership to management: The project owner manages it himself, which makes his decisions affected by his personality and orientations. These projects are often owned by individuals or personal companies, which increases the owner's keenness on the success of the project because he invests a large part or all of his savings in it.
- Use of limited capital: These projects rely on small capital, and are often self-financed or from the family, which helps cover operating costs and working capital. This provides an opportunity for people who want to start their own projects and achieve their ambitions in the field of investment.
- Ability to adapt to market needs: These companies are characterized by the ease of changing production according to market demand and consumer needs, as they can quickly modify products to suit changes in tastes. Their use of simple equipment also allows them to produce more than one type of product as needed.
- Contribution to increasing local capital: These companies help collect savings and employ them within the community, which contributes to improving the economic situation locally. It also provides opportunities to invest new funds in productive activities, which reduces the problem of capital shortage.
- Continuous growth: As owners of small and medium enterprises always seek to develop their skills and improve the performance of their projects, which leads to improving productivity and enhancing the success of the project. This development also reflects positively on society in general.
- Creating new job opportunities: These companies provide job opportunities for a large number of people, which helps reduce unemployment rates. This is due to their reliance on labor intensively, and their use of simple production methods, which makes them able to absorb more labor.
- Wide geographical spread: Small and medium enterprises can be established in various regions, including rural areas, which helps achieve a more equitable distribution of economic development, and reduces the concentration of projects in major cities.

- Reducing migration to cities: These companies provide job opportunities within rural areas, which reduces the need to move to major cities in search of job opportunities and helps achieve a better economic and social balance.
- Reliance on local resources: Small and medium enterprises use local raw materials and by-products from large industries, which helps reduce waste and imports. It also contributes to improving the quality of products and making them more competitive in the market.
- Flexibility in the face of change: These companies have a high ability to adapt to sudden changes in the market, which reduces financial risks. They also do not bear high operating costs like large companies, which makes it easier for them to change their activity if necessary. Integration with large companies: Small and medium-sized companies play an important role in supporting large companies, as the latter relies on them to provide some production requirements, which enhances the connection between different companies and helps develop the industry and the economy in general.

2.1.10 Strengths and Weaknesses of SMEs

SMEs have unique characteristics due to their flexible structures in management, marketing and production. When compared to large companies, these differences emerge as strengths and weaknesses of these companies. SMEs, which occupy an important place in national economies, play a fundamental role in establishing many large companies of the future. In fact, many large companies today trace their origins back to a small or medium-sized company that was established and managed by a strong leader (Selamet, 2019).

Strengths of SMEs: flexible structure, in addition to their wide scope of work and their ability to move more easily within production and supply chains. SMEs differ from large companies, especially in their ability to employ a larger number of employees with less investment and quickly adapt to market requirements and customer expectations. In addition, these companies adopt and adapt to technological developments and implement them effectively. They also contribute to reducing inequality in income distribution, achieving regional development balance, promoting individual savings and supporting large companies (Emecen ve Çiçek,2016).

The strengths of SMEs can be summarized as follows:

- The ability to quickly adapt to changes in the market, technology and industry.
- The ability to make decisions and implement production quickly.
- The existence of flexible production systems that allow for a quick response to market changes.
- The ability to manage the production and delivery process quickly and efficiently.
- Close communication with the employer or manager and employees, which enhances internal cooperation.
- The ability to take the pulse of the sector and measure reactions before making major investment decisions.
- Openness to innovations and rapid adoption of new technologies.
- Ability to accurately identify customer requirements and expectations and offer a variety of products accordingly.
- SMEs' willingness to take risks in order to grow and expand.
- Willingness to pursue new opportunities and implement them quickly and effectively.
- An ability to communicate directly with customers and understand their needs, which helps in providing excellent service.
- Ability to take initiatives outside the scope of the core activity, allowing for diversification of activities.

- Support and complement large companies through their ability to provide integrated solutions.
- Provide cost and price advantages by achieving a good balance between production and consumption.
- Having a team with high technical expertise in the fields in which SMEs operate.

Weaknesses of SMEs: Although SMEs have many strengths, they also have some weaknesses. When examining these weaknesses in general, it appears that the failure rate of SMEs is higher than that of large companies. One of the most prominent reasons for this failure is the lack of capital and financing. If SMEs can pass the first five years of their establishment without problems, they can largely overcome the problem of lack of financing.

The weaknesses of SMEs can be summarized as follows:

- Difficulty in obtaining the necessary capital and financing.
- Lack of experience in marketing the products produced to customers.
- Lack of sufficient capital and financial resources to make large investments in technology.
- Weak ability to take advantage of opportunities available in the capital market.
- Problems in balancing payments and financial dues.
- Difficulty in obtaining support and incentives from the government or the private sector.
- Lack of knowledge is necessary to carry out administrative tasks and basic business.
- Weak ability to compete in foreign markets due to high operating costs.
- Lack of training that matches the needs of production and industry.
- Lack of cooperation and partnership between the public sector, universities and SMEs.
- Lack of experience and knowledge in the fields of research, development and innovation.

- Weak ability to adapt to technological developments and implement them effectively.
- Lack of awareness and ability to create a strong and influential brand.
- Weak ability to create new ideas and projects.
- Lack of awareness of how to use energy efficiently and appropriately.
- Weak culture of innovation and lack of awareness in the industrial field.
- Lack of ability of small companies to meet the needs of international markets.
- Weak use of appropriate consulting and guidance services.
- Lack of use of modern technical solutions and e-government tools.
- Employment in small companies focuses on family members, which limits the diversity of the workforce.

2.1.11 The challenges faced by SMEs in Turkey

SMEs in Turkey face many challenges related to the lack of their resources. Here we will talk about the most important factors that greatly influence the success of these companies (Al-Mahrouq, 2010):

- Financial structure.
- Marketing and productivity.
- Technical and technological procedures.
- Human resources structure.
- Organizational structure of the company.

SMEs have unique characteristics that distinguish them from large companies. These characteristics may sometimes improve their competitiveness, while they may hinder their growth in other cases, depending on the qualifications of management (MacGregor & Vrazalic, 2007).

In this section, we will briefly outline some of the challenges faced by SMEs in Turkey, categorizing them into financial, technological, and human resources-related issues.

- Financial challenges faced by SMEs: Studies show that SMEs face more financial difficulties than larger companies (Beck & Demirguc-Kunt, 2006). This is especially true in developing countries, where these businesses struggle to access financial resources because of market issues (Beck et al., 2008). In Turkey, the financing problem for SMEs became more apparent during financial crises. High inflation and interest rates, caused by chronic budget deficits, led banks to prefer lending to large companies over small ones (OECD, 2004). As a result, SME growth slowed due to a lack of financing (Beck & Demirguc-Kunt, 2006). Recently, banks have started offering more financing to SMEs after realizing their importance for development (Akyüz et al., 2006). Organizations like KOSGEB and the Credit Guarantee Fund (KGF) have also been established to support SMEs. However, despite these improvements, SMEs in Turkey still face financial challenges due to limited resources. On a global scale, competition for financial resources is not just local but also international.
- Ability to utilize information and communication technology: In recent years, SMEs have made significant progress in using ICT (MacGregor & Vrazalic, 2007). However, many still face challenges that limit their growth and development. These include the limited use of technology, decisions about IT being made by business owners instead of through proper planning, a lack of IT training, and a shortage of technical staff.
- Lack of trained human resources is a major problem faced by SMEs. In fact, providing appropriate support to equip SMEs with the necessary equipment and qualified employees along with training them will help them develop effective and successful business models (OECD, 2004).

In conclusion, we can say that the problems of lack of technology use and lack of skilled employees are mainly due to limited financing. Lack of sufficient financing prevents companies from acquiring the necessary technology and hiring more qualified employees. Therefore, the financing problem must be addressed to solve other related problems.

2.2 Strategic Management

Strategy and its effects on organizational activities are topics that have long attracted the attention of academics and practitioners. Economic institutions operate in a dynamic environment characterized by continuous movement and renewal, which requires them to keep pace with these changes to achieve their goals in the face of intense and increasing competition resulting from ongoing developments. Therefore, companies always seek to identify and develop strategies that help them survive and outperform their competitors. Over the past five decades, this has prompted institutions to continuously search for new methods to raise their performance and ensure their stability and continuity. Among these methods, strategic management stands out, which has become one of the most powerful management tools in the success or failure of economic institutions. Therefore, institutions must study and analyze the concept of strategic management and continuously strive to apply it correctly and effectively to achieve their current and future goals within their competitive environment.

2.2.1 Strategy

It has become known to many that the success of an economic institution is through following a successful strategy. Random work that is not based on strategy does not lead the economic institution to survive and continue successfully in the world of companies, considering that the strategy seeks to achieve goals through the optimal use of all available capabilities and means, as goals differ from one policy to another and from one strategy to another, and the goal may be political, economic or military.

2.2.2 A brief history of strategy

The origins of the word "strategy" go back to the Greek word "STRATIGOS" which means cunning in military maneuver, i.e. using trickery to mislead or surprise the enemy with the aim of achieving victory, which makes it considered the art of war. The term "strategy" appeared in the nineteenth century thanks to the efforts of experts in military science and arts such as "Vinte", "Hart", and "Bovy". At that time, this concept was the preservation of military leaders, as they kept it secret without writing it down, which led to its meaning being confused and its permanent association with war and battles, and thus military and political planning was considered its essence.

With the advent of the twentieth century, and with the expansion of the size of institutions and the increase in the complexity of their structures and the exacerbation of the rates of environmental change, the importance of strategic thought emerged to meet these challenges by adopting new strategies that help adapt to the changing environment. Although official interest in strategy began in the sixties of the twentieth century, especially with the works of (Ansoff) and his book "Comprehensive Strategy" published in 1965, the concept of strategy has been around for a long time; It was known to the Chinese and in the Islamic conquests, as is evident from the works of the famous military strategy thinker (Clausewitzer) and his book "On War" in the nineteenth century and Sun Tzu, a Chinese general, wrote “The Art of War”. Thus, we see that the concept of strategy has gone through different developmental stages, starting from its traditional military use to its adoption as an important administrative tool that helps institutions face modern environmental and institutional challenges.

2.2.3 The Concept and Definitions of Strategy

Strategy is about ensuring that the organization reaches its goals on time, and it is a roadmap that determines the future path of the organization. Mintzberg (1994: 458) defined strategy as “a pattern in a series of decisions”, considering that it is not just a pre-planning, but rather evolves over time based on the decisions made.

On the other hand, McKeown (2011) sees strategy as “shaping the future”, and it is the tool that enables people to achieve “desired ends using available means”. While Kvint (2009) defines it as “a system for formulating and developing a doctrine that guarantees long-term success if adhered to”.

When the organization faces uncertainty, strategy acts as an organizational compass, directing it towards the right path without losing sight of its current situation or its past. It is like a “crystal ball” that allows all elements of the work to focus and unite around a unified vision.

Johnson and Scholes (2002) define strategy as "the long-term direction and scope of an organization that provides a competitive advantage by aligning its resources in a challenging environment to meet market needs and stakeholder expectations." It also encompasses the decisions and actions taken by managers to fulfill the organization's objectives.

Strategy is the direction of organizational activities and the allocation of scarce resources within the organizational environment to ensure the achievement of desired objectives. When planning strategically, it is essential to consider that any decision made by the organization will be met with reactions from various parties, whether competitors, customers, employees, or suppliers.

For managers, understanding how to design an effective strategy is a critical factor in building a successful future for their organizations. Strategy is not just a plan; it is a thoughtful process that requires asking the right questions, analyzing the answers in depth, and looking ahead at three, five, or more years in a context of uncertainty.

2.2.4 Characteristics of the strategy

The strategy is characterized by several basic characteristics that contribute to its success and effective implementation within the organization, as follows:

- Flexibility: The strategy must be able to adapt to environmental changes, which helps reduce errors and ensure continued success.

- Comprehensiveness: The strategy expresses a comprehensive future vision that the company seeks to achieve, so that it includes all aspects and practices of the organization, unlike policies that focus on limited areas.
- Resource allocation: The strategy aims to effectively direct available resources towards achieving the specific goals of the organization.
- Clarity and persuasion: The objectives of the strategy must be clear and convincing, which facilitates its effective implementation and reduces resistance to change.
- Set of decisions: The strategy includes a series of decisions that determine the general direction of the organization and affect its future, in addition to routine operational decisions.
- Participation: The strategy formulation process depends on the cooperation of various competencies within the organization, with the final decision being made by senior management.
- Time commitment: The strategy must be implemented in a timely manner, as delay may lead to a loss of its effectiveness, especially in a rapidly changing environment.
- Orientation towards an open system: The organization is considered part of an open environment that interacts with different external systems and factors, which require integrated coordination to achieve its goals.

2.2.5 Categories of Strategy

Strategy classifications include three basic types of strategic planning that are important to any company: corporate, business, and functional strategies.

Corporate strategy: Corporate strategy sets the overall direction of the organization by identifying the markets and industries that the company should enter. This process begins with analyzing the business environment to assess strengths and weaknesses, followed by defining the company's mission, structuring its operations, and allocating resources efficiently to ensure that objectives are achieved.

Corporate strategy requires answering fundamental questions, such as:

- What are the strategic objectives of corporate performance?
- How can resources be allocated to support different business units effectively?
- Is there a need to restructure management or improve recruitment and motivation processes?

It relies on four basic elements:

- Managing the business portfolio by allocating resources effectively to achieve the best results.
- Enhancing shareholder value through sustainable growth strategies.
- Integrating business units to maximize the benefit of common links.
- Diversifying activities through acquisitions or internal development.

In general, corporate strategy aims to achieve sustainable growth through effective strategic planning, smart resource management, and enhancing competitiveness in the market.

Business strategy: Business strategy focuses on achieving success in target markets by defining the competitive position and gaining an advantage over competitors. Formulating a business strategy requires defining the company's vision, conducting a comprehensive analysis of the surrounding environment, and evaluating the core activities within the value chain. Based on this, the overall strategic plan is directed, and appropriate programs and financial allocations are determined to ensure the desired objectives are achieved.

Functional strategy: Functional strategy refers to the strengthening of specific functions within a business that supports the overall strategies of the company. These include functions such as information technology, marketing, human resources, and operations. Functional strategies include financial forecasts, and improvement plans and are implemented in accordance with the overall strategic objectives of the organization. Functional strategy serves as a key support for corporate and business-level strategies, as some strategic initiatives may span across multiple functions and areas.

Finally, it is important to note that the strategic planning process does not follow a strict top-down or bottom-up approach. Rather, it is a process that includes goal setting by managers at the company level, as well as program and budget options proposed at the business and functional levels. When implemented effectively, this process helps to promote broad participation, generate a variety of ideas, and enhance alignment and clarity about future actions. As a result, all stakeholders become aware of their roles and the logical timelines behind their tasks.

2.2.6 The development of strategic management throughout history

The development of strategic management has gone through several stages, the most important of which we can mention as follows:

- The policy-making stage: This stage was represented by the emergence of the administrative policy cycle from the beginning of the fifties, where the focus in this cycle was on the policy-making process. This stage coincided with the

period of the beginning of the growth of American institutions at that time, as these institutions began to provide products in specific fields and were directed towards a specific category of consumers in a specific geographical area. The role of the general CEO of the institution at that time was to achieve coordination between all functional areas of the institution in an informal manner. With the growth of these institutions and their addition of new products and expansion into new geographical areas and developments in the functional areas of the institution, a need arose to coordinate activities to achieve effective integration across the various functional areas of the institution. This integration was not achieved through policy-making alone, as most managers in the various functional areas were committed to policies while making their daily decisions. Over time, policy-making became the primary task of senior management, and with most organizations growing during that period through expanding their business scope and rapid environmental changes, organizations needed to explore the opportunities and threats expected in the external environment.

- Planning and Policy Stage: At this stage, companies began to face increasing rates of rapid environmental changes, such as: fluctuations in product demand levels, increasing rates of product obsolescence, rapid technological changes, increased competition intensity, the emergence of signs of global competition, and changes in interest rates on capital and the availability of capital. In light of these circumstances, policy-making and timely reactions were no longer sufficient to address these developments, hence the need to search for the element of initiative and speed of action. The response was represented by introducing the element of planning or strategic thinking in an attempt to increase the degree of business response to changes in markets and competition. This stage resulted in efforts by senior management to assist strategic planning departments and administrations in preparing the organization's strategic plans.
- The initial stage of strategy: At this stage, strategy began to replace policy and planning, as the latter's perspective became insufficient to keep pace with

environmental developments and new challenges. This stage was characterized by the diversification of American institutions' operations by introducing new products and entering markets completely new to their original activity. In such circumstances, the need to achieve coordination between the various functional areas of the institution in an evolutionary manner over time. The problem was no longer the need for the institution to coordinate daily activities through a policy-making perspective, nor was there a need to modify the policies of functional areas individually according to environmental changes and the point of view of politics and planning. Hence, the focus was on a new concept, which is strategy, as well as reshaping the strategy in a formal and explicit manner. At this stage, attention was directed towards the process of preparing the strategy, and the matter did not touch upon discussing issues related to implementing, evaluating and controlling the strategy.

- The strategic management stage: Considering the previous stage, there was a difference of opinion among strategy makers about its definition, and no distinction was made. This stage falls between the different organizational levels of strategy preparation. In addition, less attention was paid to the strategic roles of the CEO, and hence the need to evaluate an integrated perspective of strategic management that deals with the processes of preparing and implementing strategies together. Thus, strategic management became an integrated cycle that includes all levels of the organization and is not limited to one level or one functional area only. Most managers at all levels have become involved in this process. Strategic management tasks fall within the scope of responsibility of a specific level of management, where attention is given to issues related to strategy implementation and discussion of topics that affect strategy implementation, such as: organizational structures and their relationship to strategy. Administrative systems that support successful strategy implementation, such as: information systems, incentives and control, the role of administrative leadership in strategy implementation, and matters related to the culture and civilization of the organization.

2.2.7 The Definition of Strategic Management

Strategic management refers to the systematic approach through which an organization formulates and executes plans that align with its goals and objectives. This process is ongoing and adapts in response to shifts in the organization's aims and objectives. Organizations pursue strategic management to remain responsive to emerging trends and external factors, including globalization. The field of strategic management is defined by several fundamental concepts that influence the establishment of organizational goals (Wicks, 2014:02).

Strategic management is characterized as a continuous process. According to Dess, Lumpkin, and Taylor (2005), the strategic management of an organization encompasses three interrelated activities: analysis, decision-making, and implementation. This discipline focuses on evaluating strategic objectives, including the organization's vision, mission, and goals, while also assessing both the internal and external environments in which the organization operates. Strategic management, at its core, involves systematic analysis, decision-making, and actions that an organization uses to establish and sustain competitive advantages. Essentially, strategic management revolves around the business world and addresses the questions: "Where do you want your business to go?" (goals), "How will your business get there?" (strategy), and "How will you know when you get there?" (evaluation) (Hofstrand, 2007:1).

In summary, strategic management can be defined as "the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives" (David, 2009: 36-37). It is also described as "an integrative management field that combines analysis, formulation, and implementation in the pursuit of competitive advantage" (Rothaermel, 2012: 5).

According to Johnson, Scholes, and Whittington (2008: 11-12), strategic management involves understanding the strategic position of an organization, making strategic

choices for the future, and managing strategy in action. Therefore, strategic management is the process by which organizations analyze internal and external environments to formulate strategies and allocate resources to develop a competitive advantage in their industry, ensuring the successful achievement of organizational goals (Cox, Daspit, McLaughlin, and Jones III, 2012: 27-28). It is important to note that strategic management is not about predicting the future, but about preparing for it and understanding the exact steps the organization must take to implement its strategic plan and achieve a competitive advantage (Blatstein, 2012: 32).

Strategic management is a set of decisions and actions that lead to the development and implementation of strategies aimed at achieving the organization's goals. This management focuses on the main long-term issues that affect the future of the organization, such as planning, implementing and monitoring strategies.

In other words, strategic management develops and implements plans that contribute to achieving the organization's goals in the long term through good planning, correct implementation, and continuous monitoring of all strategies.

It has been defined as a continuous dynamic process that aims to achieve the organization's mission by efficiently managing available resources and dealing with the challenges of the changing business environment—whether in terms of threats, opportunities, competition, or risks—to build a better future based on its current situation.

Strategic management also means that senior management leaders define a future vision for the organization based on available competencies and resources, with an effective analysis of the internal and external environment to ensure the organization's survival and continuity.

It can also be defined as the process through which senior management determines the organization's long-term direction and ensures good performance by formulating, implementing, and evaluating strategies on an ongoing basis.

In short, strategic management aims to develop a comprehensive strategy for the organization by defining its functions and evaluating its performance, which enables

it to monitor and evaluate all strategies applied within the framework of its internal and external environment.

2.2.8 Characteristics of Strategic Management

Strategic management is characterized by several basic features, including:

- Focus on comprehensive goals: Strategic management focuses on achieving the overall goals of the entire organization instead of focusing on individual departments, which helps achieve outstanding performance at the level of the entire organization.
- Integrated future vision: Strategic management has a clear vision of the future of the organization, whether in the short or long term. It is concerned with defining a future vision for the organization without being distracted by daily operational processes.
- Achieving a balance between effectiveness and efficiency: Strategic management seeks to do the right things (effectiveness) and implement them in the right way (efficiency), which ensures achieving the desired results with high efficiency.
- Go beyond ready-made models: Strategic management is not limited to using traditional solutions or pre-prepared recipes but rather seeks to innovate new ideas that address problems and prevent their emergence within an organized and continuous framework.
- Forward and flexible thinking: Strategic management relies on forward thinking to generate a variety of solutions and structures, with the aim of finding the best formula to achieve a coherent and comprehensive effort in the organization.

2.2.9 The importance of strategic management

Strategic management is an essential tool that contributes to the success of institutions and enhances their performance. Its importance is demonstrated through the following points:

- Achieving integration: It unifies the efforts of employees, which helps identify opportunities, set priorities and exploit them effectively.
- Raising awareness: It enhances internal practices to determine and achieve the goals and mission of the institution and clarifies the responsibilities of individuals.
- Effective allocation of resources: It allows the distribution of time and resources in proportion to the available opportunities.
- Environmental analysis: Through its contribution to evaluating the current and future environment by identifying opportunities and threats, focusing on important issues and encouraging positive change.
- Cooperation: It provides an integrated collaborative framework for addressing problems and exploiting opportunities within the institution.
- Reducing negative impacts: It helps limit the effects of adverse conditions and changes.
- Risk management: It contributes to reducing risks and dealing with them effectively.
- Organizing procedures: By providing a sense of order and decisiveness when facing administrative problems.
- Developing and implementing plans: It determines the foundations for developing, implementing and evaluating plans, and facilitates communication between employees.
- Choosing a business plan: It helps in choosing a clear business plan to achieve specific goals with the necessary justifications.
- Improving the quality of decisions: It works to enhance the quality of strategic decisions through effective interaction between team members and reducing gaps and overlaps in activities within the organization.

2.2.10 The Strategic Management Process

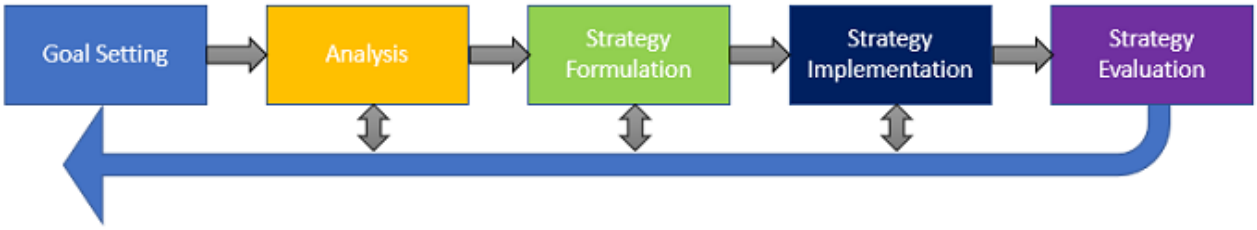


Figure 2. 1: Key Concepts for Strategic Management Process

Source: Management Process, 2023

- Setting goals: At the heart of strategic management lies setting goals and defining the organization's mission and values, which guide the organization toward exploiting strategic opportunities. The process of setting goals helps managers make decisions about how to achieve them and increase revenues, enabling the organization to compete in highly competitive global markets.
- Forming strategy analysis: Analyzing the organization's strengths and weaknesses is considered the basis of strategic management and also includes external analysis that takes into account factors such as emerging technology and new competition. By combining these two analyses, the organization can set goals and objectives that can transform weaknesses into strengths and develop strategies to adapt to changes in the market and technology.
- Forming strategy: The process of forming strategy involves developing specific actions that help the organization achieve its goals. This is based on using the results of the analyses to set priorities and make decisions about

addressing key issues. The organization also seeks, through formulating its strategy, to increase profitability and maintain its competitive advantage.

- Implementing strategy: Implementing strategy involves turning plans into a tangible reality that achieves organizational goals. This requires the pooling and directing of available resources by creating appropriate budgets, programs, and policies, with the need for close cooperation between management and other employees to ensure success.
- Strategy Evaluation: After implementation, the organization evaluates the strategy to determine how well it is achieving the expected results. This is done by identifying appropriate areas and measurement methods and then comparing actual results with desired results. Through this monitoring, the organization can adjust its plan to adapt to future changes and trends.

2.2.11 The Impact of Strategic Management on the Success of Arab SMEs Operating in Istanbul:

Strategic management has become prominent in public services management, and it has become increasingly required for corporate management to adopt it as part of management techniques. It has become a valuable management tool for those seeking success, and it also enhances accountability in organizational management. Companies seek to enable managers to “do more with less”, which calls for strategic thinking aimed at reducing waste. We can say that adopting a new approach that includes modern strategic management tools is very important for Arab companies operating in Istanbul to achieve better performance and provide high-quality services.

2.3 Strategic Planning

2.3.1 The Concept of Planning

There are many definitions written by planning experts from different countries and disciplines, each with their own point of view. Among these definitions:

Planning is an organized process that helps in making decisions in advance about what to do and how to do it. It is an essential part of management, where the manager starts by setting goals and then makes a plan to achieve them. Planning is associated with creativity and innovation, as it helps in finding the best ways to accomplish tasks in a concise manner. It also includes making decisions and choosing appropriate alternatives to achieve the desired goals (Loureiro& Andrade, 2020).

Planning can be viewed as an organized process of preparation, where activities are arranged to meet needs in the best possible way. It relies on a proactive approach that helps in defining and organizing operational strategies. Planning requires thinking about the future and making decisions about what to do in the present. This does not necessarily mean that the strategy will be implemented exactly as it is, as there may be changes. However, having a well-thought-out plan makes implementation more efficient and effective (Mosadeghrad & Isfahani,2020)

Planning can be defined as determining what to do and how to do it according to different levels and within a specific period of time. Accordingly, decisions are made according to the vision of the institution, company, government or state (Littman, 2019). It can also be considered a process used to design programs and projects in advance, which helps to respond quickly and effectively when any problems occur, in line with the surrounding changes. In addition, planning is seen as a tool to control various aspects of economic and social growth, as it depends on coordination and cooperation between sectors of the national economy. Therefore, it is necessary to conduct a comprehensive analysis to ensure that all parties involved in planning are able to expand in an organized and sustainable manner according to the available expertise (Meyers & Hitt, 2018).

Planning is a mental process based on analyzing the current situation, and it should be based on the manager's experience and knowledge. The planner should also be able to visualize the form of the proposed activities and deal with matters that cannot be touched by transforming his creative ideas into clear plans (Balkar & Kalman, 2018).

It is part of the management process, as it begins with identifying the goals to be achieved and the time period required for that, then a suitable plan is developed to implement it (Balkar & Kalman, 2018)

2.3.2 Importance of Planning

Planning is essential, it tells us where we are going, reduces the risk of uncertainty, and provides a clear direction by setting expectations.

Some of the benefits of planning are mentioned below:

- Improves coordination: Since planning sets clear goals and guidelines, different departments and individuals within the organization work together effectively. With a well-organized plan, tasks are assigned properly, avoiding conflicts and duplication of efforts. Because if goals are well-defined, employees are aware of what the organization should do and what they should do to achieve these goals. If there is no planning, employees will work in different ways and in different ways, and some may work against others without their knowledge.
- Enhances decision-making: Planning contributes to the manager's vision of the future and allows the manager the freedom to choose from many alternative work options. Planning provides the ability to make decisions by setting clear goals and strategies, predicting future situations, and helping in making appropriate decisions. The manager must evaluate the alternatives and choose the most appropriate ones. It also helps managers and employees make good choices, reducing failure and confusion.
- Increases efficiency: When employees have clear guidelines, they can focus on their tasks without wasting time on unimportant activities. This leads to the best possible utilization of resources and thus achieves higher productivity.
- Reduce Risk: By planning ahead, companies can anticipate potential problems and develop strategies to address them before they become serious issues. This proactive approach reduces risk and improves overall stability.

- Ensure Goal Achievement: With proper planning, each department and individual understand their role in achieving the company's goals. This prevents misunderstandings and ensures that efforts are directed toward common goals.
- Improve Communication: Planning helps communicate expectations and responsibilities clearly, ensuring that everyone is on the same page. This reduces misunderstandings and promotes a more organized work environment.
- Facilitate Performance Evaluation: With clear goals and guidelines, companies can effectively measure progress and evaluate employee performance. This helps identify areas for improvement and recognize achievements.

Some management researchers emphasize the importance of planning, which is evident in the following aspects: (Sony, 2020)

- Planning seeks to make the most of available resources without waste, by organizing the economic activity of productive elements.
- Planning aims to define and formulate goals clearly so that everyone is aware of them, in addition to identifying the procedures necessary to achieve them, which facilitates their adoption and participation in their implementation.
- Planning contributes to facilitating leadership tasks, as clarity of work methods, steps and procedures enables individuals to know what is required of them and implement it efficiently.
- Planning enhances the effectiveness of communication in work environments, as it contributes to clarifying priorities, strategies and standards, which facilitates the flow of knowledge between managers and employees at various levels.
- Planning paves the way for the control process, as it contributes to enhancing its effectiveness by setting clear standards through which results are measured after they are achieved and determining the conditions under which these requirements are applied and approved.
- Planning helps evaluate the efficiency of managers and various departments and determines their ability to effectively achieve the goals assigned to them.

- Planning gives both managers and employees a sense of confidence, as they feel that they are working according to a well-thought-out and specific plan to accomplish their tasks efficiently.
- Planning helps determine the most appropriate ways to achieve goals from among the available options and reduces the level of risk in work by predicting potential conditions. In addition, planning provides alternative plans to adapt to unexpected changes. Researchers confirm that planning contributes to developing the skills and abilities of managers, as it gives them the opportunity to develop plans and programs and master the management of financial and human resources efficiently (Hayward, 2017).

Based on the previous definitions, it can be concluded that planning is a basic administrative function, one of the main tasks of the manager and an important element in the administrative process. It is a process that takes place before implementation, aiming to determine the goals to be achieved and the time period required for that, then developing an appropriate plan to ensure that those goals are achieved efficiently.

2.3.3 Types of Planning

Companies choose the type of planning that suits the nature of their work, so that it serves their goals and achieves their objectives. Therefore, companies adopt different types of planning to meet their diverse needs, in line with the requirements of institutions, companies and countries.

Sectors and types of planning include:

- Planning according to the size of the impact, including: Strategic planning: It is a type of planning that has significant impacts on the future of the organization. Its results do not appear in the short term, but rather its effects are in the long term, such as facing competition from institutions operating in the same field or expanding new production lines, etc.
- Tactical planning: It is one of the stages of strategic planning, as it determines the steps and processes that achieve strategic goals and gives them movement

and flexibility. Tactical plans focus on achieving results in the short and medium term, such as developing the first product. (Rumelt, 2011)

- Time-based planning: Long-term planning: is planning that extends for a period of more than five years, and may extend to ten years or even more, depending on the future needs of the organization.
- Medium-term planning: This type of planning extends for a period ranging between one and five years and is considered neither short nor long. Based on its results, the necessary adjustments can be made to long-term plans.
- Short-term planning: This type of planning is concerned with plans that cover time periods not exceeding one year, and the most prominent examples of it are financial plans such as budgets and annual programs. (Halayqa, 2018).
- Function-based planning: Political planning: Focuses on the political aspects of the state, such as foreign and domestic policy, legislation, distribution of responsibilities, sovereignty issues, etc.
- Economic planning: Concerned with economic issues, including developing national income, supporting various commercial sectors, and enhancing economic growth.
- Social planning: Seeks to enhance the role of the family and its members by empowering them economically, politically, and socially, through developing the fields of education, industry, health, and social care, and improving public services (Nadikattu, 2020).
- Workforce planning: Addresses issues related to the workforce, starting from identifying needs, qualifications, and training, all the way to achieving development and stability. This type of planning is usually linked to other plans developed by the institution to ensure integration in the labor market.
- Financial planning: Develops financial, monetary, and credit policies that ensure the institution's ability to secure the necessary funding and invest it effectively. At the state level, it includes developing plans to manage public funds in line with funding requirements and sources.
- Production Planning: Focuses on managing production processes, including the provision of raw materials, quality assurance, determining production

sources, workflows, product quality, quantity, number of qualified workers, efficiency of production lines, as well as future development plans.

- Planning at the organizational level: Organizational and strategic planning: It is concerned with senior management, administrative bodies, and the executive director, as it focuses on setting the general vision and strategies for the institution.
- Work plans and programs: These plans and programs are prepared with the participation of departments and supervisory committees, in addition to the contribution of experts and employees to ensure the achievement of the desired goals.
- Personal planning: It is carried out by individuals by setting programs and timetables that may be daily or weekly, with the aim of implementing the tasks assigned to them within the framework of the general plan of the department or senior management.

2.3.4 The Concept Strategic Planning Theory

Strategic planning is a model that helps the leadership of the organization to chart the organization's strategic image at the current moment, recognize the path it needs to go forward, and determine the strategic direction for the future. (Ramlal, 2019).

Strategic planning is an essential and important tool that ensures the continuity of the organization in performing its role, as it helps in facing challenges by analyzing its internal capabilities, identifying strengths and weaknesses, taking advantage of opportunities, and dealing with threats effectively. It also focuses primarily on meeting the expectations of target groups to ensure they are achieving the desired goals. (Mohammed M. a.-A., 2017).

Many authors and experts have provided different definitions of strategic planning, and we will review some of them. Strategic planning is defined as a long-term planning process developed by senior management, focusing on the organization as a whole and directing its future course (Zuckerman, 2005).

Planning is a complex process that focuses on the future, which may be ambiguous, and through which the manager can direct the organization towards finding solutions to problems that hinder success. (David, 2019) sees that strategic planning is a comprehensive process that aims to understand the vision of the owners of the organization about why it was established and continues, the goals they seek to achieve, as well as when and how to do so. Thus, planning is a tool for answering various questions related to what should be done in the future and how to achieve it.

Peter Drucker (Halayqa, 2018) describes the decision-making process as starting with the survival of the organization and relying on data and resources to determine the future of the organization. It also aims to unify and coordinate skills and capabilities, provide criteria for evaluating results, and create a framework for inputs.

On the other hand, some consider strategic planning to be one of the basic mechanisms of the organization, where all other tasks are focused. It includes decision-making that determines the future of the organization and relies on its data and knowledge to determine the products that it can seek to produce, which helps in achieving the vision of the organization.

Strategic planning is a process that charts the path of the organization in the long term and depends on its internal and external variables. It also determines the means and tools that serve the goals and vision, in addition to strategies for competing with other parties. This planning determines the direction that the organization will take, the goals it seeks to achieve, and the path that will be followed to reach them (Halayqa, 2018).

2.3.5 The fundamentals of strategic planning

Strategic planning is a long-term process that considers all internal and external factors. It focuses on competitive strategies and identifies target industries and sectors. This planning answers the question, "Where is the company going?" by focusing on the long-term goals the company aims to achieve (Wolf & Floyd 2017).

It also considers the interconnectedness of all parts of the business. This type of planning involves actions and partnerships that connect the business to its environment. Strategic planning is a crucial part of strategic management, as it is based on a clear vision for the future and prepares for upcoming challenges (Candy & Gordon 2011).

Since the beginning of human history, people have always aimed to set goals for their lives and lifestyles. They didn't want to live randomly or instinctively, but rather to organize their lives using a scientific and systematic approach. This led them to rely on scientific thinking. Strategic planning is one way of applying this scientific thinking, and it has two main conditions: first, that achieving a goal requires positive human effort, and second, the need to predict and control events in advance using well-studied plans.

As a result, people began to care about planning, even if it was simple at first. Over time, its importance grew significantly as people realized how much it impacts different areas of life. They started to invest resources wisely to achieve benefits and sustainable development (Bryson et al. 2009).

This shift has led companies to prioritize planning, as it helps them avoid many problems and risks. Overall, every area of life, whether social, economic, or political, relies on planning to achieve success and stability.

The planning process needs a scientific and organized approach, as planning is essential for reaching specific goals. It's not just a science, but an art that connects all types of knowledge. Planning is used in many areas of human knowledge in different ways, and it’s no longer effective to rely on old management methods to face future challenges. Rapid changes in the business world have made these methods outdated, emphasizing the need for new and innovative approaches (Papke et al. 2017).

Since the beginning of this century, major economic, political, and social changes have turned into complex challenges for organizations and institutions. This shift requires a clear vision of what the future will look like. Planning has thus become a

strategic foundation, considering available resources and the surrounding environment in which organizations operate (De Toni & Tonchia 2003).

During the implementation of strategic planning, the link between planning and strategy has evolved, making strategic planning a practical system for creating and ensuring flexible plans. Strategic planning today is a multidimensional process involving scientific, cognitive, and reference levels. It begins with defining the organization's vision and long-term goals, then tracking progress during execution to modify the plan if needed. It also takes into account available resources to ensure the desired results are achieved.

Strategic planning is no longer just an economic activity, as it was once considered. It has developed into a collaborative process, involving planners from various disciplines (Ramírez & Selsky 2016).

2.3.6 Strategy Development

A competitive strategy for any business is a set of basic elements, target markets, long-term goals, and the methods to be followed to achieve them. Therefore, it is essential for organizations and companies to review their business strategies periodically to evaluate factors such as market priorities, product structure, production methods, and investments (Silveira, 2005; Errin, 2004). Development efforts should also be in line with operational objectives to achieve integration and effectiveness (Raymond & St-Pierre, 2005).

The primary goal of corporate strategy is to identify and explore core capabilities that need to be developed, rather than focusing solely on the current situation. Sufficiently retaining existing capabilities can lead to their deterioration and becoming constraints that prevent progress and development. Since advantages based on product price and performance are often temporary, investing in developing core competencies is essential to ensure a long-term competitive advantage (Kak & Sushil, 2002). SMEs whose activities are consistent with their strategies are able to achieve a clear advantage over their competitors.

Strategy development deals with studying the strengths and weaknesses, as well as the opportunities and threats that may affect the organization. In an external analysis of the organization, opportunities and threats refer to the positive and negative factors that currently affect it or may affect it in the future. Opportunities may arise from government policies or developments in the democratic structure, while threats may be represented by technological advances and the presence of strong competitors. Hence, the importance of understanding how the external environment affects the organization and working to develop strategies that enable it to meet these challenges and achieve a competitive advantage.

2.3.7 Strategic Planning Steps

There are many authors who specialize in the field of strategic planning, and they differ in dividing the stages of strategic planning. However, these stages can be divided in general into five basic stages, with details for each stage explained:

Strategic vision: The direction and vision of the organization are determined by the goals it seeks to achieve in the future, the market share it aspires to obtain, in addition to the team it wants to form. It is important that the vision is fully consistent with the organization's mission and goals without any conflict between them (Jaher, 2019).

Having a long-term strategic vision is based on strong foundations in strategic planning, which include market analysis, the external and internal environment of the organization, competitor analysis, in addition to providing the necessary information to achieve the goals. All of these factors contribute to reaching the target market and achieving the desired profits. It is necessary to form a specialized team that formulates long-term plans and strategic vision, to ensure the application of scientific methods and modern methodologies in the planning process. The team must be given sufficient time to collect information about competitors and analyze the market and the organization to ensure we reach an integrated plan that achieves the desired results. Therefore, the strategic vision reflects the ambitions and goals that the organization seeks to achieve in the future and that will distinguish it from others. Thus, the vision

determines the strategic framework of the organization, as it is built on the analysis of internal and external intelligence, which provides a future picture of customer needs, competitors' weaknesses, available risks and opportunities, in addition to the skills that can be developed. All of this contributes to identifying new markets and determining possible executive directions, which provides an integrated framework for strategic practice. Practicing the strategic vision helps the organization and the company determine its directions and understand the factors that enable it to achieve its goal, as well as the factors that may hinder it.

We can say that this context indicates that an effective strategic vision must have the following characteristics:

- Flexibility: It must be comprehensive and general enough, allowing it to be adapted to be used as a basis for specific initiatives.
- Focus: Efforts and resources must be clearly directed towards specific goals, to be more effective.
- Imaginative: It should present a picture of the future that can be easily visualized and stimulate creativity.
- Attractiveness: It must be able to attract the attention and interest of individuals, expressing their ambitions and aspirations (Loureiro & Andrade, 2020).
- Collective participation: It is preferable to be formulated with the participation of all employees, to be more harmonious and appropriate for everyone.
- Communicable: It must be easy to understand, so that it can be explained to everyone, and its meaning can be linked to all people in the organization.
- Rootedness: It is based on the history and present of the organization, making it strong and solid in the context of the organization's strategies.

Strategic Mission: The life of any organization is linked to the specific mission it seeks to achieve. The mission derives its strength from the principles established by the founders of the organization, in addition to the environment in which it operates and the society to which it belongs. The mission is the goal or justification for the

existence of the organization in a certain situation and is considered a written text that reflects the organization and the society to which it belongs.

Among the most important characteristics that a good mission must have been:

- It must reflect the goals and objectives that the organization seeks to achieve.
- It must contain accurate and correct information about the organization, without any exaggerations.
- The mission must be achievable.
- It must serve as a guiding framework for managers to direct the various strategies within the organization (David, 2019).

Researchers indicate that there is a consensus on the basic components that the organization's message should contain, which are:

- The organization's field of work: The field in which the organization will operate must be defined flexibly and clearly, allowing it to develop in the future.
- The organization's customers: Customers are the primary source of income for the organization, so these customers must be identified not only according to the current situation, but also with the possibility of expanding their scope in the future.
- Products and services: The organization's message focuses on the quality of products and services it provides in the markets, and how they meet customer needs.
- The organization's markets: The markets in which the organization competes must be identified, as well as clarifying the areas of this competition.
- Technology: Technology represents the technical and cognitive aspect that the organization uses to achieve its goals.
- Suppliers: Considering the scarcity of supply sources and high prices, the organization must give suppliers the necessary attention and care, in line with the organization's orientations and message (Nadikattu, 2020).

Strategic Objectives: The function of objectives is to clarify the direction that the organization seeks to achieve. Through objectives, it is possible to measure how the organization interacts with its external environment, which includes opportunities and challenges. Objectives are also a key criterion for evaluating the organization's performance and measuring its development. Therefore, it is necessary for organizations to set specific and clear objectives in a scientific and systematic manner, so that plans, strategies and evaluations are built on them.

Objectives are defined as the results of activities that are implemented in a highly organized manner and reflect the planner's intention to move from the current situation to the target situation, which is characterized by a qualitative increase in the ability to achieve compared to the current situation. Objectives usually specify what the organization must do, in addition to specifying the appropriate time to implement it.

Distinctive goals have several characteristics, including:

- Precision, measurability, and verifiability.
- Sub-goals must be clear and consistent with the main goals and be complementary and non-contradictory.
- Flexibility: Goals are characterized by their ability to adapt to unexpected changes in the work environment.
- Understandability: Goals should be formulated using simple words that are easy to understand by the individuals who will work to achieve them (Wu, Zhang, & Luo, 2020).

Strategic assessment of the surrounding environment: It is the method through which the internal environment of the organization is analyzed, focusing on its strengths and weaknesses, in addition to studying the external environment that includes the opportunities and challenges that it may face (Mintzberg, Lampel, & Ahlstrand, 2015).

(Hussein, 2019) defined strategic analysis as an essential step in strategic planning, as one should not rely on the past alone, because changes occur quickly. What is considered, an opportunity today may disappear tomorrow, and what is considered a

strength may turn into a weakness and vice versa. This analysis can lead to changes in the organization's mission, goals, or strategies, or it may enhance the current strategy and maintain the same mission.

Strategic analysis includes examining the internal and external environment of the organization as follows:

Internal environment analysis: The organization analyzes its internal environment to determine current and future strengths and weaknesses. This can be divided into:

- Strengths: These are the characteristics that give the organization special advantages and capabilities, which enhances its strength and contributes to achieving its goals with high efficiency. We can say that the organization must rely primarily on these points.
- Weaknesses: These are the factors that may make the organization unable to compete or prevent it from achieving a competitive advantage. Therefore, these points must be improved and transformed into strengths (Lafley & Martin, 2013).

External environment analysis: The external environment is defined as all the factors that affect the organization, whether directly or indirectly, during the performance of its activities, which affects the decisions it makes to achieve its goals. It consists of:

- Opportunities: These are the circumstances surrounding the organization at a specific time and place which the organization can benefit from to achieve its strategic goals.
- Threats: are potential events that may occur and negatively affect the organization if they occur, causing risks or negative impacts on it (Littman, 2019).

Strategic selection: This is the stage that comes after the environmental analysis and is considered an essential part of the sequential process. In this stage, the available strategic alternatives are presented, and the most appropriate is chosen based on specific criteria. These criteria are mainly based on the results of the environmental analysis that was done in the previous steps (Karkhi, 2014).

The strategic alternative that has the following characteristics is chosen:

- Relying on the strengths of the organization.
- Helping to overcome the weaknesses of the organization.
- Taking advantage of the opportunities provided by the environment to achieve the desired goals.
- Reducing the impact of environmental threats.
- Compatibility with the resources and capabilities of the organization. (David, 2019)

2.3.8 Implementing Strategic Planning

Strategic planning in the business environment is the result of complex managerial decisions, as it involves taking actions that may be desirable or undesirable. Developing and implementing strategic plans requires a thoughtful approach that is carried out through three basic stages.

The first stage begins with strategy formulation, where the organization assesses its current situation by conducting an internal and external analysis while developing plans. This includes identifying strengths and weaknesses, as well as opportunities and challenges that it may face. Based on this, executives must

identify new markets that the company can expand into or withdraw from, in addition to making decisions regarding the allocation of essential resources, and expansion through joint ventures or mergers.

Business strategies greatly affect the future success of the company, which is why leaders recognize their importance, which prompts them to allocate the necessary resources to ensure their efficient implementation (León et al. 2010).

After formulating the strategy, comes the second stage, which is its implementation. In this step, the company must determine short-term goals, which usually extend to one year, along with setting appropriate policies and allocating resources to ensure successful implementation. This stage is also known as the action stage and is an essential element in the strategic planning process. Successful implementation requires providing an appropriate organizational environment that helps motivate employees and supports the achievement of goals. The leadership capabilities of managers play a key role in this stage, as their tasks include developing an effective organizational structure, enhancing the use of information technology, and redirecting marketing strategies to ensure that the desired goals are achieved to a high degree (Jaana et al. 2012).

The last step is strategy evaluation as any smart and successful businessman realizes that current success does not guarantee future success. Therefore, managers should evaluate different strategies immediately after their implementation (Hamurcu & Eren 2020).

Strategy evaluation consists of three main steps. The first step is to analyze the internal and external factors that affect the implementation of the strategy. The second step is to evaluate the actual performance of the strategy. The third step is to take corrective action if adjustments are needed.

These three steps of strategic planning are implemented across three main levels distributed hierarchically: corporate, intermediate, and operational. Therefore, Enhancing communication and engagement between employees and supervisors across all levels involves adopting various strategies becomes crucial, as this helps enhance the company’s ability to operate as an integrated and compatible unit.

2.4 The Competitive Advantage

2.4.1 The Theory of Competitive Advantage

In the world of business management, competition is a key element that contributes to achieving success as it enables companies to continuously outperform their competitors. It can be defined as the application of a specific strategic approach, whether through a cost leadership strategy, which represents an advantage or superiority achieved by the company at the lowest costs (Anwar, Khan, & Khan, 2018).

We can also define competitive advantage as the ability of a company to develop and implement business strategies that help increase its market share in the shortest possible time. This is achieved by investing in available human capital and using the raw materials owned by the organization according to plans previously determined by the company's senior management (Saeidi, Sofian, Saeidi, Saeidi, & Saaeidi, 2015).

Michael Porter explained that the basis of competition lies within the value that a company can provide to its customers, as this value can be represented by offering lower prices than competitors while maintaining the same level of benefit, or by offering unique features that compensate for higher prices.

Taylor There is another definition of competition that says that it is a skill, technology, or distinctive resource that a company possesses, which enables it to provide additional value to consumers that is superior to what competitors offer. This helps the company enhance its distinction and uniqueness from the point of view of customers who prefer this difference because it provides them with greater benefits and higher value compared to other competitors. Business competitiveness is often considered an essential part of competitive advantage. (Taylor M.L, 2015).

The concept of competitiveness reflects the company's desire to develop and implement strategies that enable it to achieve the best performance within the same business environment in which other companies operate. Therefore, any element that distinguishes the company from others can be considered part of its competitiveness.

Competitiveness means the company's desire to produce something unique and distinct from its competitors (Krajňáková, Navikaitė, & Navickas, 2017).

Competition can also be defined as the organization's ability to outperform its competitors by providing high-quality products at a lower cost and providing added value to consumers that meet all their needs better than other competitors. This superiority helps the company expand its activities, increase its market share, achieve sustainable profits, and ensure its continuity in the market. In other words, if the company is able to create continuous demand for its products by exploiting a competitive advantage, this indicates that it has a strong competitive advantage. (Bakr, 2016).

2.4.2 The significance of competitiveness

What distinguishes one company from another in recent times is its focus on building a strong brand for its products and striving to achieve leadership in the market in which it exists. The importance of competitiveness can be summarized in the following points:

- The continuity and renewal of the competitive advantage allows the organization to keep pace with development and progress in the long term.
- It helps achieve a distinct market share and high profitability, which ensures the company's survival and continuity in the market.
- It enables achieving strategic superiority in customer and consumer care compared to competitors, with the possibility of excellence in providing the necessary capital, skills and strategies in a highly competitive environment.
- Competitiveness contributes to enhancing positive understanding among the company's customers and others, which motivates them to continue finding agreements and opportunities for cooperation.
- Competitiveness provides a qualitative and quantitative advantage compared to competitors, which enables the company to achieve distinguished results that

make it excel in terms of performance or in terms of the value of what it offers to customers or both.

- Competitive positions that depend on the organization's resources, capabilities and areas of activity contribute to adding flexible movement to the company's internal operations.
- It contributes to creating added value for customers by meeting their needs, maintaining their loyalty, and enhancing and improving the company's image and reputation.

2.4.3 Characteristics of competitive advantage

There is no doubt that competitive advantage has several important characteristics, which are as follows:

- Relativity: Competitive advantage is relative; it is achieved only in comparison with competitors and is not absolute.
- Achieving superiority: The advantage helps in achieving superiority and preference for the institution compared to competitors.
- Improving performance and value: The competitive advantage is reflected in the efficiency of the institution's performance in its activities, or in the value it provides for customers, or on both sides.
- Impact on buyers: The competitive advantage must contribute to its impact on buyers, so that they realize the advantage offered by the institution, which motivates them to buy.
- Continuity: The advantage must be long-term and not disappear quickly, especially when it is developed and renewed.
- Internal emission: The competitive advantage comes from within the company and adds value to it.
- Renewal: It should be renewed to keep pace with the variables of the external environment and be in line with the resources and capabilities of the internal institution.

- Flexibility: The competitive advantage must be flexible so that it can be easily replaced according to changes in the external environment or the development of the company's capabilities.
- Alignment with objectives: The use of competitive advantage must be consistent with the objectives and results that the company seeks to achieve in the short and long term.

2.4.4 Types of competitive advantages

Michael Porter believes that competitive advantage is linked to three main strategies: cost strategy, diversification strategy, and focus strategy. He divides it into two main types: lower cost advantage and differentiation advantage.

- Lower cost advantage: This advantage is achieved when the company can produce the product at lower costs than those offered by competitors. This can be achieved by planning, designing, producing, and marketing goods and services at a lower cost compared to the market itself. This contributes to increasing the company's profits and returns and is also known as an internal competitive advantage. This strategy relies on precise control of costs and improving productivity, which gives the company negotiating power even in cases of low prices or a price war, thanks to the good organization, technology, and measures that the company possesses.
- Distinction advantage: Distinction is a basic goal that companies seek to achieve superiority and enhance their position in the market. However, obtaining this advantage is not easy in all circumstances, and requires the availability of several conditions, including:

- Diversity of uses of the product or service and its compatibility with consumer needs.
- Small number of competitors who follow the same distinctive approach.

- The ability of consumers to appreciate the differences and variations in a product or service, and how it is distinguished from other products.

In this way, both the lower cost advantage and the differentiation advantage ensure that the company achieves a strong competitive position in the market.

2.4.5 Elements of competitive advantages

Achieving competitiveness depends on the presence of several elements and their interaction together. The most prominent of these elements are as follows:

- Natural resources: The abundance of natural resources is an important factor in obtaining a strategic advantage for either the country or the company. With recent global and local changes, the lack of natural resources is no longer a major obstacle to achieving advantage, as their availability is no longer the decisive source as it was in the past. (Pergelova & Ruiz, 2014)
- Capital: A company or country can achieve a significant competitive advantage if capital is abundantly available. However, the modern global economy that transcends national borders and allows the transfer of capital between countries with complete freedom, in addition to the spread of multinational companies without specific geographical and political restrictions, has led to a decrease in the value of capital available to obtain competitive advantage. (Nicholas J Aquilano, 2011)
- Technology: The element of technology plays a major role in improving production efficiency and enhancing competitive advantage by creating and absorbing knowledge and applying modern technologies in business performance. Despite the importance of technology, its use is no longer limited to some countries only, as many countries can now obtain and apply it.
- Human resources: Human resources with good education and high skills constitute a basic strategic dimension in achieving competitive advantage. They are considered one of the most important intangible resources and contribute significantly to the creation and application of modern technology

and complex strategies. They are also elements that are difficult to imitate or emulate quickly by competitors. (Taylor M.L, 2015)

2.4.6 Dimensions of Competitiveness

Competitiveness is linked to two main dimensions, which are the value perceived by the customer and the company's readiness to achieve excellence:

- The first dimension - the customer's perceived value: Companies can exploit their various capabilities to improve the value perceived by the customer for the products and services provided. This helps in building a strong competitive advantage. For example, in the 1970s, the computer company faced a problem in recognizing the importance of the emerging personal computer market, which led to losses estimated at about 81 billion dollars and forced it to re-evaluate its strategy, policy and organizational structure. (J.B.Byarne, 2013)

Competitive advantage is achieved when customers feel that they are getting higher value compared to what competitors offer. Although price is an important factor in determining the concept of value, value goes beyond comparing the quality of the product to its price; it also includes the extent of the customer's conviction in the product, its reliability, and the after-sales services provided.

- The second dimension - Distinction: A company can achieve a competitive advantage by offering a unique product or service that competitors cannot easily imitate. This depends on multiple sources such as financial resources, human resources, organizational capabilities, and others, which enhances the company's ability to differentiate itself in the market.

2.4.7 Sources of competitive advantage

For a company to have a strong competitive advantage, this advantage must be derived from several main sources, which are as follows:

- Efficiency: Efficiency means the optimal use of available resources. It is measured by the amount of input used to produce specific outputs. The more efficient the company is, the fewer resources are required to produce the same quantity, which leads to lower costs compared to competitors, and this contributes to building a strong competitive advantage.
- Time: Time has become an essential element in the fields of production and services. Speed in reaching the customer is a major advantage that companies seek to obtain, and this can be achieved by:

- Reducing the time to introduce new products to the market by shortening the product life cycle and reducing the manufacturing period.
- Reducing the time the customer spends waiting for service.
- Adhering to specific and fixed timetables for delivering the components needed for manufacturing processes.

- Knowledge: Knowledge is an essential resource for building competitive value. It is necessary to use and manage it strategically and effectively, so that it is easy to employ and store. Knowledge itself is not the goal, but rather the goal is the ability to transform it into competitive advantages that help the company grow.
- Quality: The word "quality" comes from the Latin term (Qualities), which was used to describe the condition of products in ancient times. Quality is one of the most important dimensions in the face of fierce competition in global markets, as it is not limited to operational performance only, but also includes aspects of planning and implementation, which positively affects the company's reputation and position.
- Creativity and Innovation: Contemporary companies are keen to achieve creativity, especially in a volatile business environment. Creativity is sought by adopting new technologies and methods through mergers, alliances and joint ventures.

Creativity can be defined as the process by which an individual uses his thinking and mental abilities to produce a new idea that benefits his environment.

While innovation is defined as the process that transforms new ideas into practical products or services or into new ways of implementing operations.

The difference between them is that creativity focuses on discovering distinctive ideas, while innovation focuses on implementing those ideas. Both contribute to enhancing competitive advantages when other companies fail to find new ways to compete or adapt to changes in the environment.

In this way, efficiency, time, knowledge, quality, creativity and innovation become essential sources that contribute to building and enhancing a company's competitive advantage.

2.4.8 Porter's Theory of Competitive Advantage

Michael Porter is a prominent scholar in the field of management, and he published a book titled "Competitive Advantage" in 1980. In this book, he expanded the structure-behavior-performance model and identified five major forces called the "Five Forces" that influence competition and market attractiveness. He also identified three general strategies that help companies achieve their goals in the market.

Porter believes that the main goal of strategic management is to understand and deal effectively with competition in the market. He explains that direct competitors are only part of the complete picture of competition, as five important forces must be considered: suppliers, buyers, potential entry of new competitors, substitute products or services, and competition among existing companies.

Porter believes that the key to formulating a competitive strategy lies in linking the company to its external environment. The Five Forces framework provides a structured way to understand how competitive forces operate at the management level of companies and how these forces determine their profitability in different sectors. Competitive strategies often aim to change the position of the company in relation to its competitors and suppliers. This theory gains its importance because it is a sophisticated tool for analyzing competitiveness with all that follows. It is also necessary to take into account the context in which companies are established,

organized and managed, in addition to the nature of local competition, to determine the factors of competitive advantage in an integrated manner.

2.4.9 Michael Porter's Five Forces

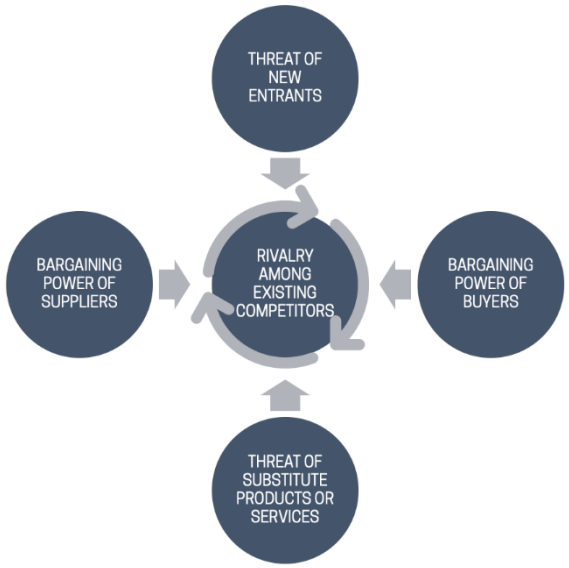


Figure 2.2: Michael Porter's Five Forces

Source: Porter, M., 2008

Bargaining Power of Suppliers: The power of the supplier is represented by its ability to impose prices or determine business practices, especially if it has a monopoly on the supply of a certain material or has an exclusive distribution contract in a certain market. The negotiating power of suppliers increases in the following cases:

- When the number of suppliers is limited and they cooperate with each other, which reduces the company's ability to negotiate to obtain better prices or terms.

Bargaining Power of Buyers: Studying the competitive situation requires taking into account the bargaining power of customers. Customer power increases when the product represents a large portion of their total costs. Buyers are in a strong bargaining position in the following cases:

- When they buy large quantities of the company's products.
- When there are multiple alternatives to the product, giving them other options.

Threat of New Entrants: The institution needs to analyze its competitive position by assessing the possibility of new competitors entering the market. Increasing the number of producers leads to an increase in the production capacity of the sector, which may contribute to lowering prices. Therefore, it is important to study the existence of obstacles or barriers that prevent new institutions from entering the market. These obstacles can take several forms, such as capital requirements, high advertising costs for the purpose of differentiating the product, and others. The higher the costs of these obstacles, the more difficult it is for new competitors to enter the market.

Threat of Substitute Products or Services: The pressure generated by substitute products and services is a factor that limits potential profits in the market, as the low prices of these alternatives reduce the demand for basic products. Therefore, companies that ignore available alternatives may face difficulty in maintaining their competitive ability. On the other hand, to enhance their competitive advantage, they must constantly search for and study alternatives to ensure a strong position against competitors.

Rivalry among existing competitors: Competitive intensity is the core of Porter's model, as it reflects the influence of the other four factors, and the intensity of competition increases in the following cases:

- The large number of competitors in the market, which leads to an increase in the intensity of competition.
- The dominance of large companies, which have a greater ability to influence the market.

- Slow growth rates, which pushes companies to compete strongly for market shares.
- The products are very similar, which leads to a decrease in prices when there is a surplus in supply.
- Difficulty in changing activities due to strong barriers, such as the inability to replace specialized equipment.
- High fixed costs, forcing companies to offer large discounts when economic downturns occur.

2.4.10 The role of evaluating strategy development processes in achieving competitiveness

The process of evaluating and analyzing the internal and external environment, followed by preparing, formulating, developing and implementing the strategic alternative is known as strategic planning. This planning contributes to enabling the company to achieve its mission and achieve its goals and objectives; by helping it acquire the competitiveness it seeks.

Table 2.5: Characteristics of six dimensions of strategy development

	Description	Key references
Command	A person with a significant degree of control over the strategy is in charge, such as the CEO or someone else with authority within the organization. In rare cases, this influence may come from a small group of individuals at the top of the company. Control and influence can be exercised in a variety of ways, such as through personal power, strict rules, or reliance on expertise. Ambitions and strategies can also come from the vision of influential individuals, who set the desired future direction for the company.	Bennis and Nanus (1985) Shrivastava and Nachman (1989) Westley and Mintzberg (1989) Kotter (1990)

Planning	It is a planned process that includes a series of carefully arranged logical and analytical steps. During this, the company and its environment are systematically studied, and then strategic options are carefully developed and evaluated. Based on this evaluation, the optimal option is chosen to achieve the maximum benefit according to the company's objectives. This option is then transformed into clear implementation plans, with systems for monitoring and controlling the strategy defined. It is assumed here that the strategy is developed by senior executives, while its implementation is carried out by employees at lower levels.	Ansoff (1965) Mintzberg (1978) Steiner (1969) Argenti (1980) Rowe, Dickel, Mason and Snyder (1994)
Incremental	Strategic choice is made through "limited and successive comparisons". The strategic objectives of the company are usually general and not precisely defined. Due to the uncertainty of the environment, managers cannot predict its changes with accuracy, so they seek to adapt to it through continuous monitoring and evaluation. Also, commitment to the strategic choice may be temporary, and subject to review during the early stages of its implementation.	Lindblom (1959) Mintzberg et al. (1976) Quinn (1980) Quinn (1982) Johnson (1988)
Political	Firms are political arenas, where decision-making and strategy development are political processes. Disagreements between stakeholders are resolved through negotiation, bargaining, and compromise. Alliances may form between different parties to achieve common goals and support specific strategic choices. The extent of stakeholder influence depends on the extent to which the firm relies on them for resources. In addition, information is not neutral, but rather a source of power for those who have control over it.	Cyert and March (1963) Pettigrew (1973) Hinings et al. (1974) Pfeffer and Salancik (1978)
Cultural	Strategy is influenced by a set of reference frames shared by members of the organization, which help simplify complex situations, provide a ready-made explanation of developments, and support decision-	Weick (1979) Deal and Kennedy (1982)

	making in a logical and consistent manner. These frames also help guide appropriate behavior within the organization, and they become even more important in uncertain situations where formal decision-making processes are less effective. These frames rely on routines, rituals, stories, and symbols that reflect and reinforce the company's culture. These cultural elements are integrated into organizational activities, providing a basis for action, but they can also be resistant to change.	Schon (1983) Gioia and Poole (1984) Trice and Beyer (1985)
Enforced choice	Environmental factors influence the adoption of organizational structures and activities that best fit them. These influences may manifest themselves through regulatory coercion, competitive and economic pressures, or expectations regarding legitimate organizational practices. These factors limit the freedom of members of a firm to choose their strategies. As a result, strategies are often similar across organizations operating in the same sector or industry. Changes typically occur through differences in processes and systems within firms, either unintentionally or through imperfect imitation of successful structures or practices.	Aldrich (1979) DiMaggio and Powell (1983) Hannan and Freeman (1989) Deephouse (1996)

Source: Bailey, Johnson, & Daniels, 2000

CHAPTER III

RESEARCH METHODOLOGY

3.1 Hypothesis Development Process

The hypotheses were built based on the previous study (Validation of a Multi-Dimensional

Measure of Strategy Development Processes) according to the following expected relationships:

Table 3.1: Expected correlation pattern among scale scores and variables

	Command	Planning	Incremental	Political	Cultural	Enforced choice	Size	Performance Growth	
Command		–	–	+					
Planning	–		+	–	–	–		+	
Incremental	–	+					–	+	+
Political	+	–			+	+	+	–	
Cultural		–		+		+			
Enforced choice		–		+	+			–	–

Source: Bailey, Johnson, & Daniels, 2000

According to this study, the following hypothesis were developed.

H1: There is a practice of strategic development processes in Arab small and medium companies operating in Istanbul

H2: There is no statistically significant negative relationship between the command and planning

H3: There is no statistically significant negative relationship between the command and Incremental

H4: There is no statistically significant positive relationship between the command and Political

H5: There is no statistically significant Positive relationship between the planning and Incremental

H6: There is no statistically significant negative relationship between the planning and Political

H7: There is no statistically significant negative relationship between the planning and Cultural

H8: There is no statistically significant negative relationship between the planning and Enforced choice

H9: There is no statistically significant positive relationship between political and cultural

H10: There is no statistically significant positive relationship between the political and Enforced choice

3.2 Research Design

It refers to the strategy and techniques that the researcher has utilized in gathering and studying data to conduct a description for questions and assumptions of the study.

A quantitative analysis used the Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study.

The analysis of data included validity, reliability tests, and several regression analyses.

3.3 Population and Sampling

This study was conducted among Arab small and medium-sized enterprises operating in Istanbul, Turkey. The target population of this research is all employees in Arab companies with all their job titles (General Manager - Administration Manager - Employee - Trainee) and in various fields including (Trade and Distribution - Construction and Architecture - Tourism - Real Estate Investment - Transportation and Logistics - Technology and Software). The questionnaire was distributed in English and Arabic. The researcher tried to deliver the questionnaire to participants with different demographic characteristics.

3.4 Data Collection

The data were collected by distributing an online questionnaire (Google Form) through SM. The contributors had to evaluate the rank of each measure on the scales (1 Strongly Disagree, 5 Strongly Agree). Then researchers gathered data from online quessionares among October and November 2024. A total of 103 respondents have answered and data were used in the research analysis.

3.5 Questionnaire Design

The survey included seven different sections of questions; in the first section, Demographic Information which includes 8 questions asking for nationality, country of residence, Gender, Age, Marital status, education, Personal monthly income, position in the company, and the company’s field of work. The second section, Command which identifies the decision maker, the person authorized to determine the strategy using 6 questions. The third section, Planning This section specifies the method of planning the strategy and its details, from setting goals to implementing them using 8 questions. The fourth section, Incremental This section defines the path

for implementing the strategy and its gradual implementation by making the necessary changes when needed after starting to practice it using 6 questions. The fifth section, Political This section explains the strategy policies and the influences that affect them using 6 questions. The sixth section, Cultural This section explains the company culture and how it influences strategy using 7 questions. In the last section, Enforced Choice This section explains the constraints that affect strategy choice and the limits that the firm can influence using 7 questions. (Bailey, Johnson, & Daniels, 2000).

CHAPTER IV

FINDINGS FROM THE STUDY

4.1 The Examination of Questionnaire Respondents

To reach information about sample population, seven questions were included in survey.

Table 4. 1: The Examination of Questionnaire Respondents

variable	classes	Frequency	Percent
nationality	Yemeni	59	57%
	Egyptian	12	12%
	Jordanian	6	6%
	Syrian	7	7%
	Palestinian	5	5%
	Iraqi	9	9%
	Turkish	3	3%
	Omani	1	1%
	Sudanese	1	1%
	Total	103	100%
country of residence	Turkey	96	93%
	Yemen	3	3%
	Oman	1	1%

	Saudi Arabia	**3**	**3%**
	Total	**103**	**100%**
Gender	**Male**	**95**	**92%**
	Female	**8**	**8%**
	Total	**103**	**100%**
Marital status	**Single**	**20**	**19%**
	Married	**83**	**81%**
	Total	**103**	**100%**
Age	**15 - 24**	**5**	**5%**
	25 - 34	**41**	**40%**
	35 - 44	**30**	**29%**
	45 - 54	**22**	**21%**
	55 - 46	**5**	**5%**
	Total	**103**	**100%**
Educational	**High school**	**1**	**1%**
	University stage	**14**	**14%**
	Bachelor's degree	**30**	**29%**
	Master's degree	**30**	**29%**
	Ph.D.	**28**	**27%**
	Total	**103**	**100%**

Personal monthly income	**17.002 TL or less**	**12**	**12%**
	17.002 - 30.000 TL	**28**	**27%**
	30.001 - 40.000 TL	**27**	**26%**
	40.001 - 50.000 TL	**14**	**14%**
	50.001 TL and above	**22**	**21%**
	Total	**103**	**100%**
Your position in the company	**General Manager**	**39**	**38%**
	Manager	**21**	**20%**
	Officer	**31**	**30%**
	Executive Manager	**2**	**2%**
	Public relations	**1**	**1%**
	Company Owner	**3**	**3%**
	Freelancer	**2**	**2%**
	Trainee	**3**	**3%**
	Consultant	**1**	**1%**
	Total	**103**	**100%**
The company's field of work	**Trade and distribution**	**15**	**15%**
	construction and architecture	**7**	**7%**
	Tourism	**19**	**18%**
	Real Estate Investment	**11**	**11%**

	Transportation and logistics	**14**	**14%**
	Technology and software	**8**	**8%**
	Studies, consulting and development	**2**	**2%**
	Restaurants and food	**4**	**4%**
	Education and educational services	**8**	**8%**
	Logistics and Educational services	**1**	**1%**
	Notification	**3**	**3%**
	Electricity and industry	**2**	**2%**
	Diplomatic sector	**1**	**1%**
	Religious sentiment services	**1**	**1%**
	Financial transactions	**1**	**1%**
	Charitable	**2**	**2%**
	Social services	**1**	**1%**
	Export	**1**	**1%**
	Business and service projects	**1**	**1%**
	Non	**1**	**1%**
	Total	**103**	**100%**

In the table 4.1, the results of the table indicate the diversity of participants in the sample. The highest percentage comes from Yemenis at 57%, followed by Egyptians at 12%, reflecting a diversity of national identities. In terms of country of residence, 93% of participants are in Turkey, with only 3% from Yemen and Oman, indicating a significant concentration in Turkey. The gender distribution shows an imbalance, with males representing 92% and females 8%. Regarding marital status, 81% of participants are married, suggesting that most are in marital relationships, while 19% are single. For age, 40% of participants fall within the 25-34 age range, followed by the 35-44age group at 29%. In terms of educational level, 29% hold bachelor's and master's degrees, while those with PhDs account for 27%. Regarding personal monthly income, 27% earn between 17,002 and 30,000 TL, followed by 26% in the range of30,001 to 40,000 TL. Concerning positions in the company, 38% of participants hold general manager roles, while 30% are in officer positions. Finally, 18% work in the tourism sector, followed by trade and distribution at 15%, reflecting the diversity of economic sectors represented by the participants.

4.2 Data Screening of Respondent

The first and very important stage involves the identification of the formulation elements. The researcher must examine the collected data to ensure that the data is entered appropriately into the application and is free of missing values or any other errors. In addition to the extreme values that play an important role in the results, if any, in addition to ensuring that the factors are distributed normally, the researcher has shown all the necessary examinations of the data as follows:

1- Screening for missing values and errors

Table 4.2 shows the results of the data check, where the results showed no missing value in the data and no errors in data entry.

Table 4. 2: Screening for missing values and errors

Items	Scale	Frequency	Percent	Graph of Percent	mean	Std. Deviation
x1	Strongly Disagree	6	5.83%	||	3.24	0.985
	Disagree	15	14.56 %	|||||		
	Neutral	37	35.92 %	|||||||||||		
	Agree	38	36.89 %	|||||||||||		
	Strongly Agree	7	6.80%	||		
x2	Strongly Disagree	3	2.91%	|	3.42	0.880
	Disagree	11	10.68 %	||||		
	Neutral	36	34.95 %	|||||||||||		
	Agree	46	44.66 %	||||||||||||||		
	Strongly Agree	7	6.80%	||		
x3	Strongly Disagree	6	5.83%	||	3.29	1.006

	Disagree	**15**	**14.56 %**	|||||		
	Neutral	**33**	**32.04 %**	||||||||||		
	Agree	**41**	**39.81 %**	|||||||||||||		
	Strongly Agree	**8**	**7.77%**	|||		
x4	**Strongly Disagree**	**14**	**13.59 %**	|||||	**2.77**	**1.156**
	Disagree	**35**	**33.98 %**	|||||||||||		
	Neutral	**21**	**20.39 %**	|||||||		
	Agree	**27**	**26.21 %**	||||||||		
	Strongly Agree	**6**	**5.83%**	||		
x5	**Strongly Disagree**	**15**	**14.56 %**	|||||	**2.61**	**1.069**
	Disagree	**36**	**34.95 %**	|||||||||||		
	Neutral	**31**	**30.10 %**	||||||||||		
	Agree	**16**	**15.53 %**	||||||		

	Strongly Agree	**5**	**4.85%**	|		
c1	**Strongly Disagree**	**3**	**2.91%**	|	**3.32**	**0.899**
	Disagree	**15**	**14.56 %**	|||||		
	Neutral	**37**	**35.92 %**	||||||||||||		
	Agree	**42**	**40.78 %**	||||||||||||||		
	Strongly Agree	**6**	**5.83%**	||		
c2	**Strongly Disagree**	**3**	**2.91%**	|	**3.31**	**0.980**
	Disagree	**19**	**18.45 %**	|||||||		
	Neutral	**34**	**33.01 %**	|||||||||||		
	Agree	**37**	**35.92 %**	||||||||||||		
	Strongly Agree	**10**	**9.71%**	|||		
c3	**Strongly Disagree**	**3**	**2.91%**	|	**3.29**	**0.870**
	Disagree	**16**	**15.53 %**	||||||		

	Neutral	**35**	**33.98 %**	|||||||||||		
	Agree	**46**	**44.66 %**	||||||||||||||		
	Strongly Agree	**3**	**2.91%**	|		
c4	**Strongly Disagree**	**2**	**1.94%**	|	**3.33**	**0.901**
	Disagree	**17**	**16.50 %**	||||||		
	Neutral	**36**	**34.95 %**	|||||||||||		
	Agree	**41**	**39.81 %**	||||||||||||		
	Strongly Agree	**7**	**6.80%**	||		
c5	**Strongly Disagree**	**3**	**2.91%**	|	**3.56**	**0.946**
	Disagree	**9**	**8.74%**	|||		
	Neutral	**33**	**32.04 %**	|||||||||||		
	Agree	**43**	**41.75 %**	|||||||||||||		
	Strongly Agree	**15**	**14.56 %**	|||||		

c6	**Strongly Disagree**	**3**	**2.91%**	|	**3.39**	**0.888**
	Disagree	**14**	**13.59 %**	|||||		
	Neutral	**31**	**30.10 %**	||||||||||		
	Agree	**50**	**48.54 %**	||||||||||||||||		
	Strongly Agree	**5**	**4.85%**	|		
c7	**Strongly Disagree**	**3**	**2.91%**	|	**3.45**	**0.849**
	Disagree	**11**	**10.68 %**	||||		
	Neutral	**30**	**29.13 %**	|||||||||		
	Agree	**55**	**53.40 %**	|||||||||||||||||		
	Strongly Agree	**4**	**3.88%**	|		
c8	**Strongly Disagree**	**2**	**1.94%**	|	**3.49**	**0.873**
	Disagree	**12**	**11.65 %**	||||		
	Neutral	**31**	**30.10 %**	||||||||||		

	Agree	**50**	**48.54 %**	||||||||||||||||		
	Strongly Agree	**8**	**7.77%**	|||		
v1	**Strongly Disagree**	**1**	**0.97%**	|	**3.70**	**0.778**
	Disagree	**6**	**5.83%**	||		
	Neutral	**27**	**26.21 %**	|||||||||		
	Agree	**58**	**56.31 %**	|||||||||||||||||||		
	Strongly Agree	**11**	**10.68 %**	||||		
v2	**Strongly Disagree**	**1**	**0.97%**	|	**3.68**	**0.843**
	Disagree	**8**	**7.77%**	|||		
	Neutral	**28**	**27.18 %**	|||||||||		
	Agree	**52**	**50.49 %**	|||||||||||||||||		
	Strongly Agree	**14**	**13.59 %**	|||||		
v3	**Strongly Disagree**	**1**	**0.97%**	|	**3.62**	**0.865**
	Disagree	**10**	**9.71%**	|||		

	Neutral	**29**	**28.16 %**	|||||||||		
	Agree	**50**	**48.54 %**	|||||||||||||||		
	Strongly Agree	**13**	**12.62 %**	|||||		
v4	**Strongly Disagree**	**3**	**2.91%**	|	**3.52**	**0.873**
	Disagree	**9**	**8.74%**	|||		
	Neutral	**30**	**29.13 %**	|||||||||		
	Agree	**53**	**51.46 %**	||||||||||||||||		
	Strongly Agree	**8**	**7.77%**	|||		
v5	**Strongly Disagree**	**2**	**1.94%**	|	**3.65**	**0.860**
	Disagree	**9**	**8.74%**	|||		
	Neutral	**23**	**22.33 %**	|||||||		
	Agree	**58**	**56.31 %**	||||||||||||||||||		
	Strongly Agree	**11**	**10.68 %**	||||		

v6	**Strongly Disagree**	**2**	**1.94%**	|	**3.76**	**0.798**
	Disagree	**4**	**3.88%**	|		
	Neutral	**24**	**23.30 %**	||||||||		
	Agree	**60**	**58.25 %**	|||||||||||||||||||		
	Strongly Agree	**13**	**12.62 %**	|||||		
B1	**Strongly Disagree**	**3**	**2.91%**	|	**3.17**	**0.864**
	Disagree	**18**	**17.48 %**	||||||		
	Neutral	**45**	**43.69 %**	||||||||||||||		
	Agree	**33**	**32.04 %**	|||||||||||		
	Strongly Agree	**4**	**3.88%**	|		
B2	**Strongly Disagree**	**6**	**5.83%**	||	**2.85**	**1.023**
	Disagree	**40**	**38.83 %**	|||||||||||||		
	Neutral	**24**	**23.30 %**	||||||||		

	Agree	**29**	**28.16 %**	||||||||||		
	Strongly Agree	**4**	**3.88%**	|		
B3	**Strongly Disagree**	**7**	**6.80%**	||	**2.79**	**1.035**
	Disagree	**43**	**41.75 %**	||||||||||||||		
	Neutral	**22**	**21.36 %**	|||||||		
	Agree	**27**	**26.21 %**	|||||||||		
	Strongly Agree	**4**	**3.88%**	|		
B4	**Strongly Disagree**	**5**	**4.85%**	|	**3.08**	**1.007**
	Disagree	**28**	**27.18 %**	|||||||||		
	Neutral	**29**	**28.16 %**	||||||||||		
	Agree	**36**	**34.95 %**	|||||||||||		
	Strongly Agree	**5**	**4.85%**	|		
B5	**Strongly Disagree**	**5**	**4.85%**	|	**2.86**	**0.950**

	Disagree	**37**	**35.92 %**	||||||||||||		
	Neutral	**30**	**29.13 %**	||||||||||		
	Agree	**29**	**28.16 %**	||||||||||		
	Strongly Agree	**2**	**1.94%**	|		
B6	**Strongly Disagree**	**2**	**1.94%**	|	**3.26**	**0.896**
	Disagree	**20**	**19.42 %**	|||||||		
	Neutral	**35**	**33.98 %**	|||||||||||		
	Agree	**41**	**39.81 %**	|||||||||||||		
	Strongly Agree	**5**	**4.85%**	|		
N1	**Strongly Disagree**	**3**	**2.91%**	|	**3.31**	**0.829**
	Disagree	**11**	**10.68 %**	||||		
	Neutral	**44**	**42.72 %**	|||||||||||||||		
	Agree	**41**	**39.81 %**	|||||||||||||		

	Strongly Agree	**4**	**3.88%**	|		
N2	**Strongly Disagree**	**1**	**0.97%**	|	**3.70**	**0.850**
	Disagree	**7**	**6.80%**	||		
	Neutral	**30**	**29.13 %**	|||||||||		
	Agree	**49**	**47.57 %**	||||||||||||||||		
	Strongly Agree	**16**	**15.53 %**	||||||		
N3	**Strongly Disagree**	**1**	**0.97%**	|	**3.48**	**0.827**
	Disagree	**12**	**11.65 %**	||||		
	Neutral	**34**	**33.01 %**	|||||||||||		
	Agree	**49**	**47.57 %**	||||||||||||||||		
	Strongly Agree	**7**	**6.80%**	||		
N4	**Strongly Disagree**	**1**	**0.97%**	|	**3.47**	**0.790**
	Disagree	**11**	**10.68 %**	||||		

	Neutral	**35**	**33.98 %**	|||||||||||		
	Agree	**51**	**49.51 %**	||||||||||||||||		
	Strongly Agree	**5**	**4.85%**	|		
N5	**Strongly Disagree**	**3**	**2.91%**	|	**3.45**	**0.849**
	Disagree	**7**	**6.80%**	||		
	Neutral	**42**	**40.78 %**	|||||||||||||		
	Agree	**43**	**41.75 %**	|||||||||||||		
	Strongly Agree	**8**	**7.77%**	|||		
N6	**Disagree**	**20**	**19.42 %**	|||||||	**3.41**	**0.944**
	Neutral	**34**	**33.01 %**	|||||||||||		
	Agree	**36**	**34.95 %**	|||||||||||		
	Strongly Agree	**13**	**12.62 %**	|||||		
N7	**Strongly Disagree**	**1**	**0.97%**	|	**3.41**	**0.720**
	Disagree	**8**	**7.77%**	|||		

	Neutral	**45**	**43.69 %**	||||||||||||||		
	Agree	**46**	**44.66 %**	||||||||||||||		
	Strongly Agree	**3**	**2.91%**	|		
A1	**Strongly Disagree**	**1**	**0.97%**	|	**3.41**	**0.834**
	Disagree	**13**	**12.62 %**	|||||		
	Neutral	**39**	**37.86 %**	|||||||||||||		
	Agree	**43**	**41.75 %**	|||||||||||||		
	Strongly Agree	**7**	**6.80%**	||		
A2	**Strongly Disagree**	**3**	**2.91%**	|	**3.13**	**0.997**
	Disagree	**31**	**30.10 %**	|||||||||||		
	Neutral	**24**	**23.30 %**	||||||||		
	Agree	**40**	**38.83 %**	|||||||||||||		
	Strongly Agree	**5**	**4.85%**	|		

A3	**Strongly Disagree**	**2**	**1.94%**	|	**3.51**	**0.839**
	Disagree	**8**	**7.77%**	|||		
	Neutral	**37**	**35.92 %**	||||||||||||		
	Agree	**47**	**45.63 %**	||||||||||||||||		
	Strongly Agree	**9**	**8.74%**	|||		
A4	**Strongly Disagree**	**4**	**3.88%**	|	**3.15**	**1.004**
	Disagree	**25**	**24.27 %**	||||||||		
	Neutral	**34**	**33.01 %**	|||||||||||		
	Agree	**32**	**31.07 %**	||||||||||		
	Strongly Agree	**8**	**7.77%**	|||		
A5	**Strongly Disagree**	**4**	**3.88%**	|	**3.03**	**1.052**
	Disagree	**34**	**33.01 %**	|||||||||||		
	Neutral	**29**	**28.16 %**	||||||||||		

	Agree	**27**	**26.21 %**	|||||||||		
	Strongly Agree	**9**	**8.74%**	|||		
A6	**Strongly Disagree**	**3**	**2.91%**	|	**3.05**	**1.061**
	Disagree	**35**	**33.98 %**	|||||||||||		
	Neutral	**30**	**29.13 %**	||||||||||		
	Agree	**24**	**23.30 %**	||||||||		
	Strongly Agree	**11**	**10.68 %**	||||		
A7	**Strongly Disagree**	**3**	**2.91%**	|	**3.03**	**1.014**
	Disagree	**34**	**33.01 %**	|||||||||||		
	Neutral	**31**	**30.10 %**	||||||||||		
	Agree	**27**	**26.21 %**	|||||||||		
	Strongly Agree	**8**	**7.77%**	|||		

2- Outlier Screening

Outlier screening is an essential step in data analysis, aimed at identifying and evaluating data points that deviate significantly from the rest of the dataset. These anomalies can distort results, impact statistical analyses, and lead to inaccurate interpretations. Detecting and appropriately handling outliers ensures the reliability and validity of analytical outcomes.

The table 4.3 provides the T-values and their corresponding p-values for the various observations, along with an indication of whether each observation is considered an outlier, where all observations (1 to 102) are classified as "no" for outlier status. This indicates that none of the data points deviate significantly from the expected distribution based on the T-values and their associated p-values.

Table 4. 3: Screening for missing values and errors

Obs	T-Value	T - Prob	Outlier?	Obs	T-Value	T - Prob	Outlier?
1	45.21	0.8562	No	53	35.32	0.9699	No
2	29.03	0.9940	No	54	23.36	0.9993	No
3	50.53	0.7540	No	55	41.87	0.9066	No
4	56.64	0.6169	No	56	35.56	0.9684	No
5	34.60	0.9742	No	57	70.44	0.3232	No
6	58.37	0.5769	No	58	41.83	0.9071	No
7	44.56	0.8668	No	59	7.63	1.0000	No
8	35.26	0.9703	No	60	66.07	0.4069	No
9	47.76	0.8101	No	61	25.65	0.9981	No
10	48.36	0.7984	No	62	51.35	0.7364	No

11	**34.61**	**0.9742**	**No**	**63**	**23.87**	**0.9991**	**No**
12	**46.54**	**0.8328**	**No**	**64**	**47.12**	**0.8222**	**No**
13	**42.17**	**0.9025**	**No**	**65**	**72.71**	**0.2844**	**No**
14	**28.32**	**0.9952**	**No**	**66**	**40.00**	**0.9294**	**No**
15	**52.38**	**0.7139**	**No**	**67**	**24.20**	**0.9990**	**No**
16	**39.29**	**0.9371**	**No**	**68**	**29.60**	**0.9928**	**No**
17	**48.44**	**0.7969**	**No**	**69**	**52.61**	**0.7089**	**No**
18	**32.97**	**0.9822**	**No**	**70**	**42.51**	**0.8978**	**No**
19	**19.30**	**0.9999**	**No**	**71**	**48.97**	**0.7863**	**No**
20	**47.41**	**0.8168**	**No**	**72**	**42.36**	**0.8999**	**No**
21	**45.99**	**0.8427**	**No**	**73**	**28.19**	**0.9954**	**No**
22	**37.21**	**0.9563**	**No**	**74**	**56.96**	**0.6094**	**No**
23	**60.26**	**0.5334**	**No**	**75**	**53.46**	**0.6899**	**No**
24	**39.93**	**0.9301**	**No**	**76**	**3.46**	**1.0000**	**No**
25	**30.48**	**0.9907**	**No**	**77**	**37.78**	**0.9515**	**No**
26	**65.50**	**0.4187**	**No**	**78**	**33.41**	**0.9803**	**No**
27	**51.30**	**0.7376**	**No**	**79**	**48.55**	**0.7948**	**No**
28	**23.22**	**0.9993**	**No**	**80**	**52.51**	**0.7110**	**No**
29	**43.56**	**0.8826**	**No**	**81**	**39.78**	**0.9318**	**No**
30	**32.48**	**0.9842**	**No**	**82**	**36.18**	**0.9641**	**No**

31	**26.50**	**0.9974**	**No**	**83**	**34.27**	**0.9760**	**No**
32	**36.41**	**0.9625**	**No**	**84**	**35.52**	**0.9686**	**No**
33	**38.63**	**0.9437**	**No**	**85**	**9.59**	**1.0000**	**No**
34	**30.74**	**0.9900**	**No**	**86**	**18.56**	**0.9999**	**No**
35	**27.93**	**0.9957**	**No**	**87**	**7.16**	**1.0000**	**No**
36	**37.37**	**0.9550**	**No**	**88**	**30.32**	**0.9911**	**No**
37	**48.90**	**0.7878**	**No**	**89**	**17.74**	**1.0000**	**No**
38	**50.95**	**0.7452**	**No**	**90**	**31.95**	**0.9862**	**No**
39	**18.76**	**0.9999**	**No**	**91**	**25.06**	**0.9985**	**No**
40	**32.61**	**0.9838**	**No**	**92**	**68.32**	**0.3624**	**No**
41	**59.73**	**0.5454**	**No**	**93**	**29.73**	**0.9925**	**No**
42	**40.64**	**0.9221**	**No**	**94**	**46.23**	**0.8384**	**No**
43	**25.98**	**0.9979**	**No**	**95**	**7.31**	**1.0000**	**No**
44	**48.89**	**0.7879**	**No**	**96**	**11.73**	**1.0000**	**No**
45	**21.39**	**0.9997**	**No**	**97**	**62.66**	**0.4794**	**No**
46	**40.34**	**0.9256**	**No**	**98**	**27.65**	**0.9961**	**No**
47	**37.91**	**0.9504**	**No**	**99**	**24.24**	**0.9989**	**No**
48	**43.16**	**0.8886**	**No**	**100**	**73.77**	**0.2674**	**No**
49	**25.40**	**0.9983**	**No**	**101**	**56.83**	**0.6125**	**No**
50	**46.74**	**0.8292**	**No**	**102**	**47.85**	**0.8083**	**No**

51	**39.60**	**0.9338**	**No**	**103**	**19.08**	**0.9999**	**No**
52	**28.82**	**0.9943**	**No**				

4.3 Reliability and Validity Analysis

To ensure that the results of this study are factual and applicable, the reliability test and validity test of the chosen methodology should be examined. Validity determines that the results are consistent with the principles of scientific research technique. The researcher conducted further tests to ensure reliability and validity, Factor Loads to measure the loading of statements on the dimensions to which the statement belongs, while values above 0.4 are considered good, Cronbach's Alpha This statistic measures internal consistency. A value above 0.7 is generally considered acceptable, while values above 0.8 are considered good, Composite Reliability (CR) This is another measure of internal consistency that takes into account the number of items and their inter-correlations. A CR value above 0.7 is deemed acceptable, and Average Variance Extracted (AVE): This measures the level of variance captured by a construct in relation to the variance due to measurement error. An AVE value above 0.5 is considered acceptable.

Table 4. 4: Reliability and Validity of Questionnaire Values

Latent	**Item**	**Component**	**Cronbach`s alpha**	**CR**	**AVE**
Command	**X1**	**0.583**	**0.686**	**0.735**	**0.369**
	X2	**0.706**			
	X3	**0.692**			
	X4	**0.696**			

	X5	**0.776**			
Planning	**C1**	**0.757**	**0.911**	**0.928**	**0.635**
	C2	**0.771**			
	C3	**0.750**			
	C4	**0.737**			
	C5	**0.757**			
	C6	**0.615**			
	C7	**0.752**			
	C8	**0.707**			
Incremental	**V1**	**0.773**	**0.871**	**0.898**	**0.595**
	V2	**0.791**			
	V3	**0.777**			
	V4	**0.579**			
	V5	**0.693**			
	V6	**0.660**			
Political	**B1**	**0.781**	**0.868**	**0.888**	**0.65**
	B2	**0.804**			
	B3	**0.753**			
	B4	**0.672**			
	B5	**0.789**			

	B6	**0.659**			
Cultural	**N1**	**0.670**	**0.752**	**0.787**	**0.408**
	N2	**0.557**			
	N3	**0.699**			
	N4	**0.676**			
	N5	**0.777**			
	N6	**0.578**			
	N7	**0.606**			
Enforced choice	**A1**	**0.659**	**0.884**	**0.906**	**0.609**
	A2	**0.626**			
	A3	**0.717**			
	A4	**0.674**			
	A5	**0.791**			
	A6	**0.724**			
	A7	**0.709**			

The results indicate that most of the questionnaire components achieve good levels of reliability and validity, except for the command component, which shows weak reliability and validity (α=0.686) and (AVE=0.369). While the planning, incremental, political, and Enforced choice components show good reliability and validity, indicating that they effectively reflect the targeted concepts.

The other hand, the culture component shows acceptable reliability but suffers from a low AVE value (0.408), meaning that it may not capture enough variance compared to measurement error.

Accordingly, it is recommended that the items in the command and culture components be revised or modified to improve their reliability and validity.

4.4 Confirmatory Factor Analysis

Confirmatory Factor Analysis (CFA) is a statistical technique used to test whether a set of observed variables reflects the number of factors and the relationships between them as hypothesized. It is commonly employed research to validate the structure of a questionnaire or measurement model.

Table 4. 3: Confirmatory Factor of Questionnaire Values

Latent	Observed	Estimate	SE	β	z	p	R^2
Command	X1	1	0	0.559			0.312
	X2	1.29	0.2608	0.721	4.94	< .001	0.52
	X3	0.998	0.2419	0.558	4.12	< .001	0.311
	X4	0.905	0.1971	0.506	4.59	< .001	0.256
	X5	1.249	0.26	0.698	4.8	< .001	0.487
	C1	1	0	0.785			0.617
	C2	1.049	0.0506	0.824	20.75	< .001	0.679
	C3	1.073	0.0575	0.843	18.65	< .001	0.71
	C4	1.131	0.0497	0.888	22.77	< .001	0.789

Planning	**C5**	**0.904**	**0.0612**	**0.71**	**14.78**	**< .001**	**0.504**
	C6	**0.848**	**0.0659**	**0.666**	**12.87**	**< .001**	**0.443**
	C7	**1.063**	**0.0596**	**0.835**	**17.85**	**< .001**	**0.697**
	C8	**1.023**	**0.0661**	**0.803**	**15.46**	**< .001**	**0.645**
Incremental	**V1**	**1**	**0**	**0.89**			**0.793**
	V2	**1.057**	**0.0485**	**0.941**	**21.79**	**< .001**	**0.886**
	V3	**0.965**	**0.0454**	**0.859**	**21.28**	**< .001**	**0.738**
	V4	**0.714**	**0.0543**	**0.635**	**13.15**	**< .001**	**0.404**
	V5	**0.799**	**0.0639**	**0.711**	**12.5**	**< .001**	**0.506**
	V6	**0.834**	**0.0578**	**0.742**	**14.42**	**< .001**	**0.551**
Political	**B1**	**1**	**0**	**0.637**			**0.406**
	B2	**1.449**	**0.1431**	**0.923**	**10.13**	**< .001**	**0.852**
	B3	**1.321**	**0.1241**	**0.842**	**10.65**	**< .001**	**0.708**
	B4	**1.096**	**0.1259**	**0.698**	**8.71**	**< .001**	**0.487**
	B5	**1.329**	**0.1269**	**0.847**	**10.47**	**< .001**	**0.717**
	B6	**1.135**	**0.1212**	**0.723**	**9.36**	**< .001**	**0.522**
Cultural	**N1**	**1**	**0**	**0.696**			**0.485**
	N2	**0.779**	**0.1305**	**0.542**	**5.97**	**< .001**	**0.294**
	N3	**0.896**	**0.1083**	**0.624**	**8.28**	**< .001**	**0.389**
	N4	**0.853**	**0.1162**	**0.594**	**7.34**	**< .001**	**0.352**

	N5	**1.183**	**0.1041**	**0.823**	**11.36**	**< .001**	**0.678**
	N6	**0.648**	**0.1237**	**0.451**	**5.23**	**< .001**	**0.203**
	N7	**1.154**	**0.1138**	**0.803**	**10.14**	**< .001**	**0.646**
Enforced choice	**A1**	**1**	**0**	**0.74**			**0.548**
	A2	**1.01**	**0.0733**	**0.748**	**13.78**	**< .001**	**0.56**
	A3	**1.004**	**0.0834**	**0.743**	**12.03**	**< .001**	**0.552**
	A4	**0.986**	**0.0938**	**0.73**	**10.51**	**< .001**	**0.533**
	A5	**1.171**	**0.0937**	**0.867**	**12.5**	**< .001**	**0.752**
	A6	**1.079**	**0.0847**	**0.799**	**12.74**	**< .001**	**0.639**
	A7	**1.118**	**0.0905**	**0.828**	**12.35**	**< .001**	**0.685**

In table 4.5, we examine the compatibility of the CFA with the Model of study scale through Fit Indexes. It is shown that the value of GFI is (0.959 reflects excellent fit, as values close to 1 indicate high quality. This value suggests that the model explains the data well, A value of CFI is (0.979) indicates excellent fit, with values above (0.95) considered ideal, Similarly, a value of TLI (0.977) indicates very good fit, reinforcing the positive results of the CFI, a value of NFI (0.946) is considered acceptable; although values above 0.90 are good, this value being higher than 0.90 indicates that the model is fitting well, and a value of IFI (0.979) also supports the good results, indicating that the model performs well in comparison to alternative models

The Chi-square/df(χ2/df) value is shown as (1.594) indicates that the model has a good fit, finally, the value of RMSEA is shown as (0.076) indicates good fit, as values less than 0.08 are considered acceptable. Additionally, a p-value of < 0.001 means there is strong evidence against the hypothesis of poor fit.

Table 4. 4: The Examination of Compatibility of the CFA Model with the RMSEA through Fit Indexes

Fit Indexes	Model	P
$\chi 2/df$	1.594	
Goodness of Fit Index (GFI)	0.959	
Comparative Fit Index (CFI)	0.979	
Tucker-Lewis Index (TLI)	0.977	
Bentler-Bonett Normed Fit Index (NFI)	0.946	
Bollen's Incremental Fit Index (IFI)	0.979	
RMSEA	0.076	< .001

4.5 Correlation analysis

Analyzing the relationships between the dimensions of the questionnaire helps to understand how the different dimensions interact with each other by measuring the targeted concepts, which aids in improving the design of the questionnaire. The researcher used Pearson's simple correlation coefficient, Pearson's r Indicates the strength and direction of the linear relationship between variables. Values close to 1 or -1 indicate a strong relationship, while values close to 0 indicate a weak relationship, and p-value Indicates the significance of the correlation. A p-value of less than 0.05 typically suggests a statistically significant correlation.

Table 4. 7: Correlation of Variables

Variable		Command	Planning	Incremental	Political	Cultural	Enforced choice
Command	**Pearson's r**	—					
	p-value	—					
Planning	**Pearson's r**	**-0.001**	—				
	p-value	**0.990**	—				
Incremental	**Pearson's r**	**0.058**	**0.600**	—			
	p-value	**0.561**	**< .001**	—			
Political	**Pearson's r**	**0.167**	**0.190**	**0.109**	—		
	p-value	**0.091**	**0.055**	**0.275**	—		
Cultural	**Pearson's r**	**0.061**	**0.492**	**0.402**	**0.414**	—	
	p-value	**0.540**	**< .001**	**< .001**	**< .001**	—	
Enforced choice	**Pearson's r**	**0.255**	**-0.048**	**0.126**	**0.498**	**0.252**	—
	p-value	**0.009**	**0.633**	**0.205**	**< .001**	**0.010**	—

The results in table 4.7 show a structured representation of the correlation coefficients and p-values for the variables:

Enforced Choice shows a significant positive correlation with Command ($r = 0.255$, $p = 0.009$) and Cultural ($r = 0.498$, $p < .001$), and Incremental has a strong positive correlation with Planning ($r = 0.600$, $p < .001$), and Cultural has significant correlations with both Incremental ($r = 0.402$, $p < .001$) and Political ($r = 0.414$, $p < .001$).

The Command There is a weak positive correlation between "Command" and "Enforced Choice" ($r = 0.255$, $p = 0.009$), which is statistically significant, while the other correlations with "Command" are negligible and not statistically significant.

As for Planning, it has a strong positive correlation with "Incremental" ($r = 0.600$, $p < .001$), indicating that as planning increases, incremental strategies also tend to increase, and have Significant correlation with "Cultural" ($r = 0.492$, $p < .001$), as for correlation with "Political" is marginally significant ($r = 0.190$, $p = 0.055$).

As for Incremental, it has a Strong positive correlation with both "Planning" ($r = 0.600$, $p < .001$) and "Cultural" ($r = 0.402$, $p < .001$), while the other correlations are weak and not significant.

As for Political, it has Weak to moderate positive correlations with "Cultural" ($r = 0.414$, $p < .001$) and "Enforced Choice" ($r = 0.498$, $p < .001$), while the other correlations are weak and not statistically significant.

As for Cultural, it has Strong positive correlations with "Planning" ($r = 0.492$, $p < .001$) and "Incremental" ($r = 0.402$, $p < .001$), and has moderate correlation with "Political" ($r = 0.414$, $p < .001$) and a weak correlation with "Enforced Choice" ($r = 0.252$, $p = 0.010$).

As for Enforced Choice, it has the most significant correlation with "Political" ($r = 0.498$, $p < .001$), and has a notable correlation with "Command" ($r = 0.255$, $p = 0.009$) and a weak correlation with "Cultural" ($r = 0.252$, $p = 0.010$).

4.6 Hypothesis Test

Before starting hypothesis testing, it is essential to consider the normal distribution of the variables. Based on the results of this distribution, the appropriate type of test for testing the study hypotheses is determined.

Table 4. 8: Distribution of Variables

Variable	—— Skewness Test ——			——— Kurtosis Test ———			─ Omnibus Test ─		Variable Normal?
	Value	Z	Prob	Value	Z	Prob	K2	Prob	
Command	**-0.11**	**-0.47**	**0.6379**	**3.2**	**0.72**	**0.4705**	**0.74**	**0.6900**	**Yes**
Planning	**-0.86**	**-3.38**	**0.0007**	**4.14**	**2.09**	**0.0369**	**15.8**	**0.0004**	**No**
Incremental	**-0.97**	**-3.72**	**0.0002**	**5.03**	**2.89**	**0.0039**	**22.16**	**0.0000**	**No**
Political	**0.02**	**0.09**	**0.9281**	**2.16**	**-2.7**	**0.0069**	**7.3**	**0.0260**	**No**
Cultural	**-0.13**	**-0.58**	**0.5594**	**2.14**	**-2.81**	**0.005**	**8.23**	**0.0163**	**No**
Enforced choice	**-0.09**	**-0.41**	**0.6786**	**2.67**	**-0.54**	**0.5918**	**0.46**	**0.7949**	**Yes**

The results in the table 4.8 shows that a summary of the skewness, kurtosis, and normality tests for the variables you provided, the variable "Command" and "Enforced choice" are normally distributed; while their variables "Planning", "Incremental", "Political", and "Cultural" are not normally distributed, as indicated by their significant skewness and kurtosis values.

Since most variables do not follow normal distribution, the appropriate tests are non-parametric tests, which assess the data based on the media.

H1: There is a practice of strategic development processes in Arab small and medium companies operating in Istanbul.

Table 4. 9: Hypothesis Test Results for Strategy Development

Variable	alternative Hypothesis		Mean	Standard Deviation	Median	Z-Statistic	Prob Level	Reject H0 at α = 0.050?
Command	**μ > 3**	**Median > 3**	**3.066**	**0.667**	**3**	**0.67**	**0.251**	**No**
Planning	**μ > 3**	**Median > 3**	**3.394**	**0.708**	**3.5**	**3.999**	**0.000**	**Yes**
Incremental	**μ > 3**	**Median > 3**	**3.656**	**0.652**	**3.83**	**6.653**	**0.000**	**Yes**
Political	**μ > 3**	**Median > 3**	**3.002**	**0.757**	**2.83**	**0.016**	**0.494**	**No**
Cultural	**μ > 3**	**Median > 3**	**3.46**	**0.556**	**3.43**	**4.664**	**0.000**	**Yes**
Enforced choice	**μ > 3**	**Median > 3**	**3.186**	**0.748**	**3.14**	**1.885**	**0.030**	**Yes**

Based on the data provided for the hypothesis tests concerning the variables, here is a summary of the results:

Command: The mean (3.066) is slightly above the threshold of 3, but the Z-Statistic (0.67) and P-Value (0.251) indicate that we do not have enough evidence to reject the null hypothesis (H0). Thus, we conclude that there is not sufficient evidence to support that the mean is greater than 3.

Planning: The mean (3.394) is significantly above 3, and the Z-Statistic (3.999) along with a P-Value (0.000) indicates strong evidence against the null hypothesis. Therefore, we reject H0 and conclude that the meaning is greater than 3.

Incremental: The mean (3.656) is well above the threshold, with a Z-Statistic (6.653) and P-Value (0.000), providing strong evidence to reject H0. Thus, we conclude that the meaning is greater than 3.

Political: The mean (3.002) is only slightly above 3, and the Z-Statistic (0.016) with a P-Value (0.494) show insufficient evidence to reject H0, indicating that the mean is not significantly greater than 3.

Cultural: The mean (3.460) is above the threshold, with a Z-Statistic (4.664) and P-Value (0.000), leading us to reject H0 and conclude that the mean is greater than 3.

Enforced Choice: The mean (3.186) is also above 3, and with a Z-Statistic (1.885) and P-Value (0.030), we reject H0, indicating that the mean is greater than 3.

Among the variables tested, 'planning,' 'gradual,' 'cultural,' and 'forced choice' provide sufficient evidence to conclude that their averages are significantly greater than 3 at the significance level $\alpha = 0.050$, while 'leadership' and 'policy' do not show significant evidence for this claim.

Overall, there is a practice of strategic development processes in small and medium-sized Arab companies operating in Istanbul regarding planning, gradual development, and culture, while there is a lack of practice in leadership and policy processes. Consequently, the null hypothesis is accepted at approximately 67%.

H2: There is no statistically significant negative relationship between the command and planning.

Table 4. 10: Correlation between Command and Planning

Null Hypothesis	**Alternative Hypothesis**	**Correlation**	**95% Confidence Limits**		**T-Value**	**P-Value**	**Reject H0 at α = 0.05?**
			Lower	**Upper**			
H0:ρ = 0	**H1:ρ < 0**	**-0.001**	**0.192**	**-0.194**	**-0.012**	**0.495**	**No**
Variables Command vs Planning							

The results in the table 4.10 show that there is not statistically significant evidence to suggest a negative correlation between the variables "Command" and " planning.", The correlation coefficient of -0.001 suggests a very weak negative correlation between Command and Planning, A P-value of 0.495 is much greater than the significance level $\alpha = 0.05$, we do not reject the null hypothesis at $\alpha = 0.05$, indicating that there is no statistically significant evidence of a negative correlation between the variables Command and Planning.

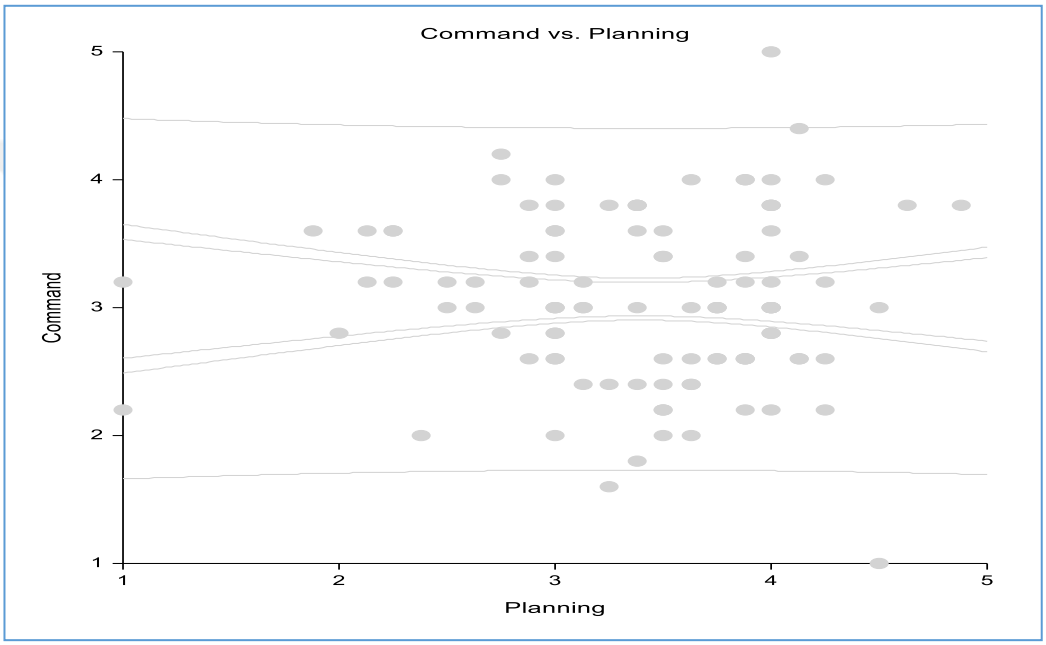


Figure 4.1: Correlation between Command and Planning

The results in Figure 4.1 is showing the relationship between the "Command" and "Planning" variables. As the correlation coefficient is very close to zero, the plot visually indicates a very weak or negligible relationship between the two variables.

H3: There is no statistically significant negative relationship between the command and Incremental.

Table 4. 11: Correlation between Command and Incremental

Null Hypothesis	Alternative Hypothesis	Correlation	95% Confidence Limits		T-Value	P-Value	Reject H0 at α = 0.05?
			Lower	Upper			
H0:ρ = 0	H1:ρ < 0	0.058	-0.137	0.248	0.584	0.72	No
Variables Command vs Incremental							

The results in the table 4.11 show that There is not enough statistical evidence to suggest a negative correlation between the variables "Command" and "Incremental." The correlation coefficient of 0.058 indicates a very weak positive relationship, A P-value of 0.720 is much greater than the significance level α = 0.05, and the confidence interval includes zero. We do not reject the null hypothesis at α = 0.05, which further supports the conclusion that the correlation is not significant

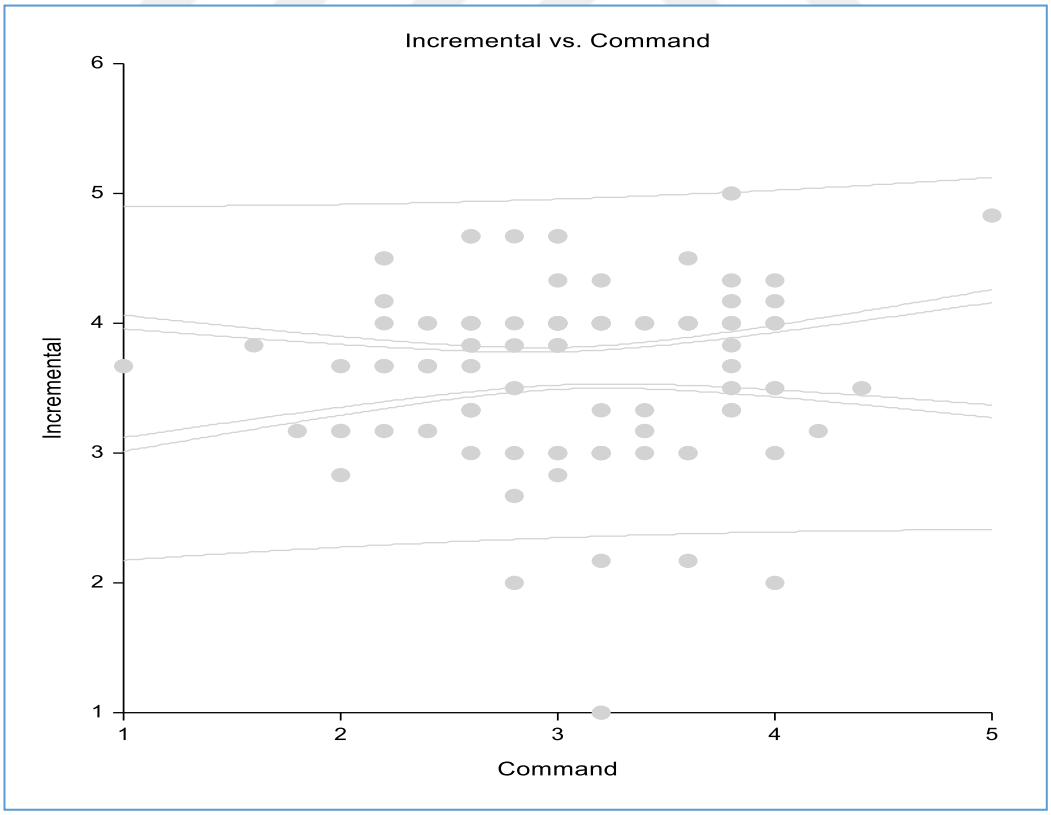


Figure 4.2: Correlation between Command and Incremental

The results in Figure 4.2 show the relationship between the "Command" and "Incremental" variables. As the correlation coefficient is very low (0.058), the plot visually indicates that the relationship is not strong.

H4: There is no statistically significant positive relationship between the command and Political.

Table 4. 12: Correlation between Command and Political

Null Hypothesis	Alternative Hypothesis	Correlation	95% Confidence Limits		T-Value	P-Value	Reject H0 at α = 0.05?
			Lower	Upper			
H0:ρ = 0	H1:ρ > 0	0.167	-0.027	0.348	1.706	0.046	Yes
Variables Command vs Political							

The results in the table 4.12 show that there is not statistically significant evidence to suggest a positive correlation between the variables "Command" and " Political", The correlation coefficient of 0.167 indicates a weak positive correlation between Command and Political, A P-value of 0.046 is less than the significance level α = 0.05, We reject the null hypothesis at α = 0.05, suggesting that there is a statistically significant positive correlation between Command and Political.

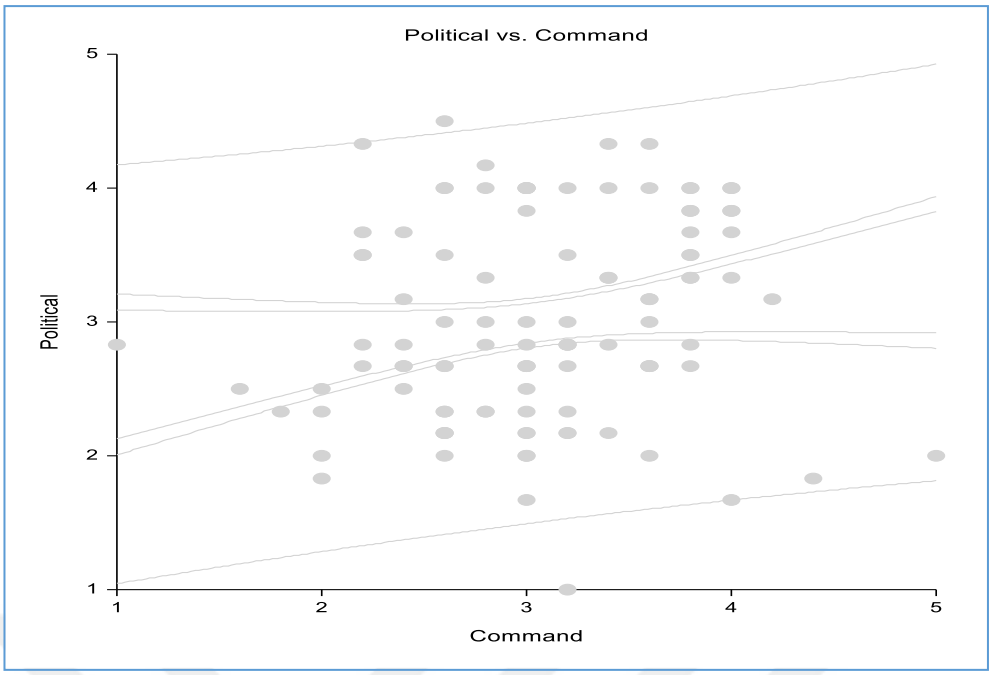


Figure 4.3: Correlation between Command and Political

The results in Figure 4.3 show the relationship between the "Command" and "Political" variables. The scatter represents the weak positive correlation (ρ = 0.167). That means the relationship is not strong. However, since the P-value (0.046) is less than 0.05, the correlation is statistically significant, meaning that there is some evidence to suggest a positive association between the two variables, even though it remains weak.

H5: There is no statistically significant Positive relationship between the planning and Incremental.

Table 4. 13: Correlation between planning and Incremental

Null Hypothesis	**Alternative Hypothesis**	**Correlation**	**95% Confidence Limits**		**T-Value**	**P-Value**	**Reject H0 at α = 0.05?**
			Lower	**Upper**			

H0:ρ = 0	**H1:ρ > 0**	**0.600**	**0.458**	**0.709**	**7.534**	**0.000**	**Yes**
Variables Planning vs Incremental							

The results in the table 4.13 show that there is statistically significant evidence to suggest a positive correlation between the variables "Planning" and " Incremental", The correlation coefficient of 0.600 indicates a moderate to strong positive correlation between "Planning" and " Incremental",, A P-value of 0.000 The P value of 0.000 is much less than the significance level α = 0.05, We reject the null hypothesis at α = 0.05, suggesting that there is a statistically significant positive correlation between "Planning" and "Incremental".

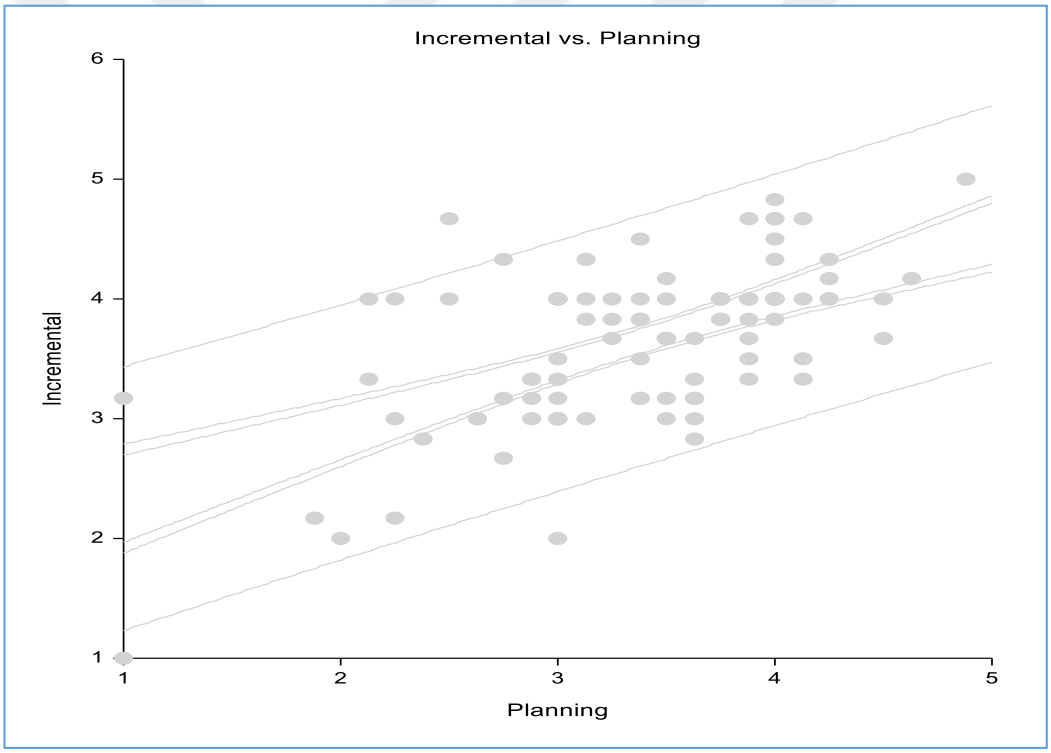


Figure 4.4: Correlation between planning and Incremental

The results in Figure 4.4 is showing the relationship between the "planning " and "Incremental" variables. The scatter represents the strong positive correlation (ρ =

0.600). The points generally follow an upward trend, indicating that as Planning increases, Incremental also tends to increase. Since the P-value (0.000) is much smaller than 0.05, this correlation is statistically significant, meaning that there is a statistically significant positive between the two variables "Planning" and "Incremental".

H6: There is no statistically significant negative relationship between the planning and Political.

Table 4. 14: Correlation between planning and Political

Null Hypothesis	Alternative Hypothesis	Correlation	95% Confidence Limits		T-Value	P-Value	Reject H0 at α = 0.05?
			Lower	Upper			
H0:ρ = 0	H1:ρ < 0	0.190	-0.004	0.368	1.943	0.973	No
Variables Planning vs Political							

The results in the table 4.14 show that. There is not statistically significant evidence to suggest a negative correlation between the variables "planning" and " Political." The correlation coefficient of 0.190 indicates a weak positive relationship, The P value of 0.973 is greater than the significance level α = 0.05, indicating that, We do not reject the null hypothesis at α = 0.05, suggesting that there is no statistically significant correlation between "Planning" and "Political."

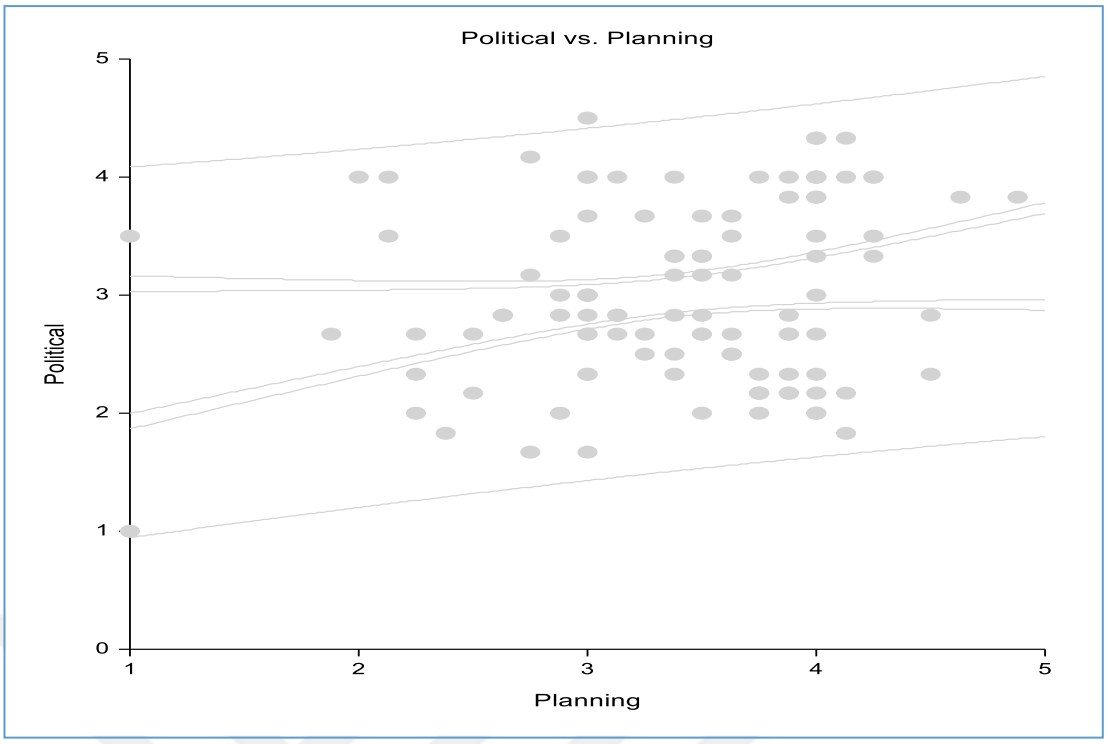


Figure 4.5: Correlation between planning and Political

The results in Figure 4.5 is showing the relationship between the "planning " and "Political" variables. the scatter represents the weak positive correlation between the two variables and the p-value of 0.973 is significantly greater than the significance level of 0.05. This indicates that the observed weak positive correlation is not statistically significant, and there is no strong evidence to suggest a meaningful relationship between 'Planning' and 'Political.'

H7: There is no statistically significant negative relationship between the planning and Cultural.

Table 4. 15: Correlation between planning and Cultural

		Correlation	**95% Confidence Limits**	**T-Value**	**P-Value**	**Reject H0**

Null Hypothesis	Alternative Hypothesis		Lower	Upper			at α = 0.05?
H0:ρ = 0	**H1:ρ < 0**	**0.492**	**0.356**	**-1.000**	**5.68**	**1.000**	**No**
Variables planning vs Cultural							

The results in the table 4.15 show that. There is not statistically significant evidence to suggest a negative correlation between the variables "planning" and " Cultural." The correlation coefficient of 0.492 indicates a moderate positive relationship, The P value of 1.000 is greater than the significance level α = 0.05, indicating that, We do not reject the null hypothesis at α = 0.05, indicating that there is insufficient evidence to conclude that there is a statistically significant negative correlation between "Planning" and "Cultural." However, the positive correlation coefficient suggests a moderate relationship that may warrant further investigation or consideration in practical applications.

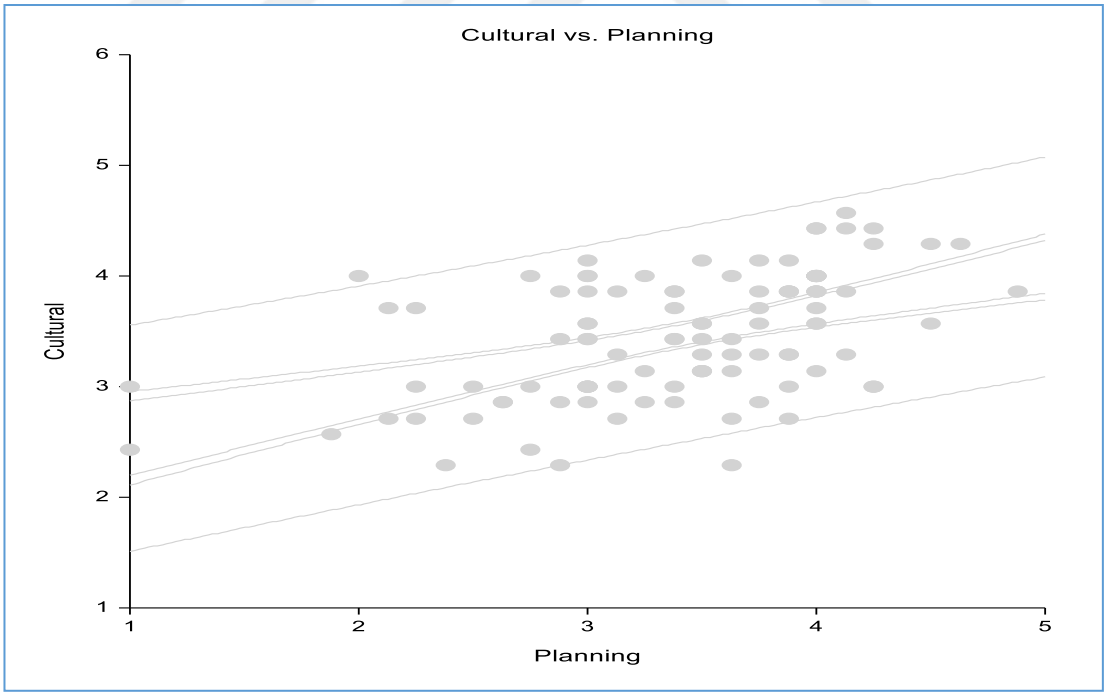


Figure 4.6: Correlation between planning and Cultural

The results in Figure 4.6 is showing the relationship between the "planning " and "Cultural" variables. The correlation coefficient of 0.492 indicates a moderate positive relationship, with data points showing a tendency for both variables to increase together, but not perfectly aligned. the p-value of 1.000, which is much greater than the significance level of 0.05 this means that there is insufficient statistical evidence to support a significant relationship between 'Planning' and 'Cultural.'

H8: There is no statistically significant negative relationship between the planning and Enforced choice.

Table 4. 16: Correlation between planning and Enforced choice

Null Hypothesis	**Alternative Hypothesis**	**Correlation**	**95% Confidence Limits**		**T-Value**	**P-Value**	**Reject H0 at α = 0.05?**
			Lower	**Upper**			
H0:ρ = 0	**H1:ρ < 0**	**-0.048**	**0.116**	**-1.000**	**-0.478**	**0.316**	**No**
Variables planning vs Enforced choice.							

The results in the table 4.16 show that. There is not statistically significant evidence to suggest a negative correlation between the variables "planning" and " Enforced choice." The correlation coefficient of -0.048 indicates a very weak negative relationship, The P value of 0.316 is greater than the significance level $\alpha = 0.05$, indicating that we do not have sufficient evidence to reject the null hypothesis. and the confidence interval include zero, the very weak negative correlation suggests that any relationship may be negligible or not practically significant. Further investigation may be needed to explore this relationship more comprehensively.

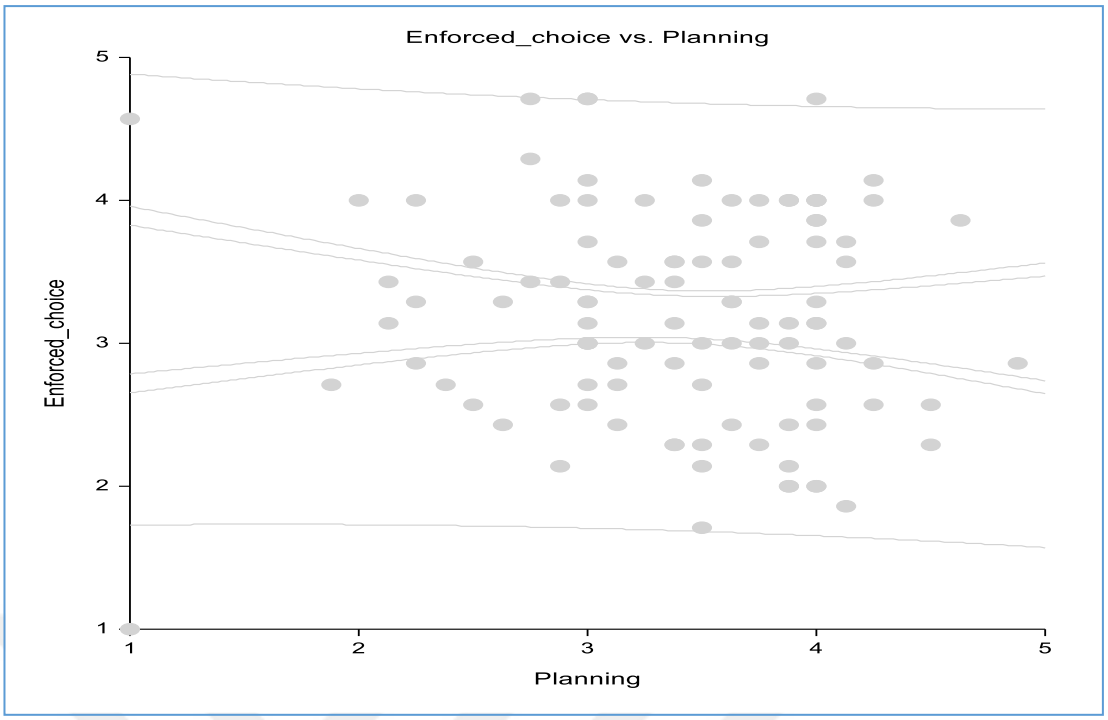


Figure 4.7: Correlation between planning and Enforced choice

The results in Figure 4.7 is showing the relationship between the "planning " and "Enforced choice" variables. The correlation coefficient of -0.048 suggests a very weak negative relationship. However, the p-value of 0.316, which is greater than the significance level ($\alpha = 0.05$), indicates that the relationship is not statistically significant. Therefore, it can be concluded that there is no meaningful or practically significant relationship between 'Planning' and 'Enforced choice.'

H9: There is no statistically significant positive relationship between political and cultural.

Table 4. 17: Correlation between political and cultural

Null Hypothesis	Alternative Hypothesis	Correlation	95% Confidence Limits		T-Value	P-Value	Reject H0 at α = 0.05?
			Lower	Upper			
H0:ρ = 0	H1:ρ > 0	0.414	0.269	1	4.577	0.000	Yes
Variables political vs Cultural							

The results in the table 4.17 show that. There is statistically significant evidence to suggest a positive correlation between the variables "political" and "cultural." The correlation coefficient of 0.414 indicates a moderate positive relationship, The P value of 0.000 is less than the significance level α = 0.05, indicating that we do not have sufficient evidence to reject the null hypothesis. and the confidence interval does not include zero, further supporting the conclusion that the correlation.

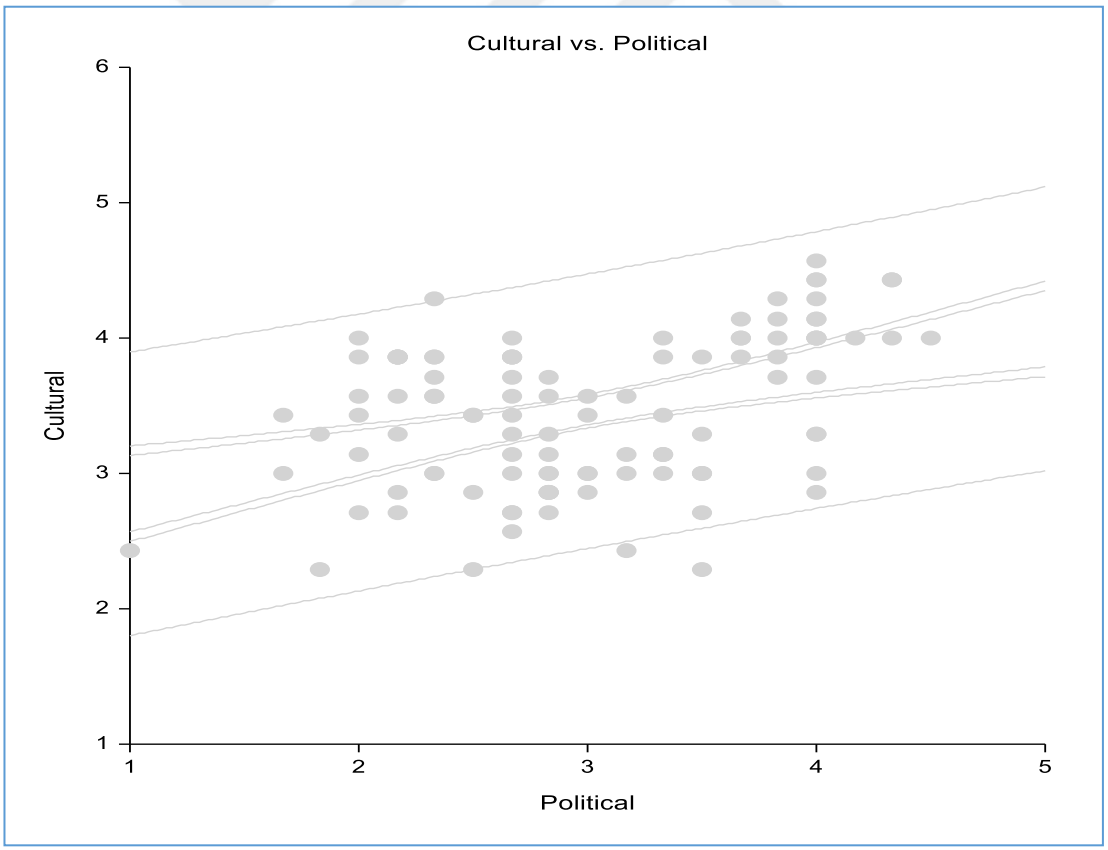


Figure 4.8: Correlation between political and cultural

The results in Figure 4.8 is showing the relationship between the "political " and "cultural" variables. The correlation coefficient of 0.414 suggests a moderate positive relationship, with data points showing a tendency to increase together. The p-value of 0.000, being less than the significance level ($\alpha = 0.05$), indicates that the correlation is statistically significant. reinforcing the conclusion that the relationship between 'Political' and 'Cultural' is meaningful.

H10: There is no statistically significant positive relationship between the political and Enforced choice.

Table 4. 18: Correlation between political and Enforced choice

Null Hypothesis	**Alternative Hypothesis**	**Correlation**	**95% Confidence Limits**		**T-Value**	**P-Value**	**Reject H0 at α = 0.05?**
			Lower	**Upper**			
H0:ρ = 0	**H1:ρ > 0**	**0.498**	**0.363**	**1**	**5.773**	**0.000**	**Yes**
Variables political and Enforced choice							

The results in the table 4.18 show that. There is statistically significant evidence to suggest a positive correlation between the variables "political" and " Enforced choice." The correlation coefficient of 0.498 indicates a moderate positive relationship, The P value of 0.000 is less than the significance level $\alpha = 0.05$, indicating that We do not have sufficient evidence to reject the null hypothesis, and the confidence interval does

not include zero, which supports the conclusion that there is a correlation between the variables.

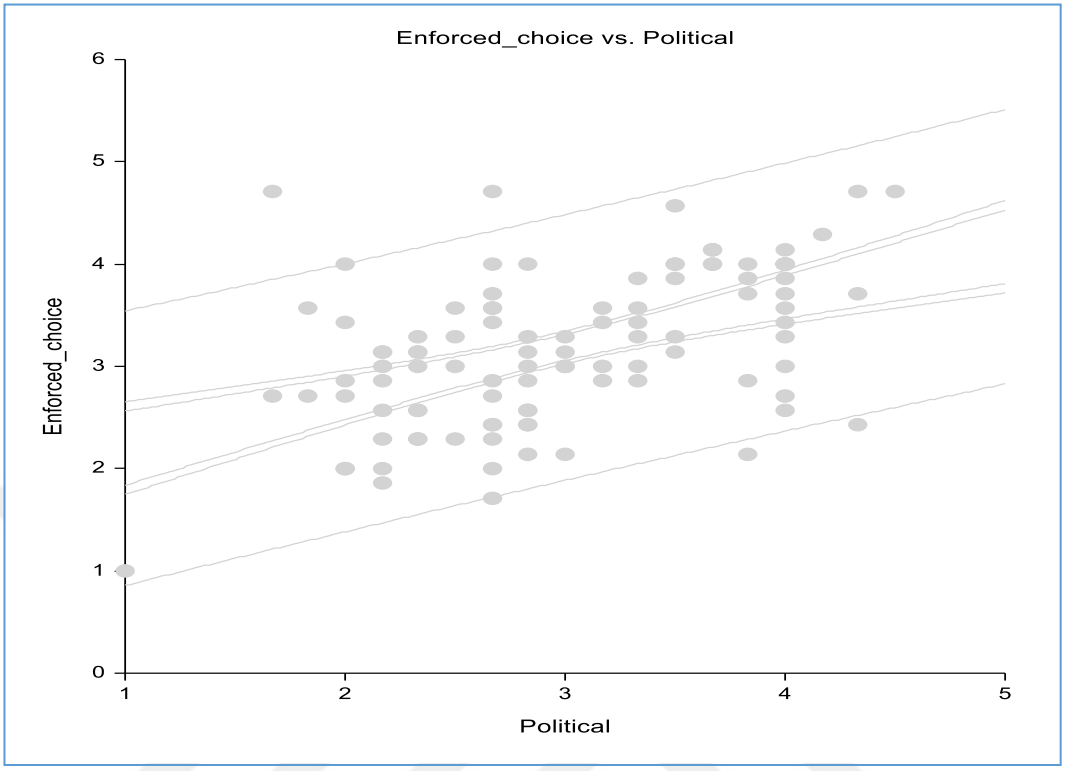


Figure 4.9: Correlation between political and Enforced choice

The results in Figure 4.9 is showing the relationship between the "political " and "Enforced choice" variables. the correlation coefficient of 0.498 suggests a moderate positive relationship, with data points showing a tendency to increase together. The p-value of 0.000, which is less than the significance level ($\alpha = 0.05$), indicates that the correlation is statistically significant. reinforcing the conclusion that there is a meaningful positive correlation between 'Political' and 'Enforced choice.'"

4.7 Results

The aim of this study was to examine the strategy development processes in small and medium-sized Arab companies operating in Istanbul through a survey-based approach.

This was achieved by highlighting the key aspects of the strategy development process and explaining how they can be effectively implemented.

- The analysis focused on assessing the reliability and validity of the study's methodology. Reliability was evaluated using measures like Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE), with values above 0.7 deemed acceptable. A CR value above 0.7 is deemed acceptable, An AVE value above 0.5 is considered acceptable. Validity was ensured through Factor Loads, which indicated that statements were appropriately aligned with their respective dimensions. Overall, the results suggest that the methodology is both reliable and valid, supporting the credibility of the study's findings.
- The Confirmatory Factor Analysis (CFA) tested whether the observed variables fit the hypothesized model. The results showed excellent fit, with a GFI value of 0.959, indicating high quality. The CFI value of 0.979 and TLI value of 0.977 both indicated excellent fit, while the NFI value of 0.946 was acceptable. The IFI value of 0.979 further supported the model's good fit. The Chi-square/df (χ^2/df) value of 1.594 and RMSEA value of 0.076 also indicated good fit, with the RMSEA value being below the acceptable threshold of 0.08. A p-value of <0.001 provided strong evidence against the hypothesis of poor fit, confirming the model's reliability.
- The correlation analysis used Pearson's correlation coefficient to examine relationships between questionnaire dimensions. The correlation analysis revealed significant relationships between several dimensions. Enforced Choice showed positive correlations with Command ($r = 0.255$, $p = 0.009$) and Cultural ($r = 0.498$, $p < .001$). Incremental had strong positive correlations with Planning ($r = 0.600$, $p < .001$) and Cultural ($r = 0.402$, $p < .001$). Planning also correlated strongly with Incremental and Cultural. Political was moderately correlated with Cultural ($r = 0.414$, $p < .001$). Overall, the findings highlight strong associations between Incremental, Planning, and Cultural, with weaker correlations observed for other dimensions.

- Among the variables tested, 'planning,' 'gradual,' 'cultural,' and 'forced choice' provide sufficient evidence to conclude that their averages are significantly greater than 3 at the significance level $\alpha = 0.050$, while 'leadership' and 'policy' do not show significant evidence for this claim.
- There is no statistically significant negative relationship between Command and Planning. The correlation coefficient of -0.001 suggests a very weak negative correlation, and the P-value of 0.495 exceeds the significance level ($\alpha = 0.05$). As a result, the null hypothesis is not rejected, confirming the absence of a significant negative correlation between the two variables.
- There is no statistically significant negative relationship between Command and Incremental. The correlation coefficient of 0.058 suggests a very weak positive relationship, and the P-value of 0.720 is significantly greater than the significance level ($\alpha = 0.05$). Additionally, since the confidence interval includes zero, there is no significant correlation, and the null hypothesis is not rejected.
- There is a statistically significant positive relationship between Command and Political. The correlation coefficient of 0.167 indicates a weak positive correlation, and the P-value of 0.046 is less than the significance level ($\alpha = 0.05$), leading to the rejection of the null hypothesis and suggesting a statistically significant positive correlation between the two variables.
- There is a statistically significant positive relationship between Planning and Incremental. The correlation coefficient of 0.600 indicates a moderate to strong positive correlation, and the P-value of 0.000 is much less than the significance level ($\alpha = 0.05$), leading to the rejection of the null hypothesis and confirming a statistically significant positive correlation between the two variables.
- There is no statistically significant negative relationship between Planning and Political. The correlation coefficient of 0.190 indicates a weak positive relationship, and the P-value of 0.973 is much greater than the significance

level ($\alpha = 0.05$), leading to the conclusion that there is no significant correlation between the two variables, and the null hypothesis is not rejected.

- There is no statistically significant negative relationship between Planning and Cultural. The correlation coefficient of 0.492 indicates a moderate positive relationship, and the P-value of 1.000 is greater than the significance level ($\alpha = 0.05$), so it shows no significant evidence of a negative correlation. The positive correlation may warrant further investigation.
- There is no statistically significant negative relationship between Planning and Enforced Choice. The correlation coefficient of -0.048 suggests a very weak negative relationship, and the P-value of 0.316is greater than the significance level $\alpha = 0.05$, indicating that indicates insufficient evidence to reject the null hypothesis. The relationship appears negligible or not practically significant.
- There is a statistically significant positive relationship between Political and Cultural. The correlation coefficient of 0.414 indicates a moderate positive relationship, and the P-value of 0.000is less than the significance level $\alpha = 0.05$, so it shows strong evidence to support a positive correlation.
- There is a statistically significant positive relationship between Political and Enforced Choice. The correlation coefficient of 0.498 indicates a moderate positive relationship, and the P-value of 0.000is less than the significance level $\alpha = 0.05$, so it provides strong evidence of a positive correlation.

Overall, there is a practice of strategic development processes in small and medium-sized Arab companies operating in Istanbul regarding planning, gradual development, and culture, while there is a lack of practice in leadership and policy processes.

4.8 Discussion

This study aimed to evaluate the strategy development processes in Arab small and medium-sized enterprises operating in Istanbul, and this was done by analyzing the various dimensions of the strategy development process. The results of the study

showed that the tool used in the research has high reliability, as its reliability was evaluated using measures such as Cronbach's alpha coefficient and composite reliability, where the results indicated high reliability exceeding the acceptable limit. Moreover, the validity of the tool was confirmed using factor analysis, which enhances the credibility of the results reached. However, despite the good results achieved, there are some points that may affect the accuracy of the study. Among these points is the use of data collected from the participants themselves, which may cause bias in the results. The sample was also selected in a convenient manner instead of randomly, which reduces the possibility of generalizing the results. In addition, the validity of the tool was inferred based on the relationships between dimensions and variables only, which may affect the accuracy of the study's conclusions. Among the most important results reached in this study, statistically significant relationships were found between several dimensions of the strategy development process. For example, a strong positive association was found between “planning” and “gradual development” with organizational cultures, indicating that firms that rely on developing gradual planning strategies tend to have a stronger organizational culture and are more responsive to the strategy development process.

Moreover, the study showed no statistically significant negative relationship between “planning” and “politics” or “planning” and “forced choice,” indicating that these dimensions do not significantly influence each other in the context of SMEs in Istanbul. On the other hand, the study showed a moderate positive relationship between “politics” and “forced choice,” opening the way for a deeper exploration of these dimensions and the factors that may contribute to shaping corporate strategies in multiple environments.

These findings are consistent with what researchers such as Hart and Banbury (1994) and Mintzberg et al. (1998), who discussed the importance of multiple strategies in improving organizational performance. They also indicated that firms that adopt a multidimensional approach to strategy development perform better than firms that rely on a limited or unidimensional approach. Accordingly, this study suggests that

multiple development strategies may be more effective in enhancing organizational performance within SMEs.

One dimension that future research could benefit from is examining the impact of different contexts on the strategy development process. Pettigrew (1985) emphasized the importance of studying strategy development processes in specific contexts, as context can significantly influence how strategies are developed. The model developed in this study can also provide an opportunity to make comparisons across industries and contexts, allowing for the study of the role of contextual factors in shaping strategy development practices.

Finally, this dissertation offers an opportunity to track changes in strategy development processes over time, allowing researchers to observe how changes in strategies affect firm performance or other organizational processes.

In conclusion, while this study makes significant contributions to understanding the complex processes of strategy development, further longitudinal studies and large-scale empirical models are needed to test the depth of these relationships and understand them across diverse contexts and industries.

CONCLUSION

This study addressed “Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study.”, with the aim of highlighting the importance of adopting these processes to achieve success and continuity in a dynamic and complex business environment. By relying on the descriptive analytical approach and case study, data was collected through questionnaires and desk studies to understand how these companies deal with the challenges and opportunities available to them.

The study reached several important results, most notably that there is a practice of strategic development processes in small and medium-sized Arab companies operating in Istanbul regarding planning, gradual development, and culture, while there is a lack of practice in leadership and policy processes and strategy development processes play a fundamental role in enabling companies to adapt to market changes, analyze the external environment and competitors, and identify internal strengths and weaknesses. The study also revealed the challenges facing Arab small and medium enterprises in Istanbul, such as economic crises, intense competition, and lack of clarity in administrative policies in some cases.

Finally, we hope that this study will contribute to motivating Arab small and medium enterprises owners in Istanbul to adopt effective strategic methodologies, enhance their sustainability in the market, and achieve sustainable growth that positively reflects on the local and international economy.

Recommendations for Future Research

The writer recommends the need to enhance the awareness of Arab small and medium-sized enterprises in Istanbul of the importance of strategic planning and adopts tools for analyzing the internal and external environment to ensure their adaptation to market variables, in addition to developing their administrative and organizational capabilities in a way that enhances their sustainability and growth in a competitive business

environment. The writer also recommends the need to conduct future research on the impact of political and economic factors on the strategies of these companies, and to explore possible support mechanisms by the relevant authorities to ensure their continuity and enhance their competitiveness in the Turkish market.

In addition, the researcher recommends expanding the scope of future studies by targeting various economic sectors and a wider segment of companies, as analyzing a larger group of companies may reveal new insights into strategy development processes and help identify best practices for their application in various sectors.

Accordingly, there is a need to conduct future studies that include different fields, most notably:

1. The impact of strategic planning on the performance of small and medium-sized enterprises: an applied study on Arab companies in Turkey.

2. Challenges of expansion and growth for Arab small and medium-sized enterprises in Turkish markets: a field study.

3. The role of cultural and administrative factors in the success of Arab SMEs in the Turkish business environment.

4. Analysis of the strategies for adapting to economic crises for Arab SMEs in Istanbul.

5. The impact of digital transformation on strategy development in SMEs: a study on Arab companies in Turkey.

6. The role of innovation and entrepreneurship in enhancing competitiveness of Arab SMEs in Istanbul.

7. The impact of the Turkish business environment on the development of strategies for Arab SMEs: challenges and opportunities.

8. The role of human capital in improving strategy development processes in Arab SMEs in Turkey.

These research proposals help expand the scope of understanding about strategic management for SMEs, especially in the context of Arab companies operating in

external environments such as Turkey, which contributes to the development of more efficient and sustainable strategies for these companies.

Limitations and Future Research Directions

Although this study provides important insights into the strategy development processes of Arab SMEs operating in Istanbul, there are some limitations that could serve as a starting point for future research.

First, this study focused solely on Arab-owned SMEs in Istanbul. While this focus provides a unique insight into the nature of this group of companies, the study's findings may not apply to other Arab companies in Turkey or elsewhere with Arab presence. Therefore, future studies would be useful to include other regions or countries, allowing for broader and more comprehensive comparisons.

Second, this study relied on a quantitative research approach, using questionnaires to examine six different approaches to strategy development. While this approach helps generate measurable and analyzable data, it does not capture the in-depth insights that qualitative research methods, such as personal interviews or case studies, can reveal, which may better explain how decisions are made and the factors that influence strategy selection.

Third, the study focused on six pre-established approaches to strategy development: directive, planning, incremental, political, cultural, and forced choice. However, future research may reveal new or hybrid strategic approaches, particularly in dynamic markets like Istanbul, particularly in light of the changes brought about by digital transformation and the post-COVID-19 pandemic.

By taking these limitations into account in future studies, it will be possible to gain a deeper and more comprehensive understanding of how Arab SMEs develop and adapt their strategies to suit competitive business environments.

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APPENDICES

Appendix 1. Proposal Letter for Participation in Survey (English)

Respected respondent,

This online questionnaire is being performed by Abdulrahman Khaled Abdullah Yahya AL-BAREDA, an MBA student at Istanbul Sabahattin Zaim University, currently conducting research for my thesis. This study, titled " Assessing Strategy Development Processes at Small and Medium Arab Companies Operating in Istanbul: A Survey-Based Study " examines the processes of strategic development and its role in Arab companies operating in Istanbul.

The survey contains 49 questions, and this survey will take around 5-7 minutes of your time to complete. However, feel free to take your time and provide thoughtful responses, as they are crucial for a comprehensive analysis.

I sincerely appreciate your time and valuable contribution to this academic research. Your participation will play a vital role in enhancing our understanding in evaluating strategy development processes in Arab companies in Istanbul. If you need more information about the research, please don't hesitate to get in touch with me.

Kind Regards,

Abdulrahman Khaled Abdullah Yahya AL-BAREDA

Istanbul Sabahattin Zaim University

Institute of Social Sciences

Business Management

Graduate Student

Appendix 2. Survey Form (English)

Demographic questions

1. I have read the information that must be provided to participants before starting the research as stated above. I declare that I voluntarily consent to the use of the information obtained about me within the scope of the research for scientific purposes, to be submitted and published in accordance with confidentiality rules, without any pressure or coercion. *
   - o I have read. I accept.

2. What is your nationality?

3. What is your country of residence?

4. Gender
   - o Male
   - o Female
5. Age
   - o 20 and below
   - o 21 – 30
   - o 31 – 40
   - o 41 – 50
   - o 51 and above
6. Marital status.
   - o Single

- Married
- Divorced
- Widowed

7. Educational
   - High school
   - Undergraduate
   - Bachelor's Degree
   - Graduate (Master’s)
   - Graduate (PhD/Doctoral)
   - Master’s Degree
   - PhD/Doctoral
8. Personal monthly income
   - 17.002 TL TL and below
   - 17.002 TL -30.000TL
   - 30.001 - 40.000 TL
   - 40.000 - 50.000 TL
   - 50.000 TL and above
9. your position in the company
   - Director general
   - Department/Department Manager
   - employee
   - trainee
   - Other
10. the company’s field of work
    - Trade and distribution
    - Construction and architecture
    - tourism
    - Real Estate Investment
    - Transportation and logistics
    - Technology and software
    - Other

Command

11. A senior figure's vision is our strategy
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

12. The chief executive determines our strategic direction
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

13. The strategy we follow is directed at by a vision of the future associated with the chief executive (or another senior figure)
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

14. Our strategy is closely associated with a particular individual
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

15. Our chief executive tends to impose strategic decisions (rather than consulting the top management team)
- Strongly Disagree

- Disagree
- Netural
- Agree
- Strongly Agree

Planning

16. Our strategy is made explicit in the form of precise plans
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

17. When we formulate a strategy, it is planned in detail
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

18. We have precise procedures for achieving strategic objectives
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

19. We have well-defined planning procedures to search for solutions to strategic problems
- Strongly Disagree
- Disagree
- Netural

- Agree
- Strongly Agree

20. We meticulously assess many alternatives when deciding on a strategy
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

21. We evaluate potential strategic options against explicit strategic objectives
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

22. We have definite and precise strategic objectives
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

23. We make strategic decisions based on a systematic analysis of our business environment
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

Incremental

24. Our strategy develops through a process of ongoing adjustment
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

25. Our strategy is continually adjusted as changes occur in the marketplace
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

26. To keep in line with our business environment we make continual small-scale changes to strategy
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

27. Our strategies emerge gradually as we respond to the need to change
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

28. We keep early commitment to a strategy tentative and subject to review
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

29. We tend to develop strategy by experimenting and trying new approaches in the marketplace
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

Political

30. Our strategy is a compromise which accommodates the conflicting interests of powerful groups and individuals
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

31. The vested interests of particular internal groups colour our strategy
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

32. Our strategies often have to be changed because certain groups block their implementation
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

33. Our strategy develops through a process of bargaining and negotiation between groups or individuals
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

34. The information on which our strategy is developed often reflects the interests of certain groups
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

35. The decision to adopt a strategy is influenced by the power of the group sponsoring it
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

Cultural

36. There is a way of doing things in this organization which has developed over the years
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

37. Our strategy is based on past experience
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

38. The strategy we follow is dictated by our culture
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

39. The attitudes, behaviours, rituals, and stories of this organization reflect the direction we wish to take in
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

40. Our organization’s history directs our search for solutions to strategic issues
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

41. There is resistance to any strategic change which does not sit well with our culture
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

42. The strategies we follow develop from ‘the way we do things around here’
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

Enforced choice.

43. Our freedom of strategic choice is severely restricted by our external business environment
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

44. Forces outside this organization determine our strategic direction
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

45. Barriers exist in our business environment which significantly restrict the strategies we can follow
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

46. We have a strategy imposed on us by those external to this organization, for example the government
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

47. We are not able to influence our business environment; we can only buffer ourselves from it
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

48. We are severely limited in our ability to influence the business environment in which we operate
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

49. Many of the strategic changes which have taken place have been forced on us by those outside this organization
- Strongly Disagree
- Disagree
- Netural
- Agree
- Strongly Agree

RESUME

A. Education

Graduate: Istanbul Sabahattin Zaim University

MBA, Business Administration and Management

(2022- 2025)

Undergraduate: Karabük Üniversitesi

Bachelor of Mechatronics Engineering

(2017 - 2021)

B. Experience

Assistant Control Engineer and PLC Programmer at TeknoPlan, Turkey (6 months) – worked in the automation department for cutting, slicing, and shearing steel production lines.

(2021)

Purchasing and Sales Manager at Mass Arabia for Production Lines and Industrial Machinery in Istanbul.

(2021-2022)

Founder and Manager of Omran Group for Trading and Tourism Services.

(2022 – Present)

C Languages

English: Advanced

Turkish: Advanced

Arabic: Native