

Export performance and international resources and capabilities: a quantitative study on born globals

Dafnis N. Coudounaris

*Department of Marketing, Hanken School of Economics, Vaasa, Finland and
Global MBA Programme, University of London, London, UK, and*

Peter Björk

Department of Marketing, Hanken School of Economics, Vaasa, Finland

Abstract

Purpose – This paper aims to investigate the internal factors of resources and capabilities of five born globals (BGs) from Estonia. It explores quantitatively the internal factors between a medium BG and four small BGs.

Design/methodology/approach – The study used a survey questionnaire in collecting information from the CEOs of BGs. The questionnaire consisted of 105 questions relevant to export sales related to differences in internal factors.

Findings – The firms' size and industrial sector play a role in export sales due to differences in internal factors. Small BGs expect financially based rewards, non-financial rewards, the job satisfaction of sales representatives with the export manager, and with work in general, and the representatives' job satisfaction is higher in the small BGs than in the medium BG. The sales representatives' job performance, their work performance, sales presentations, technical knowledge, adaptiveness, teamwork, planning, support, the organisational capabilities for business identification, relationship-building and innovation are all higher in medium BGs than in small BGs. Eleven sub-constructs of the model were shown to be important for small BGs.

Originality/value – The current study is focused on BGs from Estonia, i.e. small BGs and medium BGs. The study contributes to the internal factors of resources and capabilities of BGs as well as to the literature review on BGs. It also provides a logical conceptual model, indicating that the export manager's job satisfaction is the central construct influenced by antecedent factors and is related directly to the export sales performance of the BG.

Keywords Export sales management, Internal factors of resources and capabilities, The outcome of export performance, Small BGs and medium BG, Industrial sectors in Estonia

Paper type Research paper

1. Introduction

In the export literature, there is a plethora of published papers dealing with exporting (Leonidou *et al.*, 2010). However, due to differences in internal factors, export sales do not



grow fast enough and with the same pace as the export literature suggests. In recent export literature, there have been studies on the export promotion programmes of small and medium-sized enterprises (SMEs) (Coudounaris, 2018a) and typologies of the internationalisation pathways for SMEs (Coudounaris, 2018b). In the past, several studies have been analysed through a qualitative study using the grounded theory approach (Coudounaris and Valtonen, 2021) and a content analysis approach (Coudounaris *et al.*, 2009; Leonidou *et al.*, 2010). This study uses a quantitative analysis approach. Previous research on Estonian born globals (BGs) has revealed issues related to the emergence and success factors of fast internationalisers (Vissak, 2007). The research gap of this study originates from Kraaijenbrink *et al.* (2010, Table 2, p. 361), who suggest future research should “conduct more process-based empirical research within the research-based view (RBV) frame to probe how resource-based sustained competitive advantage (SCA)” and “identify types or characteristics of resources that help refine the predictions of the RBV”. In addition, research on export sales with focus on firms’ internal resources is lacking in the literature, and therefore this is an important gap in the existing literature. Moreover, the empirical context of Estonian small and medium BGs is important/relevant to scholars in this field, e.g. Vissak and Masso (2015), Mets (2009), Vadi and Türk (2009) and others who study the Estonian context with a large number of small start-ups facing, for example, “the important problem of insufficient cooperation, on the one hand, between enterprises themselves and, on the other, cooperation with the State” (Vadi and Türk, 2009, p. 48), which differs from the North American context in terms of the size of companies, i.e. multinational enterprises and large companies, and the high level of cooperation between firms and the state.

There is evidence from previous studies that there is a strong relationship between job satisfaction and job performance (Jaworski *et al.*, 1993; Cravens *et al.*, 2014; Perera *et al.*, 2014). Therefore, the current model can be considered as an advancement of existing literature. However, there is a need for the proposed conceptual model in the current study to be tested empirically among BGs of a specific industrial sector, e.g. the information technology (IT) sector, where there are usually many BGs.

According to e-Estonia.com, the government of Estonia extensively supports start-ups in the country with different programmes. Moreover, according to startupestonia.ee, Estonia has “a vibrant and welcoming startup community, eager to support ambitious individuals and startups”. Estonia invites start-ups worldwide to be a part of its ecosystem of start-ups, already home to more than 1,400 start-ups and 10 unicorns. Furthermore, the country seems to have many hundreds of start-ups in the IT sector, and this sector has many BGs. Therefore, knowing about Estonian BGs is important, and this may advance the existing literature on BGs. Some authors, for example, Vissak (2007), have already investigated BGs in Estonia.

This study explores the internal factors/resources and capabilities of exporting firms, such as morale, job satisfaction, the behavioural and outcome performance of export managers, as well as the reward systems of SMEs, which have received attention in the export literature (Coudounaris, 2011). However, the relationships between export managers’ capabilities, reward systems, level of morale, job satisfaction, outcome and behavioural performance have not been examined or validated in the Estonian context by other authors.

Various studies have shown that the possession of strategic resources or capabilities has influenced firm performance (Coff, 1999; Ray *et al.*, 2004; Sheehan and Foss, 2007). According to Barney (1991, Figure 2, p. 112), firm resource heterogeneity and immobility impact resources which are “valuable, rare, imperfectly mobile and non-substitutable”, which in turn can lead firms to sustained competitive advantage. However, Andersen (2011, p. 89) argues that five criteria, namely, fit with resources, management capability, marketing

capability, firm appropriation of rent and non-competitive disadvantages, may lead to high performance.

Unfortunately, recent literature on export sales rewards has paid little attention to reward systems among different types of BGs, namely, small versus medium BGs.

The literature on BGs is growing exponentially, and a recent paper by [Dow \(2017\)](#) discusses the key findings. However, the scope of this study does not go deeply into BG literature but rather investigates the strategic internal factors, specifically resources and capabilities, among small and medium BGs. One of the critiques related to BGs was why this type of pathway does not follow the initial Uppsala model I ([Johanson and Vahlne, 1977](#)). An investigation of UK SMEs ([Coudounaris, 1984](#)) revealed that the psychic distance concept of the Uppsala model I is not always followed by all sizes of firms, particularly SMEs.

Therefore, based on the above discussion, the research question of this study is the following:

- RQ1.* How do internal factors/resources and capabilities impact job satisfaction, and, conversely?
- RQ2.* How does job satisfaction influence the export sales performance of five born globals in the Estonian context?

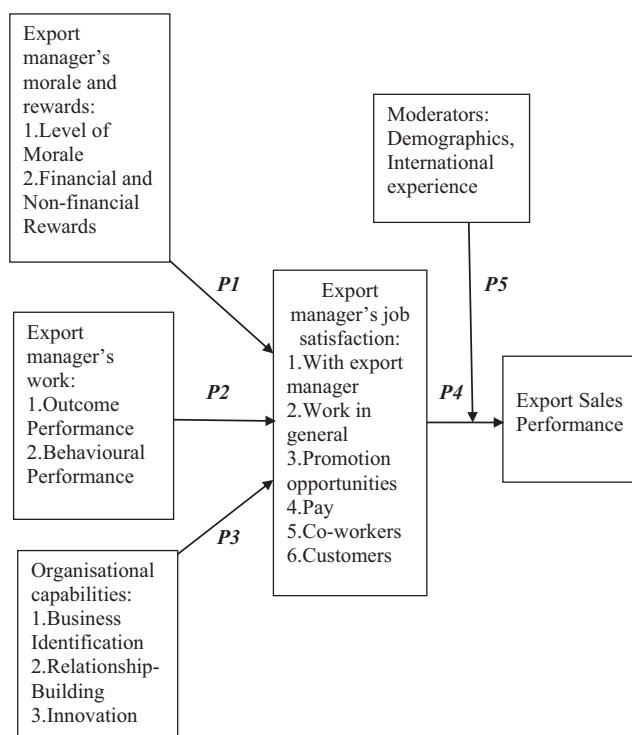
In addition, other objectives of the study are to find differences in internal factors/resources and capabilities that impact the export sales performance of small BGs compared to medium BGs in three different industrial sectors, namely, the 81st, 30th and 133rd sectors. It is worth referencing the work of [Dimitratos *et al.* \(2003\)](#), who studied five micro-multinationals in the information and communication technology industry based in the USA, the UK and Greece. However, the current study includes only two companies belonging to 133rd sector, which comprises information and communication technology, and therefore the results are not comparable.

This study is focused on a survey based on Estonian exporters. In the past, there have been some studies on Estonian exporters, but with differing results ([Vissak and Masso, 2015](#)). The first study revealed that [Vissak and Masso \(2015, p. 652\)](#) developed “a typology of 13 major export patterns and 11 sub-patterns and identified the frequency of each export pattern using detailed firm- and market-level export data”. They concluded that:

69% of Estonian exporters (excluding 1st-year exporters) reduced or stopped exporting to at least one market, 58% exported only for 1 year and that born globals and traditional internationalizers were rare, meaning that many firms started exporting soon after foundation but had a low export share and/or a small number of export markets. ([Vissak and Masso, 2015, p. 652](#))

Furthermore, in Estonia, there has been a study among four BGs, which revealed among other findings that there were five factors which affected the internationalisation of these companies, namely, the business environment, management orientation, network relationships, the company’s unique strengths (resources and capabilities) and very fast international development ([Vissak, 2007, Table 3, p. 21](#)).

The contribution of this study is in the area of export internal resources and capabilities, in the fact that small BGs focus more on export manager factors (i.e. level of morale, and financial and non-financial rewards) and the export manager’s job satisfaction, as compared to medium BGs, which concentrate more on the export manager’s internal resources/factors (i.e. job outcome performance and the manager’s work behavioural performance) and capabilities (see [Figure 1](#)).



Note: Compiled by the authors

Figure 1.
Conceptual model:
antecedent factors of
job satisfaction and
outcome

This current study is focused on BGs (see Note: Definition of BGs used in this study) from Estonia, and the results show a difference in comparison with the findings of a previous article (Coudounaris, 2011), which included all kinds of exporters from Cyprus and Malta. Future researchers and policymakers of BGs should focus on the internal factors of resources and capabilities. Furthermore, this current research is quantitative, with particular focus on BGs (i.e. small and medium BGs in Estonia), and future researchers should concentrate on the specific internal factors of resources and capabilities.

The following sections include a literature review, methodology, findings, conclusions, theoretical and managerial implications, and limitations and future research.

2. Literature review: theoretical background

2.1 The resource-based view

During the past three decades, several export performance models have been developed based on the resource-based view (RBV) theory (Barney, 1991; Barney *et al.*, 2001).

The RBV considers that a firm controls resources and capabilities which determine its competitive advantage and export performance (Katsikeas *et al.*, 2000; Barney *et al.*, 2001). The underlying assumption of RBV is that the product markets are stable and constant, as the resources cannot be perfectly imitated and transferred (Kraaijenbrink *et al.*, 2010). In addition, Barney (1991) and other authors such as Amit and Shoemaker (1993), Peteraf (1993) and Fahy and Smithee (1999) have focused on issues in RBV. Furthermore,

Clulow *et al.* (2007, p. 19) have investigated whether key resources that hold value for one company also hold value for the customer. Clulow *et al.* (2007, p. 21) developed a model which included the key resources (tangible/intangible assets and capabilities in relation to barriers to duplication and appropriability) and their relationship to sustainable competitive advantage and superior performance.

Recently, different research has considered the behavioural managerial characteristics which influence export managers' decisions and have an impact on the firm's export performance (Coudounaris, 2021). Due to the limitations of RBV theory (Chen *et al.*, 2016) and absence of limiting behavioural assumptions, the author also includes export managerial behaviour, which includes behavioural determinants such as reward systems, level of morale, job satisfaction and outcome and behavioural performance.

According to Kazlauskaitė *et al.* (2015), the RBV arguments partly explain the internationalisation process of emerging SMEs. This is because:

[...] the internationalisation of SMEs from emerging economies (for example, in Estonia) is driven by the exploitation of cost advantage, and the motivation to gain new knowledge that is not available domestically, and therefore SMEs enhance their domestic market reputation. (Kazlauskaitė *et al.*, 2015, p. 53)

3. Methodology

The research is based in Estonia and is a quantitative study. The questionnaire, including the scales, was developed from existing literature, in particular one used in another similar investigation used for Cypriot and Maltese exporters (Coudounaris, 2011). The design of the questionnaire was tested by three professors in the field of exports, and an independent exporter was asked for modifications. The questionnaire consisted of 105 questions relevant to export sales related to differences in internal factors of resources and capabilities. As soon as the questionnaire was developed, it was sent to all members of the Estonian Exporters' Database (www.tradewithestonia.com/estonian-export-companies/). Eventually, five firms accepted our invitation to participate in the investigation by answering a survey questionnaire and completing an online questionnaire on the platform www.connect.ee. The companies were contacted by phone before their decision was made to participate in the investigation by their CEOs.

3.1 Quantitative analysis

To answer the research question of this study, a quantitative study of exporting manufacturing and service companies was conducted. The analysis is based on the means of variables engaged in this study, which were collected from the four Estonian BGs.

In total, the instrument of this research comprises nine different constructs with appropriate scales for each construct. Each construct includes a certain number of items, which are based on the pertinent exporting literature. Reviews of the literature revealed that studies tend to focus on the direct influence of antecedents on export performance and to ignore their intermediate and interactive influence (Chen *et al.*, 2016). Therefore, this research takes a further step in considering the moderation effects, thereby improving the basic theoretical conceptual framework, and providing a more comprehensive view.

The research instrument is a structured questionnaire, which consists of six major parts (see Internal resources and capabilities: assessing the reward system of a firm's export sales department). The first part involves demographic variables. The second section includes

two statements on international experience. The third section consists of six statements regarding financial rewards and eight statements concerning non-financial rewards. The fourth part involves 11 statements measuring the level of managers' morale. The fifth section measures managers' job satisfaction with 27 statements in 6 subgroups. The sixth part focuses on manager's outcome performance with 7 statements and managers' behavioural performance with 27 statements on behavioural issues. Finally, the seventh section measures organisational capabilities and includes three subgroups of 12 statements related to business identification, relationship-building, and innovation.

Internal resources and capabilities: assessing the reward system of a firm's export sales department:

- (1) 1st section: DEMOGRAPHICS: 6 statements
- (2) 2nd section: INTERNATIONAL EXPERIENCE: 2 statements
- (3) 3rd section: REWARDS
 - FINANCIALLY BASED REWARDS: 6 statements
 - NON-FINANCIAL REWARDS: 8 statements
- (4) 4th section: LEVEL OF REPRESENTATIVES' MORALE: 11 statements
- (5) 5th section: REPRESENTATIVES' JOB SATISFACTION: 26 statements
 - JOB SATISFACTION – WITH EXPORT MANAGER
 - JOB SATISFACTION – WORK IN GENERAL
 - JOB SATISFACTION – PROMOTION OPPORTUNITIES
 - JOB SATISFACTION – PAY
 - JOB SATISFACTION – CO-WORKERS
 - JOB SATISFACTION - CUSTOMERS
- (6) 6th section: REPRESENTATIVES' JOB PERFORMANCE:
 - OUTCOME PERFORMANCE: 7 statements
 - BEHAVIOURAL PERFORMANCE: 27 statements
 - SALES PRESENTATIONS
 - TECHNICAL KNOWLEDGE
 - ADAPTIVENESS
 - TEAMWORK
 - PLANNING
 - SUPPORT
- (7) 7th section: ORGANISATIONAL CAPABILITIES: 12 statements
 - BUSINESS IDENTIFICATION
 - RELATIONSHIP-BUILDING
 - INNOVATION

Note: Compiled by the authors

The above list shows a summary of the internal resources and capabilities which are used in the questionnaire. The various statements of the questionnaire are measured by a Likert scale from 1 to 7, where 1 means strongly disagree and 7 strongly agree. Zero means not applicable.

3.2 Estonian Exporters' Database and the questionnaire

The Estonian Exporters' Database includes manufacturing and service sectors. Specifically, the manufacturing sectors consist of 1,759 companies, while the service sectors consist of 648 companies (see [Table 1](#) below).

3.3 The five cases

The five cases examined in this study consist of five companies: Company A, Company C, Company D and Company E, which are small BGs with less than 13 employees, and one company which is a medium BG: Company B, which has 170 employees. All the companies are BGs, as the ratio of exports to turnover is very high. Company A belongs to sector 30, Company B and Company C to sector 81 and Company D and Company E to sector 133.

3.3.1 Company A. Company A belongs to sector 30, which specialises in manufacturing, chemicals and chemical products, cosmetics and other food products. The company produces innovative food supplements, with the highest absorption rates and bioavailability to reach body cells directly and avoid digestive barriers. It was established in 2005 and is a small firm with five employees. This company is a BG, as its exports to turnover ratio is more than 50%. It exports to Europe and Scandinavia. The export manager replied to the questionnaire, and her income was in the area of 15,000 to 30,000 euros per year.

3.3.2 Company B. Company B belongs to sector 81, which specialises in manufacturing and construction materials. The company is an expert in the technical design, manufacturing and assembly of prefabricated concrete products (design-build of pre-cast frame). It produces wall elements (one- and three-layer), hollow-core slabs ($h = 220, 265$ and 320 mm), balcony elements, stair elements and framework elements (columns, crossbar beams, restressed slabs, TT-slabs). It was established in 1961 and is a medium BG with 170 employees. The company is a BG, as in 2014 the ratio of exports to turnover was 45%. It

Sectors*	Manufacturing sectors		Service sectors	
	No. of companies		No. of companies	
Chemicals and chemical products	34	Business services	304	
Clothing and textiles	111	Energy technology and telecommunications	204	
Electronics and optics	61	Transport and logistics	98	
Food and beverages	128	Water supply, sewerage, waste management and remediation activities	13	
Furniture	313			
Glass and glass products	16			
Machinery	166			
Metalworking	351			
Mining	7			
Packaging	25			
Paper and paper products	11			
Plastic products	51			
Printing	97			
Wood	307			
Total	1,759	Total	648	

Table 1. Companies in the Estonian exporters' database

Note: *The various categories of sectors in the analysis are numbered by the Estonian Chamber of Commerce

Source: Compiled by the authors

exports to Scandinavia and Latvia. The sales and marketing manager replied to the questionnaire, and her income was in the area of 30,000 to 45,000 euros.

3.3.3 Company C. Company C belongs to sector 81, which specialises in manufacturing and construction materials. This company is the leading designer, manufacturer and installer of floating marina solutions in the Baltic States and Nordic countries. It has supplied its customers and partners with a wide range of floating marina products and services, which include everything that a modern floating harbour needs: HD pontoons, mooring fingers, pump-out stations, floating houses, safety equipment, etc. This company has delivered and installed marinas in more than ten countries in Europe and Asia. It was established in 2004 and is a small firm with 13 employees. The company is a BG, as the ratio of exports to turnover was 74% in 2013, 55% in 2014 and 45% in 2015. It exports to Central Europe and Scandinavia. The financial controller replied to the questionnaire, and her income was between 30,000 to 45,000 euros.

3.3.4 Company D. Company D belongs to sector 133, which includes business services, information technology and telecommunications, computer programming and consultancy activities, data processing, hosting, web portals and e-marketing. The company is a user experience consultancy specialising in user interface design and usability testing for interactive products: desktop and web applications, mobiles and handhelds, ATMs and touchscreen kiosks. It is represented in Estonia, Latvia, Russia and Canada. It was established in 2009 and is a small firm with seven employees. The company is a BG, as in 2014, the ratio of exports to turnover was 80%. It exports to North America, the European Union 27 and Scandinavia. The owner of the company replied to the questionnaire, and his income was in the area of 15,000 to 30,000 euros.

3.3.5 Company E. Company E belongs to sector 133, which includes business services, information technology and telecommunications, computer programming and consultancy activities, data processing, hosting, web-portals and e-marketing. The company is Estonian, in IT training, and is represented in Estonia and Finland. It is a small firm with five employees. It was established in 2019, and its ratio of exports to turnover was 75% in 2020. The sales manager replied to the questionnaire, and his income was more than 60,000 euros.

4. Findings

4.1 Control variables – size factor based on number of employees and industry sector

The study reveals a number of issues. Initially, based on the additions of evaluations given below by medium BG (company B) as compared to those of small BGs (companies A, C, D and E) (see Column 7, [Appendix](#)), the results show that medium BGs provide fewer financial rewards compared to small BGs. In addition, small BGs expect financially based rewards, non-financial rewards, and the level of the representatives' morale is higher than medium BGs. Furthermore, the representatives' job satisfaction with the export manager and work in general is higher for small BGs than medium BGs. The representatives' job satisfaction (due to pay, co-workers and customers) and their job performance (outcome performance) are higher for small BGs than medium BGs. In addition, the representatives' job performance (behavioural performance), sales presentations, technical knowledge, adaptiveness, teamwork, planning and support are higher for medium BGs than small BGs. Finally, the organisational capabilities for business identification, relationship-building and innovation are higher for medium BGs than small BGs. The rest of the results, for example, representatives' job satisfaction due to promotion opportunities, are mixed.

In addition, based on Columns (8), (9) and (10) of the [Appendix](#) below, one can conclude that there are significant differences among the 81st, 30th and 133rd sectors for all the

grouped variables except for rep's job performance: b) behavioural performance: technical knowledge (variables 72–74).

Moreover, the [Appendix](#) reveals that 11 out of the 19 sub-constructs have a total mean value of more than 5. In particular, the important 11 subconstructs of the model are as follows:

- (1) non-financial rewards;
- (2) rep's job satisfaction – with export manager;
- (3) rep's job satisfaction – work in general;
- (4) rep's job satisfaction – co-workers;
- (5) rep's job performance: behavioural performance – sales presentations;
- (6) rep's job performance: behavioural performance – technical knowledge;
- (7) rep's job performance: behavioural performance – adaptiveness;
- (8) rep's job performance: behavioural performance – support;
- (9) organisational capabilities – business identification;
- (10) organisational capabilities – relationship-building; and
- (11) organisational capabilities – innovation.

The above findings add new insights to the Estonian context of BGs. In another study in Estonia, [Vissak \(2007\)](#) investigated four cases of BG companies, and the findings revealed five factors affecting the internationalisation of these companies. In particular, these five factors included the business environment, the management's orientation, network relationships, unique strengths (resources and capabilities) and very fast international development ([Vissak, 2007](#), Table 3, p. 21).

Furthermore, in another study, [Coudounaris \(2011\)](#) investigated 52 Cypriot exporting companies (not particularly BGs), and the results showed that the export managers' rewards and level of morale were found to be critical factors affecting export performance. In addition, the study found that:

The managers' financial and nonfinancial rewards influenced the managers' level of morale, which in turn affected the managers' behavioural performance, and the managers' behavioral performance influenced the managers' outcome performance, which, finally, affected the firms' export performance. ([Coudounaris, 2011](#), p. 324)

4.2 Conceptual model and propositions

Below, based on the findings of this study, the author develops the conceptual model of the study and builds four propositions.

The proposed causal conceptual model in [Figure 1](#) (see above) is based on existing literature. It includes four antecedent factors, namely, export manager's morale and rewards, export manager's work, organisational capabilities, export manager's job satisfaction and two moderating variables, namely, demographics and international experience. Moderators represent the appropriate conditions that validate or invalidate the relationships under investigation ([Yeoh and Jeong, 1995](#)). According to [Chen et al. \(2016\)](#), moderating variables offer a feasible explanation for the inconsistent empirical results and identify the contextual difference in relationships.

[Chen et al. \(2016\)](#) refer to level of morale, rewards, job satisfaction, behavioural performance and job performance as managerial characteristics. Managerial factors are crucial for business success because export managers make decisions and develop strategies

to enhance and expand their overseas markets, which will inevitably influence the firm's export performance (Katsikeas *et al.*, 2000).

Chen *et al.* (2016) argue that due to inconsistent findings with respect to management factors, there is a need for further in-depth studies on managerial influences. This study will provide a better understanding of the key role of managers, including their perceptions and behaviours and the size of BGs in improving export performance, and will provide implications for export firms.

Maintaining a high level of morale for salespersons plays an important role in export sales. The level of morale refers to mental and emotional attitude towards the environment (Coudounaris, 2011). In 2003, Spiro referred to the level of morale as a crucial construct in the motivation of sales performance. According to Stanton and Spiro (1999), the level of morale can be measured by different variables. On the one hand, low morale can be measured by the activities of sales managers (for instance, complaint behaviour, development of outside interests and unsatisfactory export sales performance). On the other hand, high morale can be measured by the different actions or activities of sales managers (e.g. involvement, sharing company values and doing more than expected) (Coudounaris, 2011).

There are two types of rewards. Financial rewards can be basic compensation including salary, commissions, bonus payments, fringe benefits, as well as sales contests, which are short-term incentive programmes that use prizes and awards to motivate sales managers to achieve the goals specified by management. Non-financial rewards for sales managers include job enrichment (by giving them greater responsibility, authority and control over their jobs), full recognition and honour awards, title changes, personal encouragement and praise. Bearing these in mind, one can argue that financial and non-financial rewards can play the same important role in motivating the performance of export sales managers. (Coudounaris, 2011). Therefore, the following proposition is posited:

- P1.* The sales staff of an exporting company through morale and financial and non-financial rewards positively influence job satisfaction.

Locke (1976) defined job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. Bhuian and Menguc (2002) defined job satisfaction as the extent to which one feels positively or negatively about the intrinsic and/or extrinsic aspects of one's job. According to Coudounaris (2011), job satisfaction and level of morale are strongly associated. The more satisfied an export salesman is with his or her job, the higher will be the morale of the export salesperson. Spiro *et al.* (2003) add that job satisfaction is the individual salesperson's emotional and evaluative feelings towards various dimensions which they should not be unhappy about (i.e. work in general, promotion, pay, co-workers and customers).

Job performance and managers' behavioural issues help to measure the overall work performance of managers or sales representatives. According to Babakus *et al.* (1996), behavioural issues involve six measures: sales presentation, technical knowledge, adaptiveness, teamwork, planning and support. Therefore, the following proposition is posited:

- P2.* Job outcome performance and job behavioural performance positively impact the job satisfaction of managers.

Capabilities are complex bundles of skills and accumulated knowledge that enable firms to coordinate their activities and make use of their assets (Day, 1994). Capabilities act as the "glue" that holds together various organisational resources and enables their deployment

(Krasnikov and Satish, 2008). In the literature, there are a few key capabilities particularly vital in developing effective export marketing strategies. These include the identification, evaluation and exploitation of opportunities that arise in foreign markets (Souchon and Diamantopoulos, 1996), and building long relationships with distributors, customers and other parties to better understand and respond to the requirements of the export market (Morgan *et al.*, 2004). Therefore, the following proposition is posited:

- P3.* Organisational capabilities such as business identification, relationship-building and innovation positively influence job satisfaction.

The model proceeds with the relationship between export manager's job satisfaction and export sales performance. Empirical findings in the past have shown that there is a strong relationship between job satisfaction and job performance (Perera *et al.*, 2014). According to Baldauf *et al.* (2005), Internal resources and capabilities: Assessing the reward system of a firm's export sales department, pp. 12–17, there have been at least two studies dealing with job satisfaction and job performance, namely, Jaworski *et al.* (1993) and Cravens *et al.* (2014). Therefore, the following proposition is posited:

- P4.* Export managers' job satisfaction positively impacts export sales performance.

Furthermore, demographics and international experience act as moderators. Managers' international experience has a positive effect on export performance in a company (Sousa *et al.*, 2008; Chen *et al.*, 2016; Leonidou *et al.*, 1998). Firms employing staff with little or no training in international business tend to exhibit a lower performance because these managers are less aware of environmental opportunities and threats and make costly mistakes (Nakos *et al.*, 1998). More experienced managers are better able to help a firm to identify and leverage international opportunities while avoiding international threats (Zou and Stan, 1998). Moreover, managers with greater experience are expected to perform better because of their international networks and better understanding of foreign markets (Axinn, 1988). Therefore, the following proposition is posited:

- P5.* There is a positive moderating effect of demographics and international experience between export managers' job satisfaction and export sales performance.

5. Conclusions, theoretical and managerial implications, and limitations and future research

5.1 Conclusions

Apart from external factors from the environment, i.e. government subsidy; network with foreign buyers, and driving export, some internal factors could influence export performance. There are some justifications for focusing on internal factors in this study. One is that internal factors have been neglected from the analysis in previous literature. The important internal factors of the small BG exporter which are shown in the Appendix are as follows: non-financial rewards, rep's job satisfaction – with export manager, rep's job satisfaction – work in general, rep's job satisfaction – co-workers, rep's job performance: behavioural performance – sales presentations, rep's job performance: behavioural performance – technical knowledge, rep's job performance: behavioural performance – adaptiveness, rep's job performance: behavioural performance – support, organisational capabilities – business identification, organisational capabilities – relationship-building and organisational capabilities – innovation.

This quantitative study, which investigates five BG firms with the use of a survey instrument, reveals that the conceptual model suggested earlier is suitable for BGs in Estonia. However, the model for different sizes of BGs has different antecedent factors. In particular, small BGs with 5–13 employees and rather recently established during the period 2004–2015 follow a model with internal resources concerning the export manager's factors (level of morale and financial/non-financial rewards) which impact export sales performance through export managers' job satisfaction. However, for medium BGs with less than 250 employees and established in the 1960's, internal factors/resources and capabilities are the export manager's internal factors (i.e. job outcome performance and the manager's job behavioural performance) and the capabilities which both influence export sales performance through export managers' job satisfaction. Furthermore, different industrial sectors such as the 81st, 30th and 133rd do not play a role, and there is no similarity among them in the various attitudes investigated (see the [Appendix](#)). Therefore, there are significant differences between the three sectors, i.e. 81st, 30th and 133rd sectors.

Finally, there is evidence from this study that small BGs, in comparison with medium BGs, implement different antecedents to achieve export sales performance through export managers' job satisfaction.

5.2 Theoretical, managerial and practical implications

5.2.1 Theoretical implications. This study suggests a conceptual model different from the one applied in the study by [Coudounaris \(2011, Figure 1, p. 326\)](#). There are two differences. Firstly, the current conceptual model includes among the antecedent factors' organisational capabilities, which the previous study did not include in its model. In the current study, there is an investigation of the internal resources and capabilities which derive from RBV theory ([Barney, 1991; Barney et al., 2001](#)) and its evolution. For example, in the framework of the theory of competitive heterogeneity, "resources and capabilities play a key role but do not explain all persistent performance differences" ([Hoopes et al., 2003, p. 891](#)). Secondly, the export manager's job satisfaction plays a crucial role in absorbing all the influences of the antecedent factors which then impact export sales performance. Thirdly, the current model of [Figure 1](#), in comparison with the conceptual model by [Coudounaris \(2011, Figure 1, p. 326\)](#), shows a more understandable functionality. In fact, the export manager's job satisfaction can logically explain how the antecedent factors of the export manager's level of morale, financial and non-financial rewards, the export manager's work outcome performance, and work behavioural performance and organisational capabilities influence the export manager's job satisfaction, which in turn affect export sales performance.

There is evidence from previous studies that there is a strong relationship between job satisfaction and performance ([Jaworski et al., 1993; Cravens et al., 2014; Perera et al., 2014](#)). Therefore, the current model can be considered as an advancement of the existing literature. However, there is a need for this conceptual model to be tested empirically among BGs of a specific industrial sector, e.g. the IT sector, in which there are usually many BGs.

5.2.2 Managerial implications. The management or CEOs of small BGs have a different attitude towards implementing different antecedents to achieve export sales performance in comparison with the CEOs of medium BGs. Small BGs, when compared to medium BGs, seem to have a higher level of morale and obtain more financially based rewards and non-financial rewards to obtain a high level of job satisfaction in their representatives. Conversely, the representatives' job performance (outcome performance) and their job performance (behavioural performance) and organisational capabilities are higher in a medium BG than in small BGs. The question remains as to why both groups of BGs,

i.e. small BGs versus medium BGs, use different antecedents to achieve export sales performance through their export managers' job satisfaction.

5.2.3 Practical implications. Countries such as Finland and Cyprus can benefit from this study. For example, public policymakers in these countries could implement more aggressive policies to encourage their start-up ecosystems to grow and therefore many BGs to establish their internationalising efforts. The 11 important internal factors found in this study could possibly also be found in these countries, as small BGs may behave in the same way compared to small BGs in Estonia.

5.3 Limitations and future research

One of the limitations of this study is the fact that an invitation was sent to all participant companies (see [Table 1](#)), and their CEOs were asked to complete an online survey questionnaire, which was bulky in comprising 105 questions. However, a similar method was made through this invitation to Cypriot and Maltese companies in other similar surveys, and both investigations were successful with many returns. Nevertheless, the length of the questionnaire was a barrier to collecting many answers from Estonian companies, and in future surveys in Estonia, the instrument should be shorter.

Furthermore, the empirical findings of this study are indicative and cannot be generalised, as they are specific to a small number of export companies (five BG cases). It is worth mentioning that in another study investigating 52 exporters in Cyprus ([Coudounaris, 2011](#), Table 4, p. 335), the relationships between the manager's level of morale to manager's job satisfaction was low (0.067), and the relationship between financial and non-financial rewards to manager's job satisfaction was negative and low (−0.187). Furthermore, the relationship between manager's job satisfaction to export sales performance was negative and low (−0.104). Therefore, future research should be based on a large sample of BGs, for example, in the IT sector, to try to test the fit of the current suggested conceptual model (see [Figure 1](#)).

This quantitative study provides some indication of the importance of the size of BGs. However, a larger sample of BGs could provide further insights into the system of rewards in export sales which could not be found in the current qualitative study. For example, future researchers could evaluate the moderating effects of demographics between antecedent factors and export managers' job satisfaction (see [Figure 1](#)).

Finally, based on various previous studies ([Sousa et al., 2008](#); [Chen et al., 2016](#); [Leonidou et al., 1998](#)), future studies could test demographics and international experience as moderators between export managers' job satisfaction and export sales performance. In addition, future researchers should perform a meta-analysis on the empirical investigations of BGs using meta-analytic correlations ([Coudounaris, 2017](#); [Coudounaris, 2018a](#)).

In addition, a systematic literature review could provide a more detailed list of themes of research investigated on BGs (see other studies on systematic literature reviews, e.g. [Coudounaris and Arvidsson, 2022](#)). Moreover, in future studies, the findings in the context of Estonia may be helpful for others working in a different context, namely, in the UK and EU countries, as the cultural dimensions may be similar ([Hofstede et al., 2000](#)).

Note: Definition of BGs used in this study:

The authors base their definition of BGs on the ratio of export turnover, though this is just one of the criteria in defining BGs. Scholars have provided different definitions of BGs in terms of the speed and the scope of internationalisation. However, the majority agree that BG firms are those that start internationalisation within three years of their domestic establishment (e.g. see the seminal work of [Knight and Cavusgil, 2004](#)).

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Appendix

Table A1.
Differences of
statements
depending on the size
of company and
industry sector*

Statements	Size factor						Industry factor (mean values)			
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
8-13. FINANCIALLY BASED REWARDS										
8. When annual export sales of my organisation are extremely high I get a reward based upon a compensation plan	1	3	6	3	4	3.5	>	4.5	1	3.5
9. When annual export sales of my organisation are extremely high I get a reward based upon a compensation plan	3	3	6	3	3	3.75	>	4.5	3	3
10. When annual export sales of my organisation are extremely high I get commissions	6	3	7	3	4	5	>	5	6	3.5
11. When annual export sales of my organisation are extremely high I get bonus payment	1	3	7	3	7	4.5	>	4.5	1	5
12. When annual export sales of my organisation are extremely high I get extra benefits	3	3	7	2	0	3	=	5	3	1
13. When annual export sales of my organisation are extremely high I am able to get prizes and awards as part of short-term incentive programmes provided by my firm	1	3	7	2	0	2.5	<	5	1	1
1. Total mean value for financially based rewards	3						3.71			
14-21. NON-FINANCIAL REWARDS										
14. One way my organisation can motivate me for increased export sales is to give me greater responsibility, authority and control over your job	6	1	6	2	5	4.25	>	3.5	6	3.5

(continued)

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
15. Another way my organisation can motivate me for increased export sales is to provide me a variety in job-related tasks	6	3	5	2	4	4.25	>	4	6	3
16. In order to be able to complete in today's high-tech market export sales reps must also be given adequate support in the areas of training and information	7	5	5	2	6	5.25	>	5	7	4
17. Export sales reps who deserve praise must be given full public recognition of their accomplishments in export sales and honorary awards such as plaques, pins or certificates can be used	5	6	6	5	6	5.5	>	6	5	5.5
18. Changing an export sales rep's title from export sales rep to senior export sales rep, to area export sales rep and to area export sales vice president rep, for example, can indicate his/her accomplishment in export sales growth	6	5	4	6	6	5.5	<	4.5	6	6
19. Personal encouragement and praise from export manager to an export sales rep is considered the easiest and least expensive form of motivation for increased exports	5	4	6	6	7	6	>	5	5	6.5
20. My organisation has very supportive culture in which it provides support to its export sales reps that go beyond the training and technology directly related to their job i.e. my firm allows an export sales rep to work flexible schedules	6	1	5	5	7	5.75	<	3	6	6

(continued)

Table A1.

Table A1.

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
21. My organisation organises two or more export sales meetings a year in order to increase communication between export sales reps and thus to be able to interact with top management and fellow export reps making them all feel part of a team	7	2	5	2	5	4.75	<	3.5	7	3.5
2. Total mean value for non-financial rewards		3.38				5.16				
22.-32. LEVEL OF REPS MORALE										
22. I have low morale due to excessive turnover caused by export sales reps	2	7	3	3	0	2	<	5	2	1.5
23. I have low morale due to increased expenses by the export sales reps	3	4	3	3	0	2.25	<	3.5	3	1.5
24. I have low morale due to complaint behaviour by export sales reps	3	3	5	6	0	3.5	>	4	3	3
25. I have low morale due to development of non-work-related interests by the export sales reps	3	1	4	6	0	3.25	>	2.5	3	3
26. I have low morale due to unsatisfactory export sales performance by export sales reps	3	2	5	5	0	3	>	3.5	3	2.5
27. I have high morale due to the fact that the export sales reps are more committed to what they are doing	6	2	5	5	5	5.25	>	3.5	6	5
28. I have high morale due to the fact that the export sales reps are more involved in their job and have stronger sense of identification with it	6	2	5	6	5	5.5	>	3.5	6	5.5

(continued)

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
29. I have high morale due to the fact that the export sales reps believe in the values and goals of the firm and are willing to exert extra effort on behalf of the firm	6	1	6	6	3	5.25	>	3.5	6	4.5
30. I have high morale due to the fact that the export sales reps are more willing to help others with their tasks or problems	7	2	5	3	2	4.5	>	3.5	7	2.5
31. I have high morale due to the fact that the export sales reps try to avoid interpersonal conflicts by being courteous and respectful of the rights of others	7	1	5	2	4	4.5	>	3	7	3
32. I have high morale due to the fact that export sales reps are more conscientious, work longer hours, do more than it is expected, and are willing to tolerate problems without complaining	6	1	5	5	7	5.75	>	3	6	6
3. <i>Total mean value for level of rep' morale</i>						4.07				
33.-36. REP'S JOB SATISFACTION: WITH EXPORT MANAGER										
33. My export manager tries to get our ideas about things	6	2	7	6	6	6.25	>	4.5	6	6
34. My export manager has always been fair in dealings with me	6	1	7	6	7	6.5	>	4	6	6.5
35. My export manager gives us credit and praise for work well done	5	1	6	4	6	5.25	>	3.5	5	5
36. My export manager lives up to his/her promises	7	1	6	6	6	6.25	>	3.5	7	6

(continued)

Table A1.

Table A1.

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
<i>4. Total mean value for rep's job satisfaction – With export manager</i>										
	1.25					6.06				
<i>37.–44. REP'S JOB SATISFACTION: WORK IN GENERAL</i>										
37. My work gives me a sense of accomplishment	6	1	6	6	7	6.25	>	3.5	6	6.5
38. My work is exciting	6	2	6	6	7	6.25	>	4	6	6.5
39. My work is satisfying	5	2	7	4	7	5.75	>	4.5	5	5.5
40. I am really doing something worthwhile in my job	6	1	7	7	7	6.75	>	4	6	7
41. Management is progressive	5	1	7	4	7	5.75	>	4	5	5.5
42. Management really knows its job	5	1	7	5	7	6	>	4	5	6.5
43. The firm operates efficiently and smoothly	5	1	6	5	6	5.5	>	3.5	5	5.5
44. Export sales reps receive good support from head office	5	1	6	6	5	5.5	>	3.5	5	5.5
<i>5. Total mean value for rep's job satisfaction – Work in general</i>										
	1.25					5.97				
<i>45.–48. REP'S JOB SATISFACTION: PROMOTION OPPORTUNITIES</i>										
45. The firm has an unfair promotion policy	6	7	6	1	0	3.25	<	6.5	6	0.5
46. My opportunities for advancement are limited	1	7	5	4	0	2.5	<	6	1	2
47. There are plenty of good jobs here for those who want to get ahead	7	1	4	2	3	4	>	2.5	7	2.5

(continued)

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B+C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
48. I have a good chance for promotion	5	1	5	5	6	5.25	>	3	5	5.5
6. Total mean value for rep's job satisfaction – Promotion opportunities	4					3.75				
49–51. REP'S JOB SATISFACTION: PAY	6	3	6	2	0	3.5	>	4.5	6	1
49. My pay is low in comparison with what others get for similar work in other firms	6	4	6	3	1	4	=	5	6	2
50. In my opinion the pay here is lower than in other firms	4	1	6	6	6	5.5	>	3.5	4	6
51. I am paid fairly compared with other employees in this firm	2.67					4.33				
7. Total mean value for rep's job satisfaction – Pay										
52.–55. REP'S JOB SATISFACTION: CO-WORKERS	3	3	5	5	1	3.5	>	4	3	3
52. My colleagues are selfish	5	4	6	6	6	5.75	>	5	5	6
53. My colleagues are pleasant	5	4	7	6	6	6	>	5.5	5	6
54. The people I work with are very friendly	4	4	7	6	6	5.75	>	5.5	4	6
55. My colleagues help each other when someone falls behind or gets in a tight spot	3.75					5.25				
8. Total mean value for rep's job satisfaction – Co-workers										
56.–59. REP'S JOB SATISFACTION: CUSTOMERS	5	4	5	3	4	4.25	>	4.5	5	3.5
56. My customers live up to their promises	6	4	6	3	4	4.75	>	5	6	3.5
57. My customers are trustworthy	5	4	5	5	4	4.75	>	4.5	5	4.5
58. My customers are loyal	5	5	5	5	5	5	=	5	5	5
59. My customers are understanding	4.75					4.69				
9. Total mean value for rep's job satisfaction – Customers										

(continued)

Table A1.

Table A1.

Statements	Size factor					Industry factor (mean values)				
	A	B	C	D	E	A + C + D + E/4	A + C + D + E/4 compared to B	81st sector B + C/2	30th sector A	133rd Sector D + E/2
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
60.-66. REPS JOB PERFORMANCE: a) OUTCOME PERFORMANCE										
60. Producing a high market share	5	4	6	2	4	4.25	>	5	5	3
61. Making sales of those products with the highest profit margin	5	4	5	3	4	4.25	>	4.5	5	3.5
62. Generating a good level of sales revenue	5	4	6	3	5	4.75	>	5	5	4
63. Quickly generating sales of new company products and services	5	4	5	6	5	5.25	>	4.5	5	5.5
64. Identifying and selling to major accounts	6	5	6	5	6	5.5	>	5.5	6	5.5
65. Producing sales or contracts with long-term profitability	6	6	6	4	6	5.5	<	6	6	5
66. Exceeding all sales targets and objectives during the year	5	6	6	3	5	4.75	<	6	5	4
<i>10. Total mean value for rep's job performance - Outcome performance</i>						4.71				
67.-71. REPS JOB PERFORMANCE: b) BEHAVIOURAL PERFORMANCE: SALES PRESENTATIONS										
67. Listening attentively to identify and understand the real concerns of customers	6	7	6	6	4	5.5	<	6.5	6	5
68. Convincing customers that they understand their unique problems and concerns	6	7	5	6	3	5	<	6	6	4.5
69. Using established contacts to develop new customers	4	7	2	4	6	4	<	4.5	4	5
70. Communicate their sales presentations clearly and concisely	6	6	5	5	6	5.75	<	5.5	6	5.5
71. Work out solutions to a customer's questions and objections	6	7	4	7	7	6	<	5.5	6	7

(continued)

Statements	Size factor					Industry factor (mean values)			
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
11. <i>Total mean value for rep's job performance: Behavioural performance – Sales presentations</i>		6.8				5.25			
72.–74. REPS JOB PERFORMANCE; b) BEHAVIOURAL PERFORMANCE: TECHNICAL KNOWLEDGE									
72. Knowing the design and specification of company products/services	6	7	5	7	6	<	6	6	6.5
73. Knowing the applications of company products/services	7	7	6	7	7	<	6.5	7	7
74. Knowing abreast of the company's production and technological developments	6	7	5	6	7	<	6	6	6.5
12. <i>Total mean value for rep's job performance: Behavioural performance – Technical knowledge</i>		7				6.25			
75.–78. REPS JOB PERFORMANCE; b) BEHAVIOURAL PERFORMANCE: ADAPTIVENESS									
75. Experimenting with different export sales approaches	7	6	6	3	5	<	6	7	4
76. Being flexible in the selling approaches used	7	7	5	3	6	<	6	7	4.5
77. Adapting export selling approaches from one customer to another	7	7	5	6	6	<	6	7	6
78. Varying export sales style from situation to situation	7	6	3	6	6	<	4.5	7	6
13. <i>Total mean value for rep's job performance: Behavioural performance – Adaptiveness</i>		6.5				5.5			

(continued)

Table A1.

Table A1.

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
79.-83. REPS' JOB PERFORMANCE: b) BEHAVIOURAL PERFORMANCE: TEAMWORK										
79. Generating considerable export sales volume for team export sales (export sales made jointly by two or more export sales reps)	6	6	2	5	2	3.75	<	4	6	3.5
80. Building strong working relationships with other people in the company	5	7	2	5	3	4.25	<	4.5	5	4
81. Working closely with non-sales employees to place export sales orders	6	7	7	4	4	5.25	<	7	6	4
82. Co-ordinating with other company employees to handle post export sales problems and service	7	7	5	4	5	5.25	<	6	7	4.5
83. Discussing selling strategies with people from various departments	6	6	6	5	4	5.25	<	6	6	4.5
<i>14. Total mean value for rep's job performance: Behavioural performance – Teamwork</i>						<i>4.75</i>				
84.-87. REPS' JOB PERFORMANCE: b) BEHAVIOURAL PERFORMANCE: PLANNING										
84. Planning each export sales call	6	7	6	5	4	5.25	<	6.5	6	4.5
85. Planning export sales strategies for each customer	6	7	4	6	4	5	<	5.5	6	5
86. Planning coverage of assigned territory/customer coverage	5	6	5	4	6	5	<	5.5	5	5
87. Planning daily activities	4	7	3	3	6	4	<	5	4	4.5
<i>15. Total mean value for rep's job performance: Behavioural performance – Planning</i>						<i>4.81</i>				

(continued)

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B + C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
88-93. REPS JOB PERFORMANCE: b) BEHAVIOURAL PERFORMANCE: SUPPORT										
88. Providing after-sales service	6	7	5	6	6	5.75	<	6	6	6
89. Checking on product delivery	5	7	6	4	5	5	<	6.5	5	4.5
90. Handling customer complaints	7	6	5	6	5	5.75	<	5.5	7	5.5
91. Following-up on product use	7	7	5	3	5	5	<	6	7	4
92. Troubleshooting on application problems	7	6	5	6	6	6	=	5.5	7	4
93. Analysing product use experience to identify new product/service ideas	7	6	5	6	6	6	=	5.5	7	6
16. <i>Total mean value for rep's job performance: Behavioural performance - Support</i>						5.58				
94-97. ORGANISATIONAL CAPABILITIES: BUSINESS IDENTIFICATION										
94. Locating/analysing potential foreign markets	5	7	7	2	7	5.25	<	7	5	4.5
95. Identifying attractive foreign business opportunities	6	7	7	3	6	5.5	<	7	6	4.5
96. Contacting prospective foreign customers	6	7	6	3	7	5.5	<	6.5	6	5
97. Acquiring specialised information in foreign markets	7	7	7	5	7	6.5	<	7	7	6
17. <i>Total mean value for organisational capabilities - Business identification</i>						5.69				

(continued)

Table A1.

Table A1.

Statements	Size factor					Industry factor (mean values)				
	A (1)	B (2)	C (3)	D (4)	E (5)	A + C + D + E/4 (6)	A + C + D + E/4 compared to B (7)	81st sector B+C/2 (8)	30th sector A (9)	133rd Sector D + E/2 (10)
98.-101. ORGANISATIONAL CAPABILITIES: RELATIONSHIP-BUILDING										
98. Understanding overseas customer requirements	7	7	6	6	6	6.25	<	6.5	7	6
99. Obtaining reliable representation in foreign markets	6	7	7	6	6	6.25	<	7	6	6
100. Establishing business ties with other organisations in foreign markets	5	6	6	2	7	5	<	6	5	4.5
101. Establishing and maintaining close supplier relationships	6	7	6	5	5	5.5	<	6.5	6	5
<i>18. Total mean value for organisational capabilities - Relationship-building</i>						<i>5.75</i>				
102.-105. ORGANISATIONAL CAPABILITIES: INNOVATION										
102. Adopting new methods and ideas in the production process	6	6	4	6	6	5.5	<	5	6	6
103. Developing new/innovative products for foreign markets	7	6	5	4	6	5.5	<	5.5	7	5
104. Adopting innovative export marketing techniques and methods	5	7	5	5	6	5.25	<	6	5	5.5
105. Sensing trends and competitors' movements in other markets	5	7	5	6	6	5.5	<	6	5	6
<i>19. Total mean value for organisational capabilities - Innovation</i>						<i>6.5</i>				<i>5.44</i>

Notes: *The numbers in italics show which group of companies is important the medium BG (company B) or the small BGs (companies A, C, D and E)
Source: Compiled by the authors

About the authors

Dr Dafnis N. Coudounaris is an Associated Researcher at Hanken School of Economics, Helsinki, Finland, and Tutor of Global MBA at University of London, London, UK. His main work is in exporting marketing, international business, entrepreneurship and tourism marketing. Recently, his research interests included entrepreneurship literature, the shift from causation to effectuation, effectuation versus causation and the effects of big five personality traits on effectuation versus causation. He has published several papers in various journals such as *MIR*, *Jl Management*, *IBR*, *Psychology and Marketing* and *JBR*. <https://orcid.org/0000-0002-8830-8098>. Dafnis N. Coudounaris is the corresponding author and can be contacted at: dafnis.coudounaris@hanken.fi

Professor Dr Peter Björk is a Professor of Marketing at the Hanken School of Economics in Vaasa, Finland. His research interests include consumer behaviour, tourism marketing, tourism management, memorable tourism experiences, culinary-gastronomic experiences, souvenir shopping experiences and subjective well-being. He has published in *Tourism Management*, *Psychology and Marketing*, *Journal of Business Research*, *International Journal of Contemporary Hospitality Management* and *Industrial Marketing Management*, among others. <https://orcid.org/0000-0003-2286-091X>.

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