

# CULTURE ON STRATEGIC DECISION MAKING: JANISSARIES AND MERCENARIES<sup>\*</sup>

## STRATEJİK KARAR VERMEDE KÜLTÜR: YENİÇERİLER VE PARALI ASKERLER

# $Mehmet \ ERTEM^1 - \dot{I}zzet \ KILIN \\ \dot{V}^2$

#### Abstract

This paper aims to understand the strategic meaning of culture as a core competence. In order to fulfill this aim we attempted to understand the effects of cultural values and beliefs on the strategic decision-making process. We used grounded theory method for this inductive qualitative research. We conducted 33 interviews with strategists (business owners and top level managers) from 27 different companies operating in Kayseri OIZ (Organized Industrial Zone) furniture industry. We used conceptual coding procedures to analyze the data. Consequently, we detected a clash of cultural value sets between two different and incompatible cultural value domains named "Western-Rational" and "Muslim-Turkish", in the field. We also observed that the strategists interviewed were facing with this clash both in their business and daily lives and they were exhibiting different behavioral outcomes in the face of this clash. We classified and conceptualized their behavioral outcomes into two behavioral patterns as the Janissary and the Mercenary behaviors. Finally, we observed that cultural values and beliefs (religious, traditional and rational) are operative at all levels of the strategic decision-making process and thus, they have a strong and deep meaning in strategic management processes as core competences.

Keywords: Culture, Strategic Decision Making, Grounded Theory

#### Öz

Bu araştırma çalışmasının amacı, kültürün bir temel yetenek olarak ne ifade ettiğini anlamaktır. Bu amaç doğrultusunda bu araştırma, kültürel değer ve inançların stratejik karar verme sürecindeki etkilerini anlamaya çalışmaktadır. Tümevarımcı nitel araştırmada, temel araştırma yöntemi olarak Gömülü Teori yöntemini kullanılmıştır. Çalışma kapsamında, Kayseri OSB mobilya sektöründe faaliyet gösteren 27 farklı işletmeden 33 stratejistle (İşletme Sahipleri ve Üst Düzey Yöneticiler) yarı yapılandırılmış derinlemesine görüşmeler yapılmıştır. Veriler Kavramsal Kodlama yöntemiyle analiz edilmiştir. Araştırma sonucunda, sahada "Batılı-Rasyonel" ve "Müslüman-Türk" olarak kavramsallaştırdığımız iki farklı kültürel değer alanı arasında bir çatışma olduğu tespit edilmiştir. Ayrıca, stratejistlerin bu çatışmayla hem iş hem de özel hayatlarında yüzleştikleri gözlemlenmiştir. Çalışmada, stratejistlerin bu çatışma karşısındaki davranışsal çıktıları "Yeniçeri" ve "Paralı Asker" davranışları olarak sınıflandırılmıştır. Son olarak, kültürel değerlerin (dini, geleneksel ve rasyonel) stratejik karar sürecinin her seviyesinde cari oldukları ve bu sayede temel yetenek olarak güçlü ve derin bir stratejik anlam taşıdıkları gözlemlenmiştir.

Anahtar Kelimeler: Kültür, Stratejik Karar Verme, Gömülü Teori

<sup>&</sup>lt;sup>®</sup> Bu çalışma Mehmet Ertem tarafından Prof. Dr. İzzet Kılınç danışmanlığında Düzce Üniversitesi Sosyal Bilimler Enstitüsü İşletme Doktora Programı'nda 24.02.2017 tahrihinde tamamlanan "Stratejik Karar Sürecinde Rekabet Üstünlüğünün Kaynakları Olarak Kültürel Değer ve İnançlar Üzerine Bir Gömülü Teori Araştırması" adlı doktora tezinden üretilmiştir.

<sup>&</sup>lt;sup>1</sup> Dr. Öğr. Üyesi, Yozgat Bozok Üniversitesi İİBF - İşletme Bölümü, <u>mehmet.ertem@bozok.edu.tr</u>, ORCID:0000-0001-9350-4379

<sup>&</sup>lt;sup>2</sup> Prof. Dr., Düzce Üniversitesi İşletme Fakültesi, <u>izzetkilinc@duzce.edu.tr</u>, ORCID: 0000-0001-9350-4379

#### **1 INTRODUCTION**

From the beginning of management science to the day, the relationship between culture and management has been examined over the concept of "Organizational Culture (OC)". Organizational culture has been one of the most inclusive subjects of business management since Peters and Waterman's "In Search of Excellence" (Peters & Waterman, 1982). Important contributions of OC to the management studies such as bringing very important Japanese oriented concepts like "Keiretsu, Kaizen, Kanban or TQM" to the field and producing relatively satisfactory answers to certain questions puzzling the minds of management scholars ever since the time of Hawthorne studies (Mayo, 1949), cannot be denied. Nevertheless, by means of the contributions like those recited above, management field's focus of interest has shifted from social culture to organizational culture, which is a narrower concept. Strategic management area, that is a more specific part of the management community, has not developed an interest towards the relationship between culture and strategy, especially in its early times.

The main strategic purpose of organizations is sustainability, which means continuity of their existence, profitability, and competitive advantage. It has always been one of the most important aims of strategic management to know; what actually brings the sustainability to organizations. While striving to find a satisfactory answer to this question, the area of strategic management has been looking into the managerial processes, environmental conditions, strategic analyses etc. for a long time. This interest of the field has lead the strategic management community to look for theories to explain the mechanism of sustaining competitive advantage (CA). On the other hand, understanding the mechanism was not enough for the field and besides that, it needed other theories and/or instruments to use for sustaining CA. Thus, an entire body of literature has come to existence during the efforts of understanding how to obtain a sustainable competitive advantage.

While the industry based theory (Porter, 1998) claims that the source of CA is the industry itself and the internal dynamics of the competition (such as competitors, substitutes, suppliers or customers) in it and, the resource-based view of sustainable competitive advantage (SCA) takes internal resources into consideration for obtaining and sustaining competitive advantage (Ovans, 2015). These views both focus on internal and external environments of companies separately. As a third way of understanding, Core Competencies view considers both external and internal environments of companies simultaneously by focusing on positioning a company in the industry through core competences in order to obtain SCA.

On the other hand, the concept of competition has been changing profoundly due to the fast developments occurring in science and technology. Moreover, these conceptual and actual changes have repelled these theories to be almost insignificant. The reason for this is, unlike the former competitive environment, it takes almost no time a rival company to copy an innovative product or process. Thus, taking account of competitive dynamics of the industry, considering the internal resources or focusing on core competences can no longer provide a continuous competitive advantage for any company in any industry through technical skills or technological abilities.

Consequently, scholars and practitioners of the field were almost forced to take tangible attributes of the organization based on tacit knowledge and shared values and beliefs, like culture or organizational culture, into consideration instead of technical or technological skills, while seeking SCA. Barney (1986) claims that organizational culture has a significant meaning as a

strategic source to provide competitive advantage continuously by possessing the main attributes of strategic resources like rarity, uniqueness and not to be easily imitated (Barney, 1986). Thus, it is important to search for the strategic meaning of culture as a "core competence" which relies on tacit knowledge like shared values, beliefs and assumptions.

However, there is an important problem of seeking the strategic meaning of culture for providing SCA. It is the difficulty of observing and recording culture in the organizational and managerial processes, to study (Geertz, 1973). At this point, the multi-layered structure of culture and the central position of decision behavior in managerial processes succor this study. According to Schein (2004), culture has basically a three-layered structure and the one in the middle which includes "shared values and beliefs" is the most visible and yet the deep enough one to reflect deeper attributes of a culture, for an outsider observant (Schein, 2004). On the other hand, according to important gurus of business management like Drucker (1969) or Simon (1977), decision behavior is the most important part of the managerial processes going on in a company (Drucker, 1969; Simon, 1977). Consequently, the aim of this study is attempting to understand culture's strategic meaning as a core competence to provide SCA, through examining its role in the strategic decision-making process. This study uses Grounded Theory, which is an important qualitative research design, to examine and understand culture's strategic meaning for the pursuit of SCA.

On this context, firstly we will examine the concept of SCA and the strategic meaning of culture in terms of SCA. Secondly, we will briefly discuss the decision-making theories and finally, we will present the results of the qualitative field research and the conclusion of the study.

## 2 THEORETICAL BACKGROUND

#### 2.1 Sustainable Competitive Advantage and Culture

In strategic management, as an essential part of business management, one of the vital questions is why some companies are continuously superior to others (Hamel ve Prahalad, 1994). In this context, being superior means having a competitive advantage over the other companies in a sustainable fashion. Ansoff (1957), describes competitive advantage as product-specific or market-specific qualities which provide firms a strong competitive advantage among others (Ansoff, 1957). Similarly, according to Porter (1980), the concept of competitive advantage is related to the organizational factors that can lead an organization to obtain higher performance levels than their competitors (Porter, 1998). More recently, Mooney (2010) merges these two definitions and describes competitive advantage as not easily imitable capabilities and sources that help companies perform better than their rivals (Mooney, 2010, p. 112).

Consequently, efforts of answering this essential question mentioned above have paved the way for different schools of SCA to form. For example, Porter's Position School (PS) points out the sector in which firms operate and their relative positions in it, as the source of SCA (Porter, 1998). On the other hand, Resource-Based View (RBV) claims that SCA springs from firms' own resources and the way they use them (Barney, 1986). Accordingly, while the position school looks for competitive advantage in the external variables that affect firms, RBV looks for it in the internal dynamics of the firms.

Finally, Core Competencies View (CCV) takes both external and internal variables, which are affecting firms, into consideration at the same time while seeking SCA. According to this

view, firms can obtain a superior position against their competitors as developing and focusing on their own core competencies. Those competencies should provide new market opportunities, which are not easily imitable (Pharalad ve Hamel, 1990). However, today the market circumstances are far more close to the term "Hyper-competition" since the first time it has been put forward by D'aveni, in the mid 90's (D'aveni & Gunther, 1994; D'aveni & Dagnino, 2010). Under hyper-competitive conditions, it is much more difficult to develop an inimitable core competence. We can say that today, there is almost no technological product that cannot be imitated, alternated or substituted. Consequently, it is not surprising to see that the attention of practitioners and theoreticians of the strategic management community who are seeking SCA, focusing on not only technology based competences but also competences based on shared values and tacit knowledge like culture.

#### 2.2 Culture as a Core Competence

While trying to evaluate culture as a core competence, it would be rightful to discuss whether culture has the potential to be a source of competitive advantage or not. Barney (1986) was looking for the answer to the same exact question and his answer is yes, it does. According to Barney, an organizational resource needs to be (1) valuable, (2) rare and (3) not fully imitable for having a strategic value, and culture has all these three qualities (Barney, 1986: 658). Being valuable for a competence means helping the organization to obtain financial values as increasing sales or decreasing costs. It is quite well known in the related literature that culture directly effects some very important organizational phenomena such as leadership (Giberson; Resick; Dickson; Mitchelson; Randall; Clark, 2009), organizational performance (Bayles, Aupperle, & Arogyaswamy, 1991), communication (Schein, 1993; Keyton, 2011), creativity and innovation (Schein, 2004). Culture, effecting organizations from various aspects, is an entity possessing both tangible and intangible characteristics. The intangible side of culture is one of the determinant factors of performing daily activities, HRM, customer relations management and of course making strategic decisions (Rue & Holland, 1989; Dess & Miller, 1993; Schein, 2004). In this regard, it is clear that culture is effective on all of the functional processes going on in organizations. Thus, the dominant standpoint on culture-organization relationship claims that firms with high financial performance have strong cultures from many aspects like managerial value sets and sound beliefs about the way of getting works done (Schein, 2004; Peters & Waterman, 1982; Deal & Kennedy, 1982). Consequently, we can consider culture as a financially valuable competence that is able to produce financial resources, directly and/or indirectly.

On the other hand, a financially valuable competence like culture should also be not fully imitable so that the rivals cannot possess the same competence and would not be able to destroy the competitive advantage (Barney, 1986). Culture has the same purpose and meaning as identity does for individuals (Schein, 2004). An individual's identity is unique and so is an organization or group's culture. Therefore, if culture will be considered as a competence then, it will definitely be a rare and not fully imitable one.

From this point on, we consider convenient to discuss culture as a "core" competence. As the first step of the discussion, we will examine the possible similarities between the concepts of culture and core competence. Considering Prahalad and Hamel's (1990) original definitions, samples and analogies related to the concept of core competence, we can detect a natural connection between culture and core competences. They explain the diversified company with a tree metaphor. In the metaphor, leaves, flowers, and fruits of the tree represent end products, the

trunk and major branches represent core products and finally the roots represent core competences (Prahalad & Hamel, 1990). The same metaphor works for organizational culture too (Nguyen-Phuong-Mai, 2017, p. 50-53; Thomas, 1990; Berardo, 2012, p. 63). In the tree metaphor of culture, the line (which represents the ground) between roots and trunk is the borderline between tangibility and intangibility. If we think that, the ground line in Prahalad and Hamel's (1990) tree metaphor represents the same distinction line as it does in culture's tree metaphor, core competences stay below the line in the intangible side (Prahalad & Hamel, 1990, p. 81). In Prahalad and Hamel's (1990) article and the related literature has been based on it, the examples of core competences are more likely to include technical or technological features, predominantly. Getting back to the tree metaphor, these kind of technical features have been represented above the ground line, which is the tangible side. Honda's expertise in engine technology that took place in the article (p. 80-84), can be given as an example. Thinking the task of developing a special engine, it is not only based on the special knowledge and expertise but also it is based on technological manufacturing tools and expert human resource. These are both tangible resources. Other examples of core competences, like NEC's expertise on semiconductors, Nokia's design proficiency (Ekekwe, 2011), Canon's technology of optics, are all quite similar to Honda's competence. It is clear that the examples of core competencies are mostly based on tangible resources, features or components. However, those definitions and explanations of core competences, which took place in the related literature, are more likely to rely on intangible features of the concept. For instance, Prahalad and Hamel's article includes following statements in the part they discuss whether western companies understood what Japanese companies did right (Prahalad ve Hamel, 1990: 81):

"In how many Western boardrooms is there and explicit, shared understanding of the competencies the company must build for world leadership? (...) Let us be clear. Cultivating core competence does not mean outspending on research and development..."

The concept of "shared understanding" here, can be directly and clearly associated to the basic definitions of organizational culture (Kağıtçıbaşı, 2000; Schein, 2004; Pettigrew, 1979), even by those with beginner level knowledge on OC. We think that this difference of tangibility/intangibility dominance between the samples and definitions of core competence can shed light on what kind of core competence culture can be. As we mentioned before, Prahalad and Hamel (1990) claim that the concept of core competence includes developing a common understanding shared by everyone in the organization. Schein (2004), on the other hand, defines culture as a body of shared beliefs, values and thoughts (Schein, 2004). The remarkable parallelism here indicates that both concepts stand at a very close point to each other, in terms of definitions. Besides, key events, behaviors etc. produce, shape and protect culture during organizations' lifetime. Thus, culture is a firm-specific asset for organizations and it is hard to imitate this asset.

In this context, knowing whether culture has an important and decisive role in the strategic decision-making process, would enable to evaluate culture as a core competence with its intangible components like values and beliefs.

#### 2.3 Decision-Making

A decision is the behavior pattern, which yields the most vital, and essential results in human life. Almost all of the biological, psychological, sociological and socio-psychological

events and phenomena are means and/or ends of decision behavior (Cox, 1999; Child, Elbanna, & Rodriguez, 2010; Zafirovski, 2003). In the beginning, the related literature focuses on the concept of choice. Early decision studies, which had been based on Mathematics and the classical economics, have gravitated to the question of, "How (based on what?) do people make their choices?" (Schoemaker, 1982).

Classic/Rational Decision Theory, claims that human decision makers make their decisions for the aim of maximizing their benefits (or minimizing their loss) with reference to the concept of Homo-economicus which represents the human understanding of the western enlightenment (Sugden, 1986). Classic theory idealizes rational-economic man, in the direction of its normative and reductive nature. According to this understanding, the rational decision maker is fully informed about all the alternatives and processes the information by his/her cognitive abilities, then chooses the most benefitting one (Sebora & Cornwall, 1995). Simon (1977) who contributed to the literature, later on, claimed that; people cannot always make fully rational decisions in real life, under such circumstances as the complexity of real decision situations and limited nature of human cognition (Simon, 1977). Consequently, the concept of "Limited Rationality" has emerged and provided a basis for the "Behavioral Decision Theory (Tversky & Kahneman, 1986)" which comes after it.

As an approach criticizing rational decision model, Behavioral Decision Theory claims that real decision makers in real life are not naturally rational. According to the theory, possible rationality of a real decision maker, seeking the most beneficial choice, might become blocked by his/her own psychologic based assessments on alternatives (Kahneman & Tversky, 1979; Tversky & Kahneman, 1986). The approaches of rationality, limited rationality, and behavioral decision making examine the decision behavior in terms of isolated decision situations that are not compatible with real-life decisions, like gambler's choice (Klein, 2008). In such decision situations, the information about the possible results of alternatives is sufficient and clear but in real life, they simply are not. At this point, Naturalistic Decision-Making approach, as the other theory trying to explain the mechanism of decision behavior, criticizes these views for exactly this state of being far away from real life decision situations. Naturalistic decision-making, analyses how expert individuals (like firefighters or soldiers) make their decisions in instantaneous and vital decision situations, in a well (mostly perfect) - timed and directed fashion (Bower, 1998). According to naturalistic decision model, expert individuals make rapid and highly successful decisions through their mental simulations, which consist of their experiences, expert knowledge, and intuitions (Klein, 2008).

	Classic/Rational	Behavioral	Naturalistic
Qualities and aims of the decision maker	Homo-economicus Seeking maximum benefit	Psychology-driven Decision Maker Seeking Psychological Relief	Expert Decision Maker Seeking Survival in Life- Death Situations
Scientific Background	Economics, Biology	Cognitive Psychology	Cognitive Psychology,
Qualities of the choice	Choosing among the alternatives according to maximum benefit	Choosing among the alternatives according to the psychological evaluations	Mental Simulations Work
Choosing Mechanism	Cost-Benefit Analysis, Cognitive Abilities	Cost-Benefit Analysis, Psychological Evaluation	Coherence with Past Experiences, Cognitive Abilities
Theoretical Background	Expected Utility Theory	Expectations Theory	The Cognitive Based Model
Qualities of the Theories	Normative	Normative-Descriptive	Descriptive

#### **Table 1:** Decision Theories

Considering decision theories and models as a whole, classic/rational theory, which is a normative one, considers decision making as a matter of economic benefit expectations and loss aversions, at the stages of evaluating alternatives and making the choice. The behavioral model also accepts the main mechanism of rational theory but puts psychologic biases in it and finally, naturalistic view criticizes them both as being far away from the real decision situations and tries to explain the process of choice with mental simulations. Consequently, the whole picture here seems to be a body of scientific literature including economic, cognitive and psychologic studies, which examines the decision procedure and consists of three main stages as; before, during and after the decision. It can be thought that the different perceptions of human in this body of literature, present idealized, reduced and separately examinable human definitions of human such as economic, psychologic and naturalistic humans. Thus, this structure is, at least partially, compatible with the "Layered Human" approach of social sciences that took place in Geertz's (1973) book named "The Interpretation of Cultures" (Geertz, 1973). According to this approach, human consists of three layers. The first one in the core is "Biological Human". This layer refers to the classical/rational and naturalistic decision-making theories. This interpretation makes more sense when the behavior of seeking maximum benefit and/or minimum loss, that is the main principle of the rational decision theory, reviewed under the light of the basic instincts based, biologic "Fight or Flight" response to stressful events. There is the psychological human in the upper layer. This layer corresponds to the theory of behavioral decision among decision theories. The top layer of human is the layer of a cultural human who moves according to social interactions and structures. However, we can say that it is not possible to come across a decision theory that corresponds to this layer, in the decision-making literature and this situation means a visible and significant deficiency in it.

 Table 2: Different Layers of Human and Decision Theories

Layers of Human	<b>Decision Theories</b>
Cultural Human	???
(Cultural Human who is being shaped by sociological interactions)	
Psychological Human	Behavioral Decision Making
(Human under the effect of his/her psychology)	Benavioral Decision Making
Biological Human	Classic/Rational Decision Making
(Human under the effect of his/her biologic structure)	Natural Decision Making

#### 3 **METHODOLOGY**

We based this research study on the interpretive approach of the social sciences. In line with this base, we chose "Grounded Theory" as the method of the research. Briefly, Grounded Theory is a qualitative data analysis technique aimed at revealing the theory hidden in the data collected by qualitative methods like interviews and/or observations (Corbin & Strauss, 1990, p. 5; Glaser & Strauss, 1999, p. ix). This research study embraces a qualitative-interpretive point of view in accordance with the purpose and aims of the study.

#### **Purpose of the Study** 3.1

The main purpose of this research is to investigate how cultural values affect the strategic decision-making process and whether there are values in this process, which are more effective than the others. In this respect, this study aims to contribute to the discussion in the related literature, on the value of the culture in terms of obtaining a sustainable competitive advantage, through the results of the research. The objectives of the study are as follows:

- To understand how cultural values and beliefs affect the strategic decision process.
- To determine whether there are values and beliefs that affect the strategic decision-٠ making process more than the others do.
- For fulfilling the objectives above, to contribute to the discussion on the strategic meaning ٠ (significance) of culture.

#### 3.2 **Interpretive Assumptions**

This qualitative and interpretive strategic management study relies on two basic assumptions. Firstly, members of an organization interactively create and/or form up the reality they live inside (Neuman, 2014; Weick, 1979; Berger & Luckmann, 1991). Secondly, this study assumes that those members collectively and interactively form the meaning and/or reference frames within the social context they inhabit (Neuman, 2014; Bettenhausen & Murnighan, 1985).

#### **Research Strategy** 3.3

As mentioned before, the basic method for data collection in the survey is the semistructured in-depth interview. We conducted the interviews ourselves face to face with the participants and the interviews took place in the participants' own working environments. We carried out the interview procedure in three stages. The first stage is the stage of acquaintance, in which we asked about personal information of the participants, their position in the businesses, their personal thoughts about their jobs and the concept of business. In the second stage, we briefly expxlained to the participants what is meant by cultural values and beliefs. Then, we attempted to learn and understand the basic cultural values reflected in the participants' businesses and affecting the way they do business. In the third and final stage, the participants were given basic information on strategic decisions first. Then we asked them to remember a strategic decision they made in the last 2-3 years. Subsequently, we took the evaluations of the participants about the three phases (before, during and after) of their decision processes and analyzed the data with the conceptual coding (Schreier, 2012) method.

In this study, as a Grounded Theory research, we used triangulation method (Brink, 1993; Pitney & Parker, 2009; Klenke, 2008) in almost every step of the research. Firstly, we obtained the data not only from the interviews but also from the memos of the field observations conducted before and after the interviews, as a secondary data resource.

Table 3. Triangulation in the Research Processes

Triangulated Steps of the Research	Triangulation Procedure
Preparing Conceptual Framework	The basis of the conceptual framework have been discussed
	with several academics from different disciplines.
Data Collection and Transcription	Collected visual data and field notes in addition to the
	interviews.
Coding and Analysis	Isabella's (1990) coding reliability application was used for
	triangulation.
Conceptualization and Forming the Model	Discussed with some of the interviewees and several
	academics.

On the other hand, during transcriptions of the interviews, a four-membered transcription team including one research assistant and three graduate students helped the researchers, in order to triangulate this process too. Finally, for the section of coding analysis we adapted and used Isabella's (1990) coding reliability application in the research process (Isabella, 1990: p. 13).

#### 3.4 Sampling

The population of the research consists of business owners and senior managers of more than 500 firms operating in furniture and furniture subsidiary industries of Kayseri OIZ (Organized Industrial Zone). The sampling type of the study is snowball method of the purposive sampling methods. During the process of data collection, we conducted interviews with participants from 28 different companies of different sizes. These firms are judgmentally classified according to their labor powers as small (< 100 employees), medium (100 – 200 employees) and large (>200 employees) companies. Four of the firms are classified as large companies, thirteen of them as medium companies and eleven of them were classified as small companies.

Accordingly, 33 different business owners and/or senior managers from 28 different companies has joint to the interviews in their own work environments. In the field survey, 11 participants were in the age range of 20 - 40 years and 22 of them were in range of 40 - 60 years. We conducted the interviews during a period of –approximately– 2 months (from November 4, 2015 to December 30, 2015).

## 3.5 Coding Procedures

In this study, we followed a two-stage coding process. The first step is the "Open Coding" and the second stage is "Axial or Selective Coding" process (Charmaz, 2006; Strauss, 2003). In the **open coding stage**, we primarily coded the strategic decisions mentioned in the data. Subsequently, expressions in the interview texts, which point directly or indirectly to cultural values and beliefs, were encoded and included in the analysis. Coded strategic decisions are grouped under five main headings. These headings are as follows:

- Production and Supply Chain Management
- Main and Sub-Sector Changes
- Marketing and Sales Decisions

- Decisions on Organizational Structure
- Decisions of Ownership and Partnership

In the section of the open coding, which is related to values and beliefs, we created a total number of 102 different codes. Under these codes/headings, we encoded 3995 expressions and codes are mutually inclusive. We examined every bits and pieces of data in order to detect the expressions, which refer to values, beliefs, emotions, or management practices, during this coding process. The reason of including the feelings and management practices in the analysis in addition to values and beliefs is the possibility of these components to provide clues about the cultural values and beliefs that are behind the strategic decision-making process. Then, these nine different code groups were judgmentally categorized under four different major headlines. Those major and minor headlines are exhibited in Table 4 below.

Religious Values and	Non-Religious and	Strategic and
Table 4: Groups after	Axial Coding Procedure	e

Religious Values and Feelings	Non-Religious and Rational Values	Strategic and Managerial Values	Traditional and National Values
Religious Values1	Non-Religious Values	Organizational Values	National Culture Dimensions
Feelings/Emotions	Rational Oriented Values	Management Practices	Traditional Values
		Strategic Values	

The axial coding process, which is one of the most difficult steps of the research, has also been carried out in two stages. In the first stage, we grouped the codes found to contain the expressions, which refer to cultural values on various axes. These axes are the values, beliefs, feelings or practices, which are dominant in the expressions taken from the interview texts. As a result of this first axial coding process, we formed five different code groups including values. These are (1) Religious Values, (2) Non-Religious Values, (3) Organizational Values, (4) Strategic Values and (5) Traditional (Töre) Values. On the other hand, we grouped the expressions referring directly to feelings and emotions under the main title of (6) Feelings and we collected the ones referring to specific management practices under the title of (7) Management Practices. Finally, we collected the codes referring to Hofstede's (1983) national culture dimensions (Hofstede, 1983) under the title of (8) National Culture Dimensions and we grouped those codes referring to Old Turkish Traditions (Töre, Budun) under the title of (9) Turkish Traditions.

In the second stage of the axial coding, we re-grouped the code groups that were assembled into nine different axes, around four main axes. These main axes are as follows:

- Religious Values and Feelings (RVF)
- Non-Religious and Rational Values (NRRV)
- Strategic and Managerial Values (SMV)
- Traditional and National Values (TNV)

First of these main axes is the title of RVF. In here, the reason why religious values and feelings were brought together under the same title is that the concepts such as religion, religious beliefs, and faith have been studied in terms of feelings and emotions, in the literature related to philosophy and social sciences (Woolston, 1902). The Second main axis is the title of NRRV.

We grouped the data pieces, which directly or indirectly refer to the values of Classic Rationality, and referring to non-religious sourced values, under this main code title. On the other side, we naturally collected the codes including the expressions that refer to organizational values, strategic values, and management practices under the title of SMV. Finally, the title TNV consists of the code groups including Hofstede's national culture dimensions (Hofstede, 1983) and old Turkish traditions.

#### 3.6 Background of the Study and the Position of the Researchers

Despite the fact that the history of the furniture industry in Kayseri dates back to the earlier years, the production technology, quality of the products and the amount of production in the unit of time rapidly improved in the mid 80's. It is certain that this development process naturally brings about a certain socio-economic change. The furniture industry is regarded as a labor-intensive sector due to the certain qualities of furniture manufacturing business (Erkekoğlu, Kılıçarslan, & Göknar, 2014). From 80's to this day, the intensiveness level of labor in the sector has decreased and the production volume has increased by means of certain technological developments. Thus, an organized industrial zone based mostly on this sector has been formed in the city. However, the social structure of the local furniture industry as a socio-economic structure in which the businesspersons evaluate each other not only according to certain financial indicators or common trading histories between them but also to the references arising from bloodlines and acquaintance relations. Consequently, it was vital for the researchers to use the same kind of family and acquaintance connections in order to reach to the potential interviewees and to get their consents for the interviews.

One of the researchers who carried out this study is originally from Kayseri and completed most of his education life in this city, too. Additionally, the researcher also worked in a furniture subsidiaries company as a foreign trade representative. Thus, it can be said that he is familiar with the target industry. On the other hand, the researcher has close relatives who are business owners operating in the industry and this situation is the other reason for him to be close to this sector. The researcher's academic familiarity with the industry comes from his experience of conducting and finishing the field survey of his Master Thesis (2011) in Kayseri OIZ furniture sector.

## 4 INTERPRETING FINDINGS

Just prior to the interpretation of the findings, it would be useful to set out the main model reached as a result of the research process. While explaining the main model, we will give information on the basic parts of the model and also evaluations about the value groups that form up these parts. Next, we will attempt to shed light on the modeling process through the results of clustering analyzes performed with the qualitative research software NVIVO 10. Finally, the findings will be evaluated and interpreted on the axis of the value groups in the main model.

## 4.1 The Main Model Reached by the Study

The model is basically composed of three main parts: (1) Basic Decision Process, (2) The Effects on the Decision Process, (3) The Beliefs, Values, and Practices Taking Place in the Effects. The first part is the most basic part of the model, which we have taken from the existing

literature on decision-making. In this part, we used Simon's (1957) generally accepted "Classic/Rational Decision Model" in a simplified form (Simon, 1957).



Figure 1: The Main Model

We shaped second part of the model again based on the related literature and on Isabella's (1990) interview structuring form (Isabella, 1990). The second part is included in the model to classify and analyze the effects on different stages of the decision process. In the model, the part reached in the direction of the data obtained by the Grounded Theory application is the third part. In this section, we gathered the values, beliefs, emotions and behavior practices that are determined to be effective on the decision processes in four main groups and with this last and the most important part, we gave the final shape of the main model.

We formed the main model according to the results of the clustering analyzes performed between the main coding groups. For example, Figure 2 below is a dendrogram of the most important clustering analysis (Everet, 2002, p. 75) we conducted, in terms of coding similarity (Jaccard's Coefficient Analysis, 0.7 - 1.0). It is not wrong to say that this dendrogram, is the basis of the main model in Figure 1. In the figure, it can be easily understood that every stage of the decision process is directly or indirectly close (similarly coded) to the four main value groups. In the decision process, the closest stage to the value groups in terms of coding similarity is the stage entitled "During the Decision". The most similar main value group to this stage is the one named RVF. Then comes the group named NRRV and comes the other value groups (SMV and TNV). We also detected coding similarities between the lower stages of the decision process and the value groups during the clustering analysis. For example, we determined that there is a coding similarity (Clustering Analysis, Jakkard's Coefficient, 0.5 - 1.0) between the code groups including "Foreign Effects" and "Internal Processes", which form the awareness of the decision (Before the Decision) situation, and the main value groups.



#### Figure 2: Coding Similarity Between the Stages of Decision Process and Value Groups

The situation is slightly different for the effects on the next stage of the decision process that is "During the Decision". Hereby, there was no similarity in coding within the clustering analysis between the headline of "Complicating Effects on Decision" and the main value groups. On the other hand, we found a similarity in terms of coding between "Facilitating Effects on Decision" and all the main value groups. Additionally, in terms of coding similarity, when clustering analysis was performed among the main value groups, we were able to find significant similarities between all four of them.

As mentioned before, the value groups taking place in the model are composed of many various codes of values. Consequently, examining and interpreting all of those codes in detail is out of the limits of this research. Instead of doing this, we will examine the value codes containing values and behaviors that take place in more than one main value group in the model and, we will perform the interpretation of the data on the axis of these common value codes.

#### 4.2 Shared Values, Feelings, and Practices: Incompatibility and Conflict

We coded some values and behaviors which took place in the interview texts in both the "Religious Values and Feelings – RVF" and the "Non-Religious and Rational Values - NRRV" groups simultaneously. The reason for coding these values and behaviors in both of the main value groups is that the participants have addressed to them with both religious and nonreligious references. These values and behavioral practices are follows:

- Helpfulness
- Diligence
- Honesty/Truthfulness
- Socially Responsible Behavior

- Economizing Behavior
- Real-Ideal Conflict
- Cultural Value Clashes

We observed in the data that the concept of "Helpfulness" is perceived in minds of the participants as helping people as a religion-based virtue as well as helping (in a classic rationalist fashion) to the members of the same sector or OIZ members in order to avoid a common harm or obtain common benefits.

Table 5: Sample Expressions Including the Concept of Helpfulness

Expression A:	Expression B:	Expression C:	Expression D:
"Conscience! Now let me tell	There are people (employees) I	"Because of dealing with people	"I think this is one of the
you We see this kind of	covered for all their wedding	They might have fallen into	reasons why we have been
happenings very much, in the	expenses. There are people I	trouble You necessarily help	able to stay in Kayseri for
environment, where we live. Let	helped with when they bought	them Maybe they have a debt in 6	many years. We have kept
me give an example A man has	their house, people or a car. I	months' term, but you extend the	the promises we made
difficulties in paying his debts.	have gone to help some of them	term to 10 months or 12 months.	and from time to time we
Then he comes and tells about his	to reconcile with their wifes when	Why? In order to help You've	can help our suppliers. For
situation to the payee/creditor	they were about to divorce ()	worked with the man for years, you	example, I go to fairs and
who is one of our businessman	What more can I say? (We're	have not seen a problem with him.	exhibitions with them
brothers. He says that he would	laughing) A few of them, for	Maybe he is in a hard situation	which are not directly
pay this debt in one-year time	example, gave their children my	maybe he sold his goods and	related to our own
and our brother says ok no	name. They say, "father (the	couldn't receive the payment. You	industry. I mean I do not
problem! Then he asks him about	employtees call him father)! Your	know that he is well-intentioned.	have to go there the
his paying plan and our	grandson is in need! It's winter." I	But when you say that I don't care	fairs. But I go there in
brother puts no interest to his debt	give them my card and send them	about your situation You simply	order to help"
and says come on my bother pay	to the places I know, and they buy	kill him It is not good"	-
your debt in your paying plan"	whatever their children need and I	8	
	pay for all of them		

The quote above (Exp. A, Table 5) directly points at the situation of helping a client who is in a financial difficulty. In the expression, the participant mentions that no interest was charged for the debt of the client and this means there is no expectation of material or monetary benefits from the client while helping him/her. This relatively strong emphasis on the concept of "interest", which is considered as "Haram" in Islam, refers to a strong religious motive behind this helping behavior. Apart from the relationships with the customers and suppliers, it is also possible to find help and support behaviors directed to employees regardless of benefit expectations, in the data. Quoted Exp. B in Table 5, tells the story of a participant's helping behavior to his employees who are calling him "Father" even if they're older than him. In this expression, it is almost impossible for the concept of "gain" or "utility" to come to mind in the sense of helping behavior. In fact, these expressions quoted, a "Fatherly" attituded manager who genuinely believes in helping people, sincerely shares real situations in which he helps to his employees. On the other hand, it has also been observed that this helping behavior within the industry takes place in ways such as information sharing, consultation or de facto helping to other companies or senior executives of them. As mentioned above, this mutual helping behavior aims to obtain common benefits or avoiding common harms and it has both classic rational and religious (Islamic) roots. On the other hand, the greater part of the participants expressed that this kind of helping behavior is a generally seen behavioral pattern in the industry, like a social institution.

In the interviews, the expressions referring to the values related to diligence were likewise mentioned with reference to religious-national and non-religious-rational sources. While nonreligious references are expressed in terms of earning more money and working for the feeling of pleasure, the references based on religion are observed in the form of direct and/or indirect reflection of the existing respect and love towards working for their business. Furthermore, some other values, which were coded in multiple main value groups, such as

honesty, truthfulness, social responsibility and economizing take place in the minds of the participants, in the context of religious and national values as well as nonreligious and rational values. We also also observed that there is a conflict between the ideal attitude of the rational economic approach and the ideal attitude of the local cultural (religious and national) values, in their minds.

In this respect, we directly coded the expressions that reflect the situations in which strategists have experienced real-ideal conflicts in terms of cultural value disputes and the cultural values in different situations under the headings of "Cultural Value Clashes" and "Real-Ideal Conflict". The expression that best describes the nature of this situation stems from conflicting values is this quote from the interview texts: "When we don't live as we believe, we begin to believe as we live..."

We understood that what is "ideal" for the majority of the participants here is to live and to do business as they believe but when they face with "real" conditions (classic rational way) in their business life, it is difficult to follow this ideal way of doing business.

**Table 6:** Sample Expressions Including Honesty, Responsibility and Economising Behaviors

Expressions of Honesty	Expressions of Social Responsibility	Expressions on Savings
Expression A: Ours is a family business. The most important thing between us is honestyand we have very good bilateral relations with other companies. These relations have many positive aspects to us In both long and short run. People in long run Our friends are good references for us. When we work with other companies in the future, they provide us with great easiness. Also in the short run; they can even do things that are considered not possible by them when we need something to be done immediately, they help us.	Expression A: People often get pessimistic not from impossibility or lack of thought. Because they do not know how to think, their horizon is not wide. When you remind them of the possibilities in their hands. Look! There is a saying: the one who is healthy wants everything the one who is sick wants only health. So even this is a blessing. Thinking, talking, walking I tell them that, I am retired, 60 years old and I do not have any problem with getting up in the morning. I get up, I recite Al - Fatiha (the opening chapter of the Koran), I praise Allah because there are people at my age, thousands of people who say, "Please help me turn around, hold my hand and help me stand up ". This is a great blessing. It is a great blessing to work. It is a great blessing to be helpful to others. So looking at it, we should be happy with the possibilities in our possession, we should thank Allah for all those. <b>*Helping others to be happy as reminding them those blessings coming from Allah</b>	Expression A: " actually when we look at the situation When we save money from our budgets, even in small pieces of it At the end of the year, we get an extra budget to spend I am talking about this" Expression B: " maybe it's good for us because we sell our goods but there are people who are changing their furniture after using it one year. I mean there are many people like this Buying a furniture and after a year they come to change it with a new one. I mean there is Islamic faith in people but. In practice it is hard to see It is wasting and such a waste is haram (forbidden)!"

## 4.3 Cultural Value Domains: Incompatibility and Conflict

Firstly, it will be useful to explain the concept of "Value(s) Domains", which will be frequently used in the following parts of this paper, briefly. Every single cultural value defines a safe domain for individuals and societies to move "safely" in it. A value domain is an assumed area between the borderlines drawn by the value judgments (such as good-bad, desired-undesired) of a certain set of values such as Islamic values, Capitalist values or Christian values.

In the light of the interviews and the observations made, we determined that the research participants had been in contact with different value domains (voluntary and involuntary) in their daily and business lives. Two of the most important and influential of these value domains in the survey are the ones named as "Muslim-Turk" and "Western-Rational" domains. We observed that the participants, who are in contact with these two value domains significantly feel this

incompatibility between them that stems from the attitudes and behaviors they regard as acceptable and their basic assumptions. In other words, there is a dilemma perceived between "Muslim-Turk" value set, which is a part of their identities and "Western-Rational" values set, which shows itself strongly in business life and business decisions. This dilemma is about which one to conform during their strategic decisions. Besides, we also found out that the participants experience this conflict, which arises from value incompatibility, in individual, organizational and social levels of their lives simultaneously.

The following Figure 3, a photograph taken by the researchers in a participant's office after the interview, reflects this conflict. The standing book is Philip Kotler and John A. Caslione's book named "Chaos: The Business of Managing and Marketing in the Age of Turbulence". The other book is the book titled "The Civilization of Virtues" belonging to Osman Nuri Topbaş, who is a Sufi (Mystical Islamic Belief) opinion leader with many followers in Turkey. The first book deals with modern, Western management and marketing practices carried out under uncertain and chaotic external environmental conditions. The second one is a book referring to the understanding of Islamic civilization, which gives virtues priority, as giving examples from Sufism and the history including the life of Prophet Muhammad (PBUH). Here, these two works stand side by side on an easily accessible bookshelf, to the participant's desk. The particular reason for including this visual in this part of the research is that it is providing visual data about the intersecting value domains in participants' business lives.



## Figure 3: From the Bookshelf of an Interviewee: Chaos and the Civilization of Virtues

The following statement of a participant working in Kayseri OIZ furniture industry reflects this conflict situation and the awareness of sector members about this dispute:

"There are fundamental differences in working life between Western capitalism and Turkish working structure. Now... I mean... Western Capitalism has created capital accumulation by exploiting the human as considering him as a material, as a machine. I think... Human... Humanity is holy... I mean... Human is Allah's caliph (successor) on Earth. A human who is like this holy... You cannot see this human as working for money... Just for money... Nothing else... You have to have the feeling of family... this warmth... while considering them in the working place... It will be more positive this way."

The way the participant uses the concepts of "Western Capitalism" and "Turkish Work Structure" refers directly to the conceptualization of "Muslim - Turkish Value(s) Domain" and "Western Rational Value(s) Domain" which is determined in this research. Here, the participant consciously and explicitly points out the incompatibility between these "value domains" in terms of their different opinions on the concept of Human.

There are also evaluations within the findings that contain clues as to the causes of this incompatibility and conflict. Following statement belongs to a participant telling how he manages his employees.

"We are not like a German company. I mean... This is the salary... This is the daily working time and that is all... It does not work like this with us... How does it work? Every single one of the people working inside (the company), has been working 8-10 years for you...(...) and at some point, you want to help them live in better conditions... We are Muslims... That's why we're helping them..."

In here, a basic philosophy, which is clearly out of the Taylorian understanding of business management, reveals itself. The classical management understanding proposes an organization works strictly like a machine and aims only efficiency and productivity (therefore profitability) in the organization. Consequently, there is no room for emotion/feeling based interpersonal relationships in this mechanical organization structure. The above approach of the participant shows that he regards his employees as humans. The picture in the participant's expressions is; a manager who learns the names of his employees, feels their work worthwhile and feels indebted to them, and in the sense of paying that debt, he provides them financial support outside their salaries.

As a result, we observed in the survey that the exhibited behavioral outcomes of the participants in the face of the situations including value incompatibility and conflict could generally be interpreted as "resistance" or "conformity" (Kağıtçıbaşı, 2006) behaviors. Before examining these behaviors including the participants' reaction to the conflict between the two main value domains named "Muslim-Turk" and "Western-Rational", it will be useful to mention the background and the philosophical roots of the disagreement between them, briefly.

# 4.4 The Source of the Conflict: Incompatibility of Western and Islamic Civilizations

The Muslim-Turk Value(s) Domain is the domain shaped by a chain of values, which finds its historical roots in the Old Turkish Culture (Middle Asia/Türk Budun) and predominantly in Islam, after 10<sup>th</sup> Century (Ocak, 2013) in which Turks had met Islam. On the other side, the Western-Rational Value(s) Domain is the one that has been articulated to Turkish culture and begun to effect it deeply, with the Westernization movements occurred since 17<sup>th</sup> Century (Kaya, 2014; Mardin, 1991), in which Turks (Ottomans) began to decline against the West.

The Western - Rational value(s) domain, which has become more imperative with the driving force of the facts such as Modernity and Globalization, has been increasing its influence on Turkish culture after the Industrial Revolution. As mentioned before, these two value domains are incompatible in terms of their basic assumptions and basics of movement. This situation of incompatibility has brought along a conflict, which has lasted for fourteen centuries (Lewis, 2007) and there are other popular opinions (Huntington, 1996) suggesting that this conflict will continue tomorrow.

In this context, "Western-Rational Value(s) Domain" in the survey is the reflection of the civilization known as Western Civilization today and its culture generally in Turkey and more particularly Kayseri OIZ furniture industry. Western Civilization finds its roots in Ancient Greek and Rome (Although this idea is not widely accepted, there are also those who take these roots even until Ancient Egyptian and Mesopotamian cultures) and it is nourished by Christianity and modern rationalistic values (Hause & Maltby, 2004). The western scientific thought and scientific theories and approaches built on these roots have begun to be generally accepted in the world since the end of the 18th century (Lewis, 2007). Islamic civilization on the other side, finds its roots directly in the Holy Qur'an and in the words (Hadith) and practices (Sunnah) of Muhammad (PBUH), the last prophet of Islam. In addition, Islamic civilization had met with Persian and Roman civilizations with the conquests, then interested in Ancient Greek philosophy since the 10th century (the great Muslim philosophers such as Farabi, Gazali and Ibn Rushd/Averroes lived in this time period), and influenced by all these three civilizations to some extent (Al-Jubouri, 2004).

According to Lewis (2007), West-Islam conflict had begun with Islam's emergence in the 7th century with its tenets contradicting and denying basic doctrines of Judaism and Christianity. In short, according to him, it started as a conflict in between the beliefs (basic assumptions) of Unity/Tawhid (Believing oneness of Allah) – Trinity (Father, Son and Holy Spirit). The conflict that first emerged like this, lasted for centuries through different phases (Lewis, 2007).

Fukuyama (1992) argues that this historical clash is finished today. According to him, the historical process of clashes, which has been shaped around the ideologies, political philosophy and/or economic theories, has come to an end. Thus, humanity has come to the peak points in terms of the Political and Economic Theories. He claims that we reached "Liberal Democracy", which is the best political system, and the "Capitalist Market Economy", which is the best economic approach that can ever be reached (Fukuyama, 1992). Consequently, this situation pictured means that the conflict in between the West and Islam has also finished with "The End of the History" and the West has won.

On the other side, Huntington (1996) defends a nopposite idea. According to him, the conflict in the world keeps going in form of a clash of civilizations and will be continued in the future. Huntington divides the world into nine different civilization areas, which have been culturally shaped and struggling with each other for a very long time. In the future, the main clash in the world will be around these civilization areas, he says. All the nations will be grouped around these cultural lines and their relationships (and conflicts) will occur on these lines (Huntington, 1997; Huntington, 1996). Both of the value domains in which conflicts are observed during the research process are directly related to two different civilization areas mentioned by Huntington. These are "Western Christianity" reflected in the research field as "Western-Rational Value Domain" and "Islamic World" as the area, which nourishes "Muslim-Turk Value Domain".

Hindu Civilization

Japan

**Buddhist Civilization** 

Sub-Saharan Africa

- Western Christendom
- Orthodox Christendom
- Islamic World
- Latin America
- Sinic World

This incompatibility and conflict between two different civilization areas have attracted the attentions of Muslim philosophers and scholars too. For example, Cemil Meriç (1986), one of the most important thinkers of Turkey in recent decades, regards Islam and West as separate civilization lines and equals the "Westernization (Turkish: Batılılaşmak)" with "Sinking (Turkish: Batmak)" (Meriç, 1986, p. 391). According to Meriç (1995), the West and the East (ie. Islam) are opposed to each other and always evaluate each other in this way.

Bosnian politician and intellectual Aliya Izetbegovic, who experienced the clash in front lines, also assesses this disagreement. Izzetbegovic tries to understand the philosophical, artistic and ideological infrastructure of Western Civilization and discusses the position of Islamic Civilization and Muslims in the face of this infrastructure (Izzetbegovic, 2015). According to Izzetbegovic, who stands against Fukuyama's theory, it is not inevitable as Fukuyama told that every society has to go through a process like Hegel's dialectical understanding of history and reach a Capitalist and Liberal-Democratic or Socialist outcome. Izzetbegovic mentions a midcourse for assessing the West and its outcomes as political and economic systems. This idea of following a midcourse can be seen as a sign that the West-Islam dispute does not necessarily mean conflict in his mind. On the other hand, according to him, the achievements and good aspects of Western-originated capitalist or socialist ideologies and practices must be seen together with their failures and darknesses in addition to its good sides and success (Izzetbegovic, 2010, p. 95).

Said Nursi (1930), adopts a similar approach that evaluates "good" and "bad" sides of the Western Civilization at the same time. Nursi criticizes the negative aspects of the West but does not deny its positive aspects and encourages Muslims to take advantage of these positive theories and practices (Nursi, 2006a, p. 115). Nursi opposes the Western-oriented philosophy of Materialism and other thoughts based on it. He believes the necessity of a combination of "reason" and "heart (representing the revelation-based beliefs and values)" in philosophy. According to him, those approaches based on materialism such as the Enlightenment Rationalism, which excludes divine will and guidance, ignore the heart entirely and make human beings servants of their own minds and interests (worldly desires). The person in this situation comes to a cruel and despotic state of mind and does not hesitate to worship even the most despicable things for the sake of obtaining the benefits he/she desires and according to him, this is a humiliation for man and the universe (Nursi, 2006a). Nursi makes a comparison over the concepts of "The Wisdom of (Western-oriented and Negative) Philosophy" and "The Wisdom of Holy Qur'an" (Nursi, 2006b, p. 132-133). The following Table 7 summarizes this comparison, which can be considered as a comparative of Modern Western and Islamic civilizations:

Basics	İslamic Civilization	Negative Side of Western Civilization
<b>Basic Premises</b>	Justice/Rightfulness	Power
Targets	Virtues and Allah's sake	Benefit
<b>Basic Norms of Life</b>	Helping Each Other	Struggle
The Proposed Bond Between People	Religion and Homeland Bonds	Racism and Negative Nationalism Bonds
Aims	To prevent the legitimate enthusiasm of Nafs and to raise the spirit and satisfy spiritual needs.	To satisfy legitimate and illegitimate enthusiasms of Nafs

Table 7: Islamic Civilization and Western Civilization

According to Nursi, the Western Civilization drives its members to the ultimate goal of deriving benefits. In order to achieve this goal, this civilization recommends individuals to be in constant state of struggling within his/her lifetime because of the endlessness of their need for benefits and goals of pursuing the desires of Nafs (Evil Commanding Soul). Thus, a conflict and a struggle over utility are considered as a natural situation. In this whole struggle, the ones that will support each other can only be those who are the members of the same nation or ethnic group (Nursi, 2000, p. 474). On the other hand, Islamic Civilization demonstrates its commitment to being virtuous and working for the approval of Allah, as the main aim of its members. The basic focal point is "rightfulness" in order to win His approval. Therefore, the one who is rightful should be the one who is powerful. Islamic civilization proposes faith and the love and devotion one's homeland (Vatan) as the sources of the social bonds between people. People who are connected to each other by the bond of the faith and love they have for their people/homeland, help each other instead of fighting. Moreover, according to Nursi, Western civilization's basic principles push humanity to satisfy any kind of worldly desires no matter what, while Islamic civilization limits these illegitimate willings and advises being virtuously (Nursi, 2006a, p. 118; Nursi, 2006b, p. 132). Thus, the human spirit can be ascended and the spiritual needs of human beings can be met.

Consequently, establishing a contact on the same social platform with both of the mentioned value(s) domains, which have been shaped in the direction of the Western Christianity and Islamic civilizational areas, means experiencing a conflict, faced at different levels, for strategists due to the incompatibilities and disagreements between them. The ongoing section will examine this conflict and the reactional behaviors of the participant strategists in the face of the conflict, through interpreting the data and the observations conducted in the field.

#### 4.5 Reflections of the Conflict on the Research Field

We have observed that the strategists have experienced this conflict of values described above, on three different levels: (1) individual, (2) organizational, and (3) social, and they demonstrate their reaction to the conflict in these three levels too. At the **individual level**, the conflict often develops in the form of an individual real-ideal conflict, as in the distinction of real-ideal personality (self) differentiation in Psychology (Horney, 1994, p. 109-110). Here the strategists live through a contradiction because the ideal attitudes and behaviors stipulated by the Muslim-Turkish values, which have been drawn from their own society, their immediate surroundings, and mostly from their family, are not fully in line with the commercial rules and financial instruments currently operative in their business environment. The results of not being able to act in accordance with their cultural values in their business activities return to the strategists in in different forms. These are lack of self-confidence and feeling of guiltiness during the process of making strategic decisions. Examining the individual side of the conflict as a

whole exceeds the limits of this study but this psychological aspect of the conflict will be visible to the readers in the related part of the paper that includes interpretations of the data.

The organizational level of the conflict reveals itself in the face of the Western managerial and financial practices and Far Eastern management methods adopted and presented by the West. At this point, we think that the reason for the conflict is the incompatibility between the strategists and the Western (and Far Eastern) managerial philosophies in terms of their basic assumptions. We also observed in the data that, even if the strategists somehow accept the Western way of managing, they face their subordinates' resistance that is caused by the cultural incompatibilities.

We observed that the conflict of value domains develops in a way that can be explained, in part, by the social influence and conformity behavior at the social level (Kağıtçıbaşı, 2006, s. 92-101). In Kayseri OIZ Furniture Sector, which is well known as a conservative (religious and patriotic) environment, moving within the Muslim-Turk Value Domain means more social acceptance. In this environment, being within the Muslim-Turk value(s) domain generally means to earn the trust of the society, and more particularly the business environment that is the subject of this research. This trust provides a strong reference for top managements in commercial activities, and management activities like human resource management and more particularly recruitment. In other words, a businessperson or senior executive, known as religious and patriotic, creates a sense of confidence in his business partners' minds. Thanks to this trust earned, the strategists can find trustworthy customers, suppliers, and qualified personnel more easily. They also become able to conduct managerial activities within their organizations smoothly by means of the trust they gained in the eyes of their staff. Meaningly, with such a reference, the strategist can turn the trust of his/her counterparts in him/her into a benefit, with the classical economic meaning of the concept.

#### 4.6 Conceptualization: Janissaries and Mercenaries

We can say that this conceptualization is mainly based on an important conceptual analogy that manifests itself in almost every aspect of business life: the "War – Business" analogy. For the strategic management field, this analogy is relatively more important. Many of the pioneering studies in the field are based on the conceptual "war-business" metaphor. Sun Tzu's book "Art of War" is the most well-known example of this. In his book, Tzu explains various ways of defeating enemies in battles and the oldest roots of the strategic management is assumed to reach this ancient work (McNeilly, 1996). Additionally, the birth of the modern strategic management is accepted to begin with another war: WW II (Bracker, 1980). The reason of building a conceptualization on the war metaphor is that it has been observed in statements of the survey participants. They describe (**Expression 1, Appendix. A**) furniture manufacturers of Kayseri as "warriors".

We must state that the expression of "Anatolian Tiger" that has been used by Turkish business world for the manufacturers operating in the Central Anatolian cities like Kayseri and Konya refers directly to the warrior/fighter side of a "carnivore" like a tiger. In this context, the main purpose of making a conceptualization named as "Janissaries and Mercenaries" in the research is to create a scale of how the participant strategists deal with the conflict between the two different value domains described above. One end of this metaphoric scale represents the "Janissary" behavioral pattern, while the other end represents the "Mercenary" behavioral pattern. Janissaries had a long history from the early times (Beglik) to the late times of Ottoman Empire (Palmer, 1952). They had been raised as skilled soldiers because of the in-depth education of values they got (Koçu, 2004), despite being recruited from non-Muslims living in Ottoman Empire until the end of the 18<sup>th</sup> Century (Goodwin, 2008). Janissaries had served in the heart of the army beside the Sultan during battles but they had never been the bigger part in the Ottoman imperial army (Nicolle and Mcbride, 1983). However, they had always had an important role in the empire because of being well-educated and trained professionals (Nicolle ve Hook, 1995, p.26). The most distinguishing characteristics of Janissaries from the other soldiers are their continual training in basic Islamic values during their education processes. In summary, Janissaries used to fight for the Sultan and the (Islamic and Turkish) values he represented. They also received a salary-based fee, but the main goal was never that fee but the values they fought for (Koçu, 2004).

On the other hand, the mercenaries fight for the payment they would get for fighting. Of course, the mercenaries, as human beings, also have certain cultural (religious and national) values because they grow up in a social structure. Moreover, it is possible to come across with mercenaries in the history of the West, who had fought in accordance with their home country's interests (in a sense for the values of their own nation) even if they have been fighting for other countries (Thomson, 1994, p. 26-31). However, mercenaries do not inherently fight for cultural (religious or non-religious) values, but for financial benefits. As a result, we named the behavioral pattern, which is more prone to see the "Muslim-Turk Value Domain" as a primary and ideal measure in business activities, even if they pay great attention to financial benefits at the same time, with the term Janissaries. On the other side, we identified the behavioral framework that reveals itself in the strategists who see "Western Rational Value(s) Domain" as basic and ideal measures in their strategic decision-making processes, even if they have personal cultural values or are familiar with them, with the term "Mercenaries".

We observed that the Janissaries tend to prefer religious and traditional values to classical rational values in the situations involving value conflicts between them. When there is a situation that has the potential to exhibit a behavior conflicting with cultural values such as getting or charging interest or firing a great number of employees etc., they seek other alternatives that do not conflict with their cultural values. They hold their values up (to the last point) and try to stay within the limits defined by cultural (religious and national) values as long as they can. For instance, when they need financial support in order to improve their businesses or buying new machinery, they prefer the alternatives like "Leasing" that are in the limits of their cultural (religious) values over the alternatives like using bank credits (interest charged) because paying or charging interest on money is forbidden (Haram) in Islam. The following text involves expressions of a participant who purposefully uses financial leasing instead of interest charged bank credit for obtaining expensive machinery (**Exp. 2, Appx. A**).

The resistance shown by the participants here is never revealed with the intention of destroying or neutralizing Western rational values. The resistance here unfolds against the Western Rational Values' characteristics, which are incompatible with "Muslim-Turkish" values. The response of the Janissary behavioral frame is trying to find and create alternatives to the practices and values that are incompatible with Muslim Turkish values. In the absence of such an alternative to replace an incompatibility in a decision situation involving extra profit, a profit that is not essential for sustaining the company, the intention of quitting the decision situation involves a life or

death decision for the company, then the behavior develops in the form of acting in conformity with the incompatible alternative and psychologically rationalizing to tolerate such an act.

For instance, a participant who operates in the furniture sub-subsidiary industry has shared such kind of a situation during the interview (**Exp. 3, Appx. A**). The participant is producing fiber-stuffing goods, from high quality and relatively expensive non-recycled raw materials. On the other side, his competitors in the market are using low quality and low cost recycled raw materials (which is considered to be unhealthy) to produce fiber stuffing goods and this makes them one step ahead in the competition. The corporate customers, furniture manufacturers in the market prefer competitors who supply less expensive fiber and do not care much about if they are healthy or not, and they demand the participant to offer the same low prices. In this case, the participant does not want to conduct production with recycled material that, he thinks, is "low quality" and "unhealthy" although he knows he will make more profits.

The participant additionally tells (**Exp. 4**, **Appx. A**) that he reconciles himself to make less profit despite it means competitive disadvantages, and resists to give on the more quality raw material (in fact semi-finished good it is). He bases this behavior upon caring about the health of the end users. In here, we understand that the participant's concern with health is based on "moral (based on his faith/Islam) values".

However, the participant understands that they would not be able to continue their operations with this little profit that he previously agreed to trade. It was not possible anymore because new entries into the market occurred and their customers were not caring much about the good, stuffing fibers. Consequently, he feels forced to use the same recycled raw material for their goods just as their competitors in the market but he finds a relatively "cleaner" form of recycled fibers from another country and tries to stay on his idea of caring about the health of end users.

The strategists who are prone to the Janissary behavioral patterns experience the conflict between the value domains because of the mechanisms that work in the domain of Western-Rational Values such as market conditions, financial relations and procedures, money transactions. For Janissaries in every single situation in which they compromised on their Islamic-Turkish values because of their business lives, they feel the pain of compromising their "own" values that shaped their identities. We noticed that the Janissaries have been suffering deeply by the pain of this compromise. The source of this pain lies the belief that the concession given, changes not only the way they do business but also their beliefs and thus, themselves.

"But generally... Our values are our judgment standards about everything. We do not do business as our religion tells us to, but I think the way we do business affects the way we believe..."

The deepness of the pain they are suffering comes from the deepness and quality of Janissaries' relationship with their "own" cultural values. We observed that the relationship between the Janissaries and Muslim-Turk cultural values is a profound relationship that relies on the "Intrinsic Value" (Bradley, 1998) attributed to this cultural values area by them. In short, they believe the intrinsic value of these cultural values without considering the expectations of a material or economic benefit (Harman, 1967, p. 796) that might come from them. This approach develops through their religious feelings shaped around their belief in Allah (God) and Ahiret (Hereafter) (**Exp. 5, Appx. A**).

We quoted the expressions above from the words of a participant engaged in supplying (production and trade) furniture raw materials and semi-finished goods for furniture manufacturers. He tells how and why he cares about other people's earnings/gains in business life. Here, the participant links the behavior of not obstructing the gains of others to his expectation of a spiritual benefit such as giving the account of his doings to Allah easier, in the hereafter. It is expectable for a Janissary who has spiritual (religious) motivations behind his doings beside rational motivations to experience value conflicts in a market structure based only on the expectations of material (monetary) benefits.

In the face of the conflict between the value domains, the area where the Janissaries – Mercenaries distinction is clearly visible is their attitudes toward the financial concept of interest. The expression below belongs to a participant who claims to be the owner of a company that sincerely cares about religious (Muslim) and traditional (Turkish) values. The participant who explains his attitude against interest clearly denies using financial instruments including interest (**Exp. 6, Appx. A**).

We consider the denial here within the borders of Janissary behavioral pattern by the researcher. The reason for this attitude is that Islam strictly forbids charging or paying interest and the participant is willing to obey this rule. This prohibition is so strong that, according to the Holy Qur'an (Baqara/279), "charging or paying interest means declaring war against Allah and His Prophet (Muhammad (PBUH)). Consequently, Janissaries have a strong tendency to keep themselves apart from interest even if they could make greater amounts of money by using interest (**Exp. 8, Appx. A**).

The attitude above is shaped not only by Islamic rules but also by the experiential knowledge distributed in the business environment as sharing stories with each other. The story of a participant sheds light on how such an attitude towards the interest might be developed (**Exp. 8, Appx. A**). In the interview, he tells their family business' story of using bank credits (interest charged) while trying to survive a financial crisis and suffering from the bank credit. Because of this suffering, they came to the edge of bankruptcy. Somehow, they survived and they developed a principle of not **being infected with interest** ever again. In this context, it is necessary to express that in Kayseri OIZ, to make transactions with interest means to "get infected" with interest. Thus, making transactions with interest means getting sick in the minds of the participants close to Janissary behavioral pattern and they do whatever they can to stay away from it (**Exp. 9, Appx. A**). In addition, for the participant strategists who have taken the janissary attitude, being infected by interest also means, "taking risks". Janissaries prefer to grow "slowly" instead of growing rapidly by taking the risks of using interest in such situations (**Exp. 10, Appx. A**).

In terms of mercenary behavioral patterns, the attitudes towards interest are different. As mentioned before, the point of departure for the Mercenary behavior is benefit (material gain) as in Homo-economicus. When the mercenaries confront conflicts of value in business life, they tend to decide on the side of Western-Rational values, which are often opposed to Muslim-Turk values. In this context, in terms of mercenary behavior, if it is necessary to increase the income to grow, and if it is necessary to borrow at an interest rate to increase the income, it must be done no matter what. In other words, the Mercenaries can take any risk of using interest in business transactions (**Exp. 11, Appx. A**).

A similar situation can also manifest itself in certain decisions, other than transactions with interest and selling with future prices such as discharging employees. If it is necessary to lay off a great number of personnel for developing the business or making more profit, then Mercenaries do it, without caring about the number or the economic conditions of the discharged people (**Exp. 12, Appx. A**). We interpret this kind of an attitude with the deepness of their relationship with the cultural values. We think that participants, who are more likely to behave in the context of the mercenary behavior, have a more superficial relationship with religious and tradition-based cultural values, which are within the scope of "Muslim-Turkish Value Domain". For mercenaries, the instrumental value rather than the intrinsic value of cultural values is more prominent. In short, if there is an economic meaning or a material benefit of taking these values in consideration, they catch the attention of Mercenaries. If such a benefit is not mentioned, these values are ignored and the "business" goes on. Below is an example of a participant expressing that he has done business transactions with interest more than once at different times (**Exp. 13, Appx. B**).

The participant also refers to the discomfort they experience when talking about doing business with interest more than once here, because they do not use the term "interest" even if they are involved in the business transactions with interest. In short, they are using interest but they feel uncomfortable to talk about it. We interpreted that this feeling of discomfort here is not deep as it is in the Janissary behavioral pattern. More clearly, it is obvious that using interest (being infected with interest) couses discomfort but it is enough to use the words of "late charge" instead of "interest" for decreasing the dose of psychological stress caused by using interest.

On the other hand, we can understand the situation of not using the word "interest" despite using interest in business transactions as an effort to hide it from the social environment. The business owners and top managers, who are willing to act in the borderlines of "Mercenary Behavioral Pattern" in Kayseri OIZ, do not usually show their intentions of getting in the pattern clearly and openly. This behavior can be explained partially, through the social influence and compliance behavior. In other words, the strategists do not want their intention of not obeying to the values prevailing in this social structure to be known by the social environment of this structure.

According to the observations of the participants, the need of the strategists who show the mercenary behavior to gain the trust and acceptance of the society has other meanings beyond a psychological or socio-psychological need. Because gaining the trust of the society, which is cuurently seems to embrace Muslim-Turkish values, means obtaining certain benefits such as conducting better and easier counter trade activities, finding trustable employees (more importantly senior managers), or simply gaining more money. Consequently, this point of view means doing the business (selling or buying) of trust rather than doing the business with mutual trust (**Exp. 14**, **Appx. B**).

The statements of the participant confirm that the Muslim - Turkish values are prevalent in the research field. However, the participants also told about their observations that there are many business executives who seem to get along with those values, in the local business environment. However, they do not genuinely care about the values and they are not even willing to stay in the borderlines of this value domain (**Exp. 15**, **Appx. B**). We evaluate this behavioral pattern (mentioned in Exp. 15) within the Mercenary behavioral pattern. The reason for this is that an instrumental assessment of cultural values takes place in this behavioral pattern. From this point of view, it is trying to instill trust in the people who appreciate religious and traditional cultural values intrinsically as looking to get along with those values. Here, they attribute an instrumental value to those values, such as using the trust came from them for making more money.

We observed that some of the participants behave closer to the Mercenary behavioral patterns with regard to the partnership relationships within their organizations, which are mostly family businesses. In this context, the mercenary behavior shows itself against traditional Turkish values about family relations. For example, according to the old Turkish traditions if you are younger, then you shall obey the elders in your family no matter what. However, we observed that even siblings who are working together in a family business could ignore this Turkish tradition and tear the business (even the family) apart into pieces. Simply, a conflict of their personal interests or a conflict between them, which stems from an important managerial decision, can be a reason for ignoring the traditions organizing family relations (**Exp. 16, Appx. B**).

Finally, we claim that the strategists in the field behave like either a "Janissary" or a "Mercenary" when they face a conflict of "Muslim-Turk" and "Western-Rational" value(s) domains. We must mention that it is not possible to talk about the existence of a homogenous crowd in the research field, which includes pure (%100) Janissaries and pure (%100) mercenaries. As previously stated, the conceptualization of "Janissaries and Mercenaries" represents two extremes of a hypothetical chart, and **none of the strategists interviewed in the study is in full compliance with the Janissary or Mercenary patterns of behavior** in business life. Thus, we used the expressions such as "the Janissaries behave like this" or "the Mercenaries act like this" in the study just for the ease of usage. Consequently, some strategists tend to act mostly like a Janissary and some tend to act mostly like a Mercenary" behavioral patterns in terms of the discussions and interpretations above, are as follows:

<b>Basic Characteristics</b>	Janissary Behavior	Mercenary Behavior
Basic Moral Stance	Idealist Morality (Sourced from Religious and Turkish Traditional Principals)	Utilitarian Morality, (Utilitarianism, Pragmatizm)
Expectations From Business	Spiritual Satisfaction and Material Benefits	Material (Monetary) Benefits
Expectations of Growth	Slowly / Growing Step by Step	Rapidly / As Fast As They Can
The Relationship with Cultural (Religious and Traditional) Values	Deep/Intrinsic Value	Superficial/Instrumental Value
In the Face of Rational Values	Tend to resist them	Tend to comply with them
In the Face of Religious and Traditional Values	Tend to make no compromises	Tend to make compromises
The Way of Understanding Competition	(A form of) Altruism - Cares about benefits of the others	Selfishness - Cares only about his own benefits or losses
Basic Strategic Aim	Surviving	Obtaining Sustainable Competitive Advantage

**Table 8:** Janissaries and Mercenaries Framework

In terms of basic moral stance, the dominant approach of the Janissaries in morality is an idealism based on religious sources and teachings. More clearly, the Janissaries answer the questions of what is good and conscientious, according to the moral framework of Islamic teachings, coming from the Holy Qur'an and the Prophet Muhammad (PBUH). On the other hand, the Mercenaries find the answers to the same question within the Utilitarian morality. For

them, the good is the one, which is the most beneficial one and making them gain more or loose less. We formed the anticipations and expectations of the Janissaries and Mercenaries according to these moral stances. The Janissaries naturally expect material (monetary) benefits from their business activities (production and trade). However, they also want to obtain a spiritual satisfaction stemming from knowing that they work in the direction of their religious beliefs or at least they do not contradict these beliefs in their practices. It can be thought that there is an expectation of long-term benefits (like going to the Heaven beyond this worldly life or having Allah's consent with their doings), which relies on the Islamic beliefs.

On the other hand, the mercenaries firstly aim to get as much material benefit as they can from their business activities, even if they are believers of a religion and even if they know that it is true to live according to the moral values coming from that religion. From this perspective, the relation of the Janissaries to the religious and traditional values comes out as a relatively deeper and stronger bond. To be more precise, they believe that even if the religious and traditional values are not instrumentally valuable to them meaningly or even if complying with these values brings no benefit to them in their business life; these values are righteous and intrinsically valuable to them. Moreover, these instrumental and intrinsical values are not mutually exclusive and thus, a strategist might be taking both instrumental and intrinsical values of religious or traditional values into consideration, at the same time. In addition, Janissaries do not give up easily on their values because of their business activities. When they have to compromise cultural values for their business, they feel the pain of this abandonment deeply. The relationship of Mercenaries to values is more superficial. For them, the value of religious and traditional values comes from their potential of making Mercenaries' (business) life easier. When they think that, they can disrupt their business activities by acting in accordance with these values, mercenaries are more inclined to give up on these values than the Janissaries can. For example, when a business they intend to do for gaining more financial benefits conflicts with their local cultural values, they can easily ignore this contradiction. They also escape from the pain of being able to abandon their values, and they do this much easier than the Janissaries ever can. In this direction, the expectations of growth are also different between the Janissaries and the Mercenaries in terms of the qualities of their relationship with local cultural values. Using financial instruments offered by banks to provide the financing needed for growth will eventually mean doing business at interest. Therefore, the Janissaries want to grow "step by step", not growing fast but growing to the extent that they can consider their own resources and equity capital. Mercenaries want to grow up fast and are prepared to do everything they can financially do, including using interest charged financial instruments.

Another area, where we can clearly observe the distinction between the Janissaries and the Mercenaries, is **the difference in the way they look at the concept of competition**. The most striking point of this difference has revealed itself in an interview with a Janissary of the field. He was telling a story in which he tells a rival company's representative that he considers his rivals as "Not Competitors but Companions" (Exp. 16, Appx. B). The difference between the meanings of these two words is quite clear. The word "Competitor" refers to a struggle, a rivalry and the word companion refers to a fellowship throughout a journey. In this context, we must express that the Janissaries' also struggle with their competitors but this struggle does not include a merciless understanding of competition, which is aiming to finish their rivals and stand alone in the market. The essence here is (of course) trying to prevail over the others, but also trying not to cause vital damages (materially and spiritually) to the others in order to sell more or make more profit, or even trying to help when they need help. This behavior rises on the basis of the Islamic belief that

"everyone can only eat what is their k1smet (Allah's giving), nothing more nothing less". This basic approach in the Janissary attitude can be considered within the scope of "Altruism" behavior, which means helping people without any social or material benefit (Schwartz, 1977, p. 223).

On the other side, the competition approach in the Mercenary behavioral pattern is a selfish and harsh competitive approach compatible with the classical economic understanding. In short, a competitor is a competitor and they do whatever it takes to obtain a superior position in the market and maximize their utility. Mostly, they do not even think about helping others in the competition process. Consequently, strategic aims of these two approaches are different from each other. The Janissaries who are dealing with their rivals in terms of their own cultural values and are ready to help them when they are in trouble, aim long-term survival. It is not always necessary to be the most advantageous one in the competition (in terms of costs or technology) or to destroy all the other competitors. The Mercenaries, on the contrary, aim to obtain and preserve competitive advantage in the direction of the classic rational understanding of competition, and they additionally endeavor to finish all their rivals.

#### **5** CONCLUSION AND CONTRIBUTIONS

The main contribution of this research to the related literature is examining the effects of cultural values on strategic decision processes through the data obtained by field interviews and observations. Secondly, this research contributes to the debate on the strategic meaning of culture as a strategic resource or more specifically as a core competence, through examining its effects on the decision processes. These contributions can be viewed in terms of culture studies and the mechanisms of (strategic) the decision-making theories.

Within the context of cultural studies, it has been tried to shed light on the transition points between the three cultural circles positioned within each other by this study. The outermost of these circles is the modern(ist) Western culture, which we considered to be the main source of the "Western-Rational" value domain in the research. The majority of humankind accepts the modern Western cultural values today (willingly or unwillingly). The inner circle is the circle of Islamic - Turkish culture. This circle represents the cultural establishment that is nourished by two main sources, Central Asian Turkish Culture and Islam, which is produced by the Turkish society itself. The circle in the center is the organizational cultures within the participants' own companies.

Here, the direction of the transition between the circles is mostly from the outside to the inside. This transition, towards the field of Muslim Turkish values from the field of Western Rational values, is thought to be realized through the economic system where the West is philosophically, theoretically and practically dominant. Today, almost all of the economic systems and institutions, large or small, are shaped on the basis of the Western - rational economic values. In this respect, the transition of Western cultures and values of these cultures to local values is also based on the tangible applications of these institutions and systems, such as financial instruments and transactions. Western values are also changing and transforming local values and the strategists who want to do business based on these values, thanks to its (almost) unsubstituted financial practices that conflict with local religious values such as interest. This transformation carries the meaning of turning the Janissaries into the Mercenaries, in terms of the research's main conceptualization. According to research findings, the Janissary attitude shows resistance to this transformative effect of modern(ist) Western values. However, according to the

researcher, it is not right to describe this resistance shown by the Janissaries against the incompatible aspects of Modernism with their own basic cultural values as a postmodern kind of resistance. Because the value domain, in which the Janissary attitude takes place, does not represent the line of thoughts followed by the steps of Scholasticism, the Enlightenment, Modernity, and Post-Modernity. This resistance is a manifestation of the reaction of a different civilization line to this line and its dominant and compelling stream.

From the perspective of the decision-making process, we found in the research that cultural values are involved in every stage of the decision-making processes of the participants. The rationale of decision theory tells that individuals make their decisions in the direction of their thoughts to maximize utility. In real decision situations, it is certainly known that individuals are not always rational. Rational decision theory treats such situations as "deviations". The reasons why people deviate from the mainstream economics' "right way" were tried to explain firstly by the "Limited Rationality" approach and then by "Behavioral Decision Theory". This study is contributing to these efforts by determining that the cultural values and beliefs are at work in every step of the strategic decision-making process. In other words, it is claimed here that real decision makers can make non-rational decisions because of their cultural values. In other words, an alternative, which is expected to maximize the utility in a decision situation, may not be preferred due to the cultural (mostly religious) values of the decision maker even if the limits of rationality or psychological biases are ignored.

At this point, it will be useful to explain the mechanism through Figure 4 below includes the decision flow diagram that sheds light on the details of this mechanism. The most important part of Figure 4 that needs to be explained is the part of "Digestion/Rationalisation". Rationalization includes the process of determining the "Satisficing" alternative in the Limited Rationality. The rationalization mechanism means evading or psychologically rationalizing an alternative that brings negative psychological conditions like anxiety or fear in terms of the behavioral decision theory.



**Figure 4: Decision Flow Diagram** 

Culturally speaking, the mechanism of rationalization means making the regrets of acting against the values acceptable to the decision-maker himself/herself. Also, here rational, behavioral and cultural reasons might be used as facilitating effects for each other. For example, a strategic decision-maker who is prone to the Janissary attitude, who abandons the most profitable option because it does not comply with his/her cultural values rationalizes his behavior like saying "Brother! We didn't earn much but we have inner peace". On the other hand, if a participant who is prone to the Mercenary behavioral pattern and makes a choice that would compromise his/her own cultural values in order to make more profit, can rationalize it by saying, "It was not right according to our religion but that's the way you make money".

Consequently, we observed that the influences of cultural values are operative at every step of the (strategic) decision making processes. This influence of culture brings strategic meaning to culture itself. From this point of view, we concluded that cultural values could be evaluated as "core competences". However, we can not assume that the cultural values can be regarded as technical or technological core competences just as the classic definitions of the core competence concept. In terms of the deep and comprehensive nature of culture, a cultural value based core competence will be an intangible competence, which relies on tacit knowledge. Thus, such a competence, which possesses the power to change the way top managers think on basic concepts like competence, strategy or business, needs another name and a definition different from the classic core competence and a classical (technical or technological) core competence overlaps with the distinction between "Metaphors" and "Root Metaphors" in the literature of Linguistics. In short, while the concept of metaphor expresses a simple analogy between different objects, events, or conceptual domains, the concept of root metaphor represents mentally deeper

and wider analogies that shape and deepen understanding of basic concepts and phenomena (Örtenblad et al., 2016, p. 58). In this manner, we claim that if cultural values will be regarded as core competences, such kind of competences should be named as "Root (core) Competences" which are profoundly shaping the minds of business strategists. We also claim that such kind of a "Root Competence" which will continuously produce new innovative ideas, products, and new core competences will be a competence constantly providing competitive advantages under the difficult conditions of today's hyper-competitive markets.

BIBLIOGRAPHY

- Al-Jubouri, I. M. (2004). *History of Islamic Philosophy: With View of Greek Philosophy and Early History of Islam.* Bright Pen.
- Ansoff, H. I. (1957). Strategies for Diversification. Harvard Business Review, 35(5), p. 113-124.
- Aumann, R. J. (1997). Rationality and Bounded Rationality. *Games and Economic Behavior*(21), p. 2-14.
- Barney, J. B. (1986). Organizational Culture: Can It Be a Source of Competitive Advantage? *Academy of Management Review*, 11(3), p. 656-665.
- Barney, J. B. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), p. 99-120.
- Bayles, C. M., Aupperle, K. E., & Arogyaswamy, B. (1991). Organizational Culture and Performance. *Journal of Managerial Issues*, 3(4), p. 512-527.
- Berardo, K. (2012). Four Analogies. K. Berardo, & D. K. Deardorff içinde, *Building Cultural Competence: Innovative Activities and Models*. Virginia: Stylus Publishing.
- Berger, P. L., & Luckmann, T. (1991). *The Social Construction of Reality: A Treatise in the* <u>1367</u> *Sociology of Knowledge*. Penguin Books.
- Bettenhausen, K., & Murnighan, J. K. (1985). The Emergence of Norms in Competitive Decision-Making Groups. *Administrative Science Quarterly*(30), p. 350-372.
- Bøllingtoft, A. (2007). A critical realist approach to quality in observation studies. H. Neergaard,
  & J. P. (Edt.) içinde, *Handbook of Qualitative Research Methods in Entrepreneurship* (p. 406-434). Chentenham: Edward Elgar .
- Bower, B. (1998, July). Seeing Through Expert Eyes: Ace Decision Makers May Perceive Distinctive Worlds. *Science News*, 154(3), p. 44-46.
- Bracker, J. (1980). The Historical Development of the Strategic Management Concept. Academy of Management Review, 5(2), p. 219-224.
- Bradley, B. (1998, August). Extrinsic Value. *Philosophical Studies: An International Journal for Philosophy in the Analytic Tradition, 91*(2), p. 109-126.
- Brink, H. I. (1993). Validity and reliability in qualitative research. *Journal of the Democratic Nursing Organisation of South Africa, 16*(2), p. 35-38.
- Charmaz, K. (2006). Constructing Grounded Theory: A Practical Guide Through Qualitative Analysis. London: Sage Publications.

- Child, J., Elbanna, S., & Rodriguez, P. (2010). The Political Aspects of Strategic Decision Making. P. C. Nutt, & D. C. Wilson içinde, Oxford Handbook of Decision Making (p. 105-139). John Wiley and Sons.
- Corbin, J., & Strauss, A. (1990). Grounded Theory Research: Procedures, Canons, and Evaluative Criteria. *Qualitative Sociology*, 13(1), p. 3-21.
- Cox, G. W. (1999, Nisan). The Empirical Content of Rational Choice Theory: A Reply to Green and Shapiro. *Journal of Theoretical Politics*, 11(2), p. 147-169.
- D'aveni, R. A. (1998). Waking Up to the New Era of Hypercompetition. *The Washington Quarterly*, 21(1), p. 183-195.
- D'aveni, R. A., & Dagnino, G. B. (2010). The Age of Temporary Advantage. *Strategic Management Journal*, 31, p. 1371-1385.
- D'aveni, R. A., & Gunther, R. (1994). *Hyper-Competition: Managing the Dynamics of Strategic Maneuvering*. New York: The Free Press.
- Daymon, C., & Holloway, I. (2002). Qualitative Research Methods in Public Relations and Marketing Communications. London: Routledge.
- Deal, T. E., & Kennedy, A. A. (1982). Corporate Cultures. Addison-Wesley Pub. Co.
- Dess, G. G., & Miller, A. (1993). Strategic Management. New York: McGraw-Hill Inc.
- Drucker, P. F. (1969). The Management Practice. Oxford: Butterworth-Heinemann.
- Ekekwe, N. (2011, February). Competition Beyond Core Competence. Harward Business Review.
- Erkekoğlu, H., Kılıçarslan, Z., & Göknar, H. (2014, Temmuz-Aralık). Kayseri İlinin Mobilya Sektörü Rekabet Gücü: Açıklanmış Karşılaştırmalı Üstünlük Endeksi. *Erciyes Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi*(44), p. 1-22.
- Everet, B. S. (2002). *The Cambridge Dictionary of Statistics*. Cambridge: Cambridge University Press.
- Fukuyama, F. (1992). The End of History and The Last Man. New York: The Free Press.
- Fukuyama, F. (1995). *Trust: The Social Virtues and the Creation of Prosperity*. New York: Free Press.
- Geertz, C. (1973). The Interprtations of Cultures. New York: Basic Books.
- Giberson, T. R., Resick, C. J., Dickson, M. W., Mitchelson, J. K., Randall, K. R., & Clark, M. A. (2009). Leadership and Organizational Culture: Linking CEO Characteristics to Cultural Values. J Bus Psychol(24), p. 123-137.
- Glaser, B. G., & Strauss, A. L. (1999). *The Discovery of Grounded Theory: Strategies for Qualitative Research*. New Brunswick: Aldine Transaction.
- Goodwin, G. (2008). Yeniçeriler (The Janissaries). İstanbul: Doğan Egmont yayıncılık.
- Hanlon, G. (2016). The Dark Side of Management. London and New York: Routledge.
- Harman, G. H. (1967, December 7). Toward a Theory of Intrinsic Value. *The Journal of Philosophy*, 64(23), p. 792-804.

- Hause, s., & Maltby, W. (2004). *Western Civilization: A History of European Society*. Thomson Wadsworth.
- Hofstede, G. (1983). *Culture's Consequences: International Differences in Work Related Values.* London: Oxford University Press Inc. .
- Horney, K. (1994). Self-Analysis. Norton Company Inc.
- Huntington, S. (1996). *Clash of Civilizations and The Remaking of World Order*. New York: Simon and Schuster.
- Huntington, S. (1997, 01 30). Samuel Huntington on the "Clash of Civilizations". *Charlie Rose*. (C. Rose, Röportaj Yapan) 11 4, 2016 tarihinde https://charlierose.com/videos/17838?autoplay=true adresinden alındı
- Isabella, L. A. (1990). Evolving Interpretations as a Change Unfolds: How Managers Contrue Key Organizational Events. *Academy of Management Journal*, *33*(1), p. 7-41.
- Izzetbegovic, A. (2010). İslam Deklarasyonu: Müslüman Halkların ve Müslümanların İslamlaşmasına Dair Bir Program/Islamic Declaration. İstanbul: Fide Yayınları/Fide Publicaitons.
- Izzetbegovic, A. (2015). *Doğu Batı Arasında İslam/Islam Between East and West.* İstanbul: Klasik: Aliya İzzetbegoviç Kitaplığı/Classics: Aliya Izzetbegovic Bookshelf.
- James, D. (2009). *Early Islamic Spain: The History of Ibn al-Qu<sup>-</sup>t*. London/New York: Routledge Taylor and Francis.
- Kağıtçıbaşı, Ç. (2000). Kültürel Psikoloji: Kültür Bağlamında İnsan ve Aile/Cultural Psychology: Human and Family in the Context of Culture. İstanbul: Evrim Yayınevi/Evrim Publications.
- Kağıtçıbaşı, Ç. (2006). Yeni İnsan ve İnsanlar: Sosyal Psikolojiye Giriş/New Human and Humans: Introduction to Social Psychology (10 b.). İstanbul: Evrim Yayınevi/Evrim Publications.
- Kahneman, D., & Tversky, A. (1979, March). Prospect Theory: An Analysis of Decision Under Risk. *Econometrica*, 47(2), p. 263.
- Kaya, M. (2014). Geç Osmanlı Döneminde Öykünmeci Modernitenin Boyutları/Dimensions of Mimetic Modernity in The Late Ottoman Period. *Fırat Üniversitesi Sosyal Bilimler Dergisi*, 24(2), p. 267-275.
- Keyton, J. N. (2011). Communication and Organizational Culture: A Key to Understanding Work Experiences. New York: Sage Pub. .
- Klein, G. (2008). Naturalistic Decision Making. Human Factors, 50(3), p. 456-460.
- Klenke, K. (2008). Qualitative Research in the Study of Leadership. Emerald Group Pub. Ltd. .
- Koçu, R. E. (2004). Yeniçeriler/Janissaries. İstanbul: Doğan Kitapçılık.
- Krueger, J. I. (2008). Rationality and Social Responsibility: Essays in Honor of Robyn Mason Dawes. New York: Psychology Press / Taylor and Francis Group.
- Lewis, B. (2007). Europe and Islam. Washington D. C. : AEI Press.

- Mardin, Ş. (1991). *Türk Modernleşmesi: Makaleler 4/Turkish Modernization: Articles 4.* İstanbul: İletişim Yayınları/İletişim Publications.
- Mardin, Ş. (2008, Mayıs 23). Mahalle Baskısı/Neighborhood Pressure. (R. Çakır, Röportaj Yapan) İstanbul.
- Martí, J. M. (2012). Towards a New Theory of the Firm: Humanizing the Firm and the Management Profession. Fundacion BBVA.
- Mayo, E. (1949). Hawthorne and the Western Electric Company: The Social Problems of an Industrial Civilisation. Routledge.
- McNeilly, M. (1996). Sun Tzu And The Art of Business. New York: Oxford University Press.
- Meriç, C. (1986). Kültürden İrfana/From Culture to Irfan. İstanbul: İnsan Yayınları.
- Meriç, C. (1995). Jurnal/Journal. İstanbul: İletişim Yayınları.
- Mooney, A. (2010, August). Core Competence, Distinctive Competence, and Competitive Advantage: What is the difference? *Journal of Education for Business*, 2(83), p. 110-115.
- Neuman, W. L. (2014). *Social Research Methods: Qualitative and Quantitative Approaches.* Essex: Pearson Education Limited.
- Nguyen-Phuong-Mai, M. (2017). Intercultural Communication: An Interdisciplinary Approach: When Neurons, Genes, and Evolution Joined The Discourse. Amsterdam: Amsterdam University Press.
- Nursi, S. (2000). Mektubat/The Letters. İstanbul: Sözler Neşriyat.
- Nursi, S. (2001). Lemalar/The Flashes. İstanbul: Sözler Neşriyat.
- Nursi, S. (2006a). Lemalar/The Flashes. İstanbul: Envar Neşriyat/Envar Publishing.
- Nursi, S. (2006b). Sözler/The Words. İstanbul: Envar Neşriyat/Envar Publishing.
- Ocak, A. (2013). Türkler ve İslamiyet: Türklerin Müslümanlığı Tarihine Dair Bir Sorgulama. AİBÜ Sosyal Bilimler Enstitüsü Dergisi: Semih Tezcan'a Armağan(13), p. 251-260.
- Ovans, A. (2015, May). What is Strategy, Again? . Harvard Business Review.
- Palmer, J. A. (1952). Origin of Janissaries. Bulletin of the John Rylands Library, 35.
- Pepper, S. C. (1942). World Hypothesis: A Study in Evidence. Los Angeles: University of California Press.
- Peters, T. J., & Waterman, R. H. (1982). In Search of Excellence: Lessons from America's Best-Run Companies. Harper Collins.
- Pettigrew, A. M. (1979). On Studying Organizational Cultures. *Administrative Science Quarterly*, 24(4), p. 570-581.
- Pitney, W. A., & Parker, J. (2009). *Qualitative Research in Physical Activity and the Healthcare Professions.* Human Kinetics.
- Porter, M. E. (1998). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. New York: The Free Press.

- Prahalad, C. K., & Hamel, G. (1990, May-June). The Core Competence of The Firm . *Harvard Business Review*, p. 79-90.
- Rue, L. W., & Holland, P. G. (1989). *Strategic Management: Concepts and Experiences*. New york: McGraw-Hill Publishing Company.
- Schein, E. H. (1993). On Dialogue, Culture, and Organizational Learning. *Organizational Dynamics*, 22(2), p. 40-51.
- Schein, E. H. (2004). Organizational Culture and Leadership (3 b.). San Fransisco: Jossey-Bass.
- Schoemaker, P. (1982). The Expected Utility Model: Its Variants, Purposes, Evidence and Limitations. *Journal of Economic Literature*, 20(2).
- Schreier, M. (2012). Qualitative Content Analysis in Practice . London: Sage Pub. .
- Schwartz, S. H. (1977). Normative Influences on Altruism. L. B. (Edt.) içinde, Advances in Applied Social Psychology (p. 222-275). London: Academic Press.
- Sebora, T. C., & Cornwall, J. R. (1995). Expected Utility Theory Vs. Prospect Theory: Implications For Strategic Decision Makers. *Journal Of Managerial Issues*, 7(1), p. 41-61.
- Simon, H. A. (1957). Models of Man: Social and Rational. New York: Wiley Pub.
- Simon, H. A. (1977). *The New Science of Management Decision*. Englewood Cliffs-NJ: Prentice-Hall.
- Smircich, L. (1983). Concepts of Culture and Organizational Analysis. *Administrative Science Quarterly*, 28(3), p. 339-358.
- Strauss, A. L. (2003). *Qualitative Analysis for Social Scientists* (14. b.). Cambridge: Cambridge 1371 University Press.
- Sugden, R. (1986). New Developments in the Theory of Choice Under Uncertainity. *Bulletin of Economic Research, 1.*
- Thomas, R. R. (1990, March-April). From Affirmative Action to Affirming Diversity. *Harvard Business Review*.
- Thomson, J. E. (1994). *Mercenaries, Pirates and Sovereigns: State-Building and Extraterritorial Violence in Early Modern Europe.* New Jersey: Princeton University Press.
- Tversky, A., & Kahneman, D. (1986). Rational Choice and the Framing of Decision. *The Journal* of Business, 59(4), p. 251-278.
- Weick, K. E. (1979). *The Social Psychology of Organizing*. Reading, Massachusetts: Addison-Wesley Publishing Company.
- Woolston, H. B. (1902, January). Religious Emotion. American Journal of Psychology, 13(1), p. 62-79.
- Yıldırım, A., & Şimşek, H. (2013). *Nitel Araştırma Yöntemleri/Qualitative Research Methods* (9. b.). Ankara: Seçkin/Sosyal Bilimler.
- Zafirovski, M. (2003). The Rational Choice Approach to Human Studies. *Human Studies*, 26(1), p. 41-46.

# 5. APPENDIXES

# Appendix A: First Set of Participant Expressions Took Place in the Study

<b>Expression-1:</b> "For instance, when we go to Gaziantep, we admire the way they do business We say they do business like this They trade like that But in here (Kayseri OIZ Furniture Sector) <b>These</b> <b>men are truly fighting here</b> "	<b>Expression-5:</b> "No! People always need (decent/honest) people. Tradesmen need (decent, honest) tradesmen and this is not true on Allah's side. Not only ours Other people's profit, business and trade are important for us too. Our rivals, they do such things. Lying about their doings, trying to manipulate people. But we can't When I turn back to Allah beyond this worldly life, in Hereafter, I should be able to say that "Alhamdulillah! I did nothing wrong to anyone willingly. I never tried to steal anyone's sustenance willingly.	<b>Expression-9:</b> " but we should earn "halal" money. I mean the more money you have, the dirtier and infected it gets (referring to financial transactions with interest). You get infected with interest, get dirty with banks. You get infected with interest while selling or buying. It is a fact in today's market circumstances."
<b>Expression-2:</b> "For improving the business, we use financial leasing instead of bank credits with interest. For example, renewing machinery We use leasing and we make the machines work and pay for their leasing expenses instead of getting money from a bank and paying for both the capital and the interest. They are similar I know but we prefer leasing. This is a matter of faith (referring to Islam).	<b>Expression-6:</b> "Interest is a different thing We do not charge interest or consider it as a source of income We do not consider interest as a financial instrument that will help the company carry out its financial cycleWe operate fully with our equity capital."	<b>Expression-10:</b> "Because of not taking risks such as using bank credits, our business moves to success slowly. I mean by using bank credits by being infected with interest, u can go faster We do not do such things because of our beliefs"
<b>Expression-3:</b> "We were working with only one supplier who provided the high- quality materials to produce fiber stuffing goods in order to provide the highest quality products to our customers but our rivals were using the unhealthy, low- quality raw materials with lower costs. We were trying to compete with them and at somehow we did survive for a while But we weren't making money profit"	<b>Expression-7:</b> "In the end, there is clearly a verse in the Qur'an. It says, "Interest is Haram (Forbidden), it is declaring war against Allah. Thus, we stay away from this kind of things, even the tiniest piece) that will dampen Bereket (the abundance coming from Allah's blessing) of our business."	<b>Expression-11:</b> "Businessmen of Kayseri consider business as a mere risk. Trading is risk. If you take the risk, you make money. This is our logic. If you buy and sell with cash, it will be like a gas station or a grocery store. Gaining small, making small profits. But there is this situation Just as if a bank gives money with interest rates and makes money, we do trade like this. We buy with cash and sell with forwarding prices (delay interest charged)."
<b>Expression-4:</b> "It was a tough decision. It was though because there is a <b>moral</b> problem here. We produce fiber stuffing here and furniture manufacturers fill cushions and lace pillows with our product. People put their heads on these pillows to sleep. When you use recycled fiber for production. It is not clean. It comes from garbage dumps. Yeah they clean it before using but Our first supplier's fiber was made of half cotton half other chemicals. It was clean and not harmful for sure But no one seemed to care about health"	<b>Expression-8:</b> "He who has fallen from a roof can understand how it feels to have fallen from a roof (Turkish proverb). Even if you listen to the examples, you cannot understand without experiencing it. We did experience something (Financial problems were caused by paying interest). Afterwards, while making strategic decisions We have promised that we will never get out of the lines drawn by Islamic rules. We worked as we promised and in five years' time, we got better much better after the financial crisis."	<i>Expression-12:</i> "Ofcourse! Firing forty people made us grow fast Very fast Imagine that fourty people leaves and you directly add cash expenditure of fourty personnel to the company. Whichever way you look at it It is 60- 70 thousand Lira per month."

# Appendix B: Second Set of Participant Expressions Took Place in the Study

<b>Expression-13:</b> "Yes. If we have a thing like that (reference to the interest) and yes, we had it before from time to time We don't like to name it as "paying interest" when we pay anything other than the capital. () Yes the word "Faiz (İnterest)" We don't use it. We name it as "Vade Farkı (Late Charge/Delay İnterest)" or some other word but not interest. Because we don't want to use it. I mean the strongest reason of not choosing this word is our religion. I mean psychologically we are cheating orselves as doing this but still we don't use it."	<b>Expression-15:</b> "Because, they know that those people who genuinely embrace these values are good people. Decent people who has moral values They know this and they choose to be a part of this religious environment but they are not like those genuinely religious people Not like them at all Of course, they are exploiting the trust of this religious business environment. Merely commercial use of this trust I mean Like a trade instrument"	<b>Expression-17:</b> "I said: brother we are not competitors (In Turkish: Rakip); we are companions (In Turkish: Refik)! We are companions, how can we be competitors with each other?! I said, you need to earn your daily bread and I need to earn it too. I give jobs to people and you give jobs to people too. How can we not help each other? We will help each other. How can you be envious of the blessings that Allah has given to people, I asked? How can you be envious of the money others earned about the business others have?"
<b>Expression-14:</b> "Here is Kayseri This environment attaches importance to spiritual (religious) values and combines them with commercial morality. It can be said that, more or less, we live and work in a society that seeks to conduct business through spiritual values. People look as if they are caring about the religious values Yeah right, they do But on the surface Goin in deep, we see that they don't sincerely care They use those values as instruments. () I mean A person goes on with religious practices and lives in this religious society but when he goes abroad he does "strange (refers to sinful) things according to Islam."	<b>Expression-16:</b> "As I told before I've never heard my father and uncles yelling and showing disrespect to each other. But I don't know how our family came to this point of separation Rules of the hierarchy are clear My uncle Mustafa (second youngest brother) is the president who has the biggest share and my father (youngest brother) is the vice president and then the other brothers (elders) come. My older uncles could not accept and understand this order of hierarchy. They should have accepted this fact but	