

The Effects Of Entrepreneurial Leadership Understanding And Innovative Trends In Businesses On The Strategic Management Process: A Case Of Ankara İvedik Organized Industrial Zone

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ABSTRACT

In today's world, the business environment is changing rapidly. This environment is becoming more complex every day. It has been one of the important points for organizations or companies to adapt to this change. New perspectives are required to be competitive in the changing business world. In order to adapt to changing environmental conditions, businesses should closely follow ever-changing trends and attach great importance to new products and services in their business operations. Innovative trend is considered as the most important differentiation strategy to gain competitive advantage in the future. Entrepreneurial leaders have a very important place in the realization of high creativity and in terms of their impact on the business. For this reason, entrepreneurial leaders play a very important role in creating innovative trend strategies in businesses. The aim of the research is to reveal the effects of entrepreneurial leadership approach and innovative trends on the strategic management process in businesses and to examine the place of innovative trends in strategic management.

First of all, the general purpose of the research is to consider how the effects of innovative trends in businesses on entrepreneurial leaders in terms of strategic management contribute today. Quantitative method was applied in the research to test a theoretical model. Relational screening model was used as the research method. In this method, the degree of co-variation between two or more variables is generally investigated. The present study was based on the inductive method from a theoretical perspective, and the relationships between the hypotheses determined within the framework of the assumptions were analyzed. The data covers the employees of 6 companies with 50 or more employees serving in the textile field in Ankara İvedik Organized Industrial Zone. Data collected from 345 applicable surveys were analyzed using the Statistical Package for Social Sciences (SPSS)-22 program, but since significant differences and inconsistencies were observed in the results, Sheffe and Tukey's tests were applied to understand which groups differed. According to the findings, it was concluded that there is a positive correlation between strategic management and innovative trends, that the innovative trends of strategic management create a positive relationship on entrepreneurial leaders, that there is a positive relationship between entrepreneurial leaders and innovative trends, and that strategic management creates a positive relationship towards the innovative trends of entrepreneurial leaders. In this study, together with the researchers, productive information and results were obtained for managers and employees to create added value for businesses.

Keywords: Business, Innovative Trend, Strategic Management, Entrepreneurial Leadership.

1. INTRODUCTION

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Entrepreneurship can offer a business a competitive advantage in the development of innovative products, services, and markets in a challenging managerial environment, through risky decisions and by acting proactively to dominate a business. Small and medium-sized enterprises must develop their capacity for innovative trends and expand innovative entrepreneurship and financing to achieve competitiveness, survive, and demonstrate continuous development and growth in a changing environment.

In the context of a corporate management environment driven by the rapid development of information and communications technology (ICT), fierce competition, new regulatory regimes, and political and economic uncertainty, business enterprises are increasingly feeling the pressure to expand their capacity to innovate in technology, processes, services, product design, and quality.

A business's innovative trend capacity enables it to successfully apply new ideas to products and processes, discover new opportunities, and produce new solutions to marketing problems. Since the innovative trend strategy increases competitiveness and innovative products resulting from high innovative trend are more attractive to customers, developing and strengthening the innovative trend strategy can help to achieve competitive advantage.

2. CONCEPTUAL FRAMEWORK

2.1. Innovative Trends and Strategic Management

The competitive environment that businesses face today is very different from the competitive environment that created the concept of strategy fifty years ago. However, the rapidly changing strategy environment has become a force that has partially depressed traditional strategy concepts, such as industry structure analysis, while at the same time awakening many new thoughts. The changing perspective in parallel with this change has encouraged many new ideas about strategy content. New themes in the world of strategy include foresight, knowledge, competencies, coalitions, networks, non-market competition, ecosystems, transformation, and renewal. In order to survive in the "innovate or die" environment of the new economy, businesses must develop a new strategy that is extremely important for them (Ahmed and Shepherd, 2010: 82).

Nowadays, especially with the development of technology, innovative trends in strategic areas are increasing in businesses. Strategic management includes three main processes (Keupp, Palmié and Gassmann, 2012: 367). The first of these is to create a competitive advantage by the business by making the right decision with the right analysis, the second is the effort to be made for the sustainability of the business, not just a temporary competitive advantage, and the last is for businesses to follow their competitors (Wood, 2007: 21). On the other hand, strategic management has important roles in helping businesses cope with uncertainty with a systematic approach, determining the role of each member of the organization, creating a leadership culture and ensuring its implementation. In addition, strategic management is becoming a long-term communication tool and a reference for leaders (Tidd and Bessant, 2014: 3).

When viewed from the perspective of innovative trends, strategic management has a significant impact on the process of determining the direction and goals of the business in the long term, as well as developing strategy formulations and determining methods of achievement through systematically planned implementation (Styles & Goddard, 2004: 65). There are four key forces that support strategic innovation. These are culture, processes, people, and resources. Innovative companies follow the competition strategically by changing the traditional competitive mentality, which is expressed as striving to outperform their competitors. However, in strategic management, innovative trends are used as criteria. As competitors implement, they not only do not follow any strategy, but also make the competition irrelevant by offering fundamentally new and superior value (Tidd and Bessant, 2014: 21,22).

2.2. Entrepreneurial Leadership

Entrepreneurial activity is key to improving corporate, economic and organizational performance and is recognized as an important discipline with enormous research potential

(Schroeder, 2013: 6). As a managerial orientation, it offers an alternative career option for thoughtful individuals who want greater control over their work environment and who have the intelligence, skills, and knowledge to manage scarce resources and transform them into applicable solutions that generate profits. Entrepreneurship allows firms to discover, respond to, and effectively use changes in the management environment, and to play a catalytic role by encouraging innovation that offers new products and services or adds value to existing products and services (Sammut-Bonnici and Parautis, 2013: 925,928). Entrepreneurial leadership is about more than just the mindset of the leaders who manage it, but leaders who are more interested in results. In building the spirit of entrepreneurial leadership, increasing creativity, innovation in businesses, leadership ability in corporations, motivation and the courage to take risks are also important actions. The entrepreneurial leader plays an effective role in increasing the performance and job satisfaction of employees and leads the creation of a productive work environment in order to achieve the goals of the business (Tidd and Bessant, 2014: 9).

Entrepreneurship not only brings vital energy to an organization and alleviates the effects of bureaucratic formalism, but also strengthens corporate competitiveness in the global environment (Kodama, 2003: 235). The entrepreneurial leader must take into account two important factors in facing interconnected challenges. The first of these requires taking the necessary precautions to deal with all possibilities of negativities that may occur in the future, as well as situations that will affect the planned time. Secondly, entrepreneurial leadership must provide all the tools for the change planned by the law, its subordinates and all partners, and foster trust by having the understanding of managing them effectively (Ahmed and Shepherd, 2010: 7-11).

Entrepreneurial leaders are knowledgeable and talented individuals who seek to advance the existing practices and create new business practices by providing sophisticated strategies for surprising challenges. This leadership style focuses on increasing the performance of followers and their contribution to main strategic goals through empowerment (Moeller et.al., 2008: 10,11). In this context, entrepreneurial leadership is associated with a specific set of characteristics that managers must embody, such as passion, genius, courage, self-confidence, perseverance, fairness and integrity. In particular, one of the important factors is that the entrepreneurial leader has sufficient business ability and innovative trend to achieve the predetermined goals of the business (Schlegelmilch et.al., 2003: 119). Creating opportunities for innovation and creating advantages depends on the ability to manage in the strategic field. In order to overcome the conditions of uncertainty brought about by the rapid change in today's labor markets, an effective management ability is required to ensure the transformation of the innovative trend and its conformity with the environment. At this point, technology-oriented innovative trends have an important place in entrepreneurial leadership, especially in order to increase performance in businesses (Ahmed and Shepherd. 2010:7-11).

3. MATERIALS AND METHODS

Quantitative method was used in this research to test a theoretical model. Relational screening model was chosen as the research method. In relational screening model, the degree of co-variation between two or more variables is generally investigated. The study was based on the inductive method from a theoretical perspective, and the relationships between the hypotheses determined within the framework of the assumptions were analyzed. The data covers the employees of 6 companies with 50 or more employees serving in the textile field in Ankara İvedik Organized Industrial Zone. Data obtained from 345 applicable surveys were analyzed using the Statistical Package for Social Sciences (SPSS)-22 program, but since significant differences and inconsistencies were observed in the results, Sheffe and Tukey's tests were applied to understand which groups differed. In the research, the Organizational Innovation Scale developed by Ismail et al. (2002), the Entrepreneurial Leadership Scale adapted to Turkish by Renko et al. (2015), and the Strategic Management Scale used by Kılıcı (2013) in his master's thesis titled "Strategic Management Practices in Small and Large Scale Businesses" were used.

3.1 Purpose and Importance of the Study

The general purpose of the research is to reveal the effects of entrepreneurial leadership understanding and innovative trends on the strategic management process in businesses and to investigate the place of innovative trends in strategic management.

It is of great importance for businesses that aim to achieve continuity as well as gain a competitive advantage, to address the entrepreneurial leadership approach holistically and systematically in order to successfully implement innovative trends and innovation strategies and to progress their missions and goals in total harmony.

3.2. Research Model

Figure 1: Conceptual Model for the Relationships Between Demographic Characteristics, Innovative Trend, Strategic Management, and Entrepreneurial Leadership



Dependent Variable: Strategic Management

Independent Variable: Innovative Trend, Entrepreneurial Leadership, Ethical Leadership and Innovative Performance

3.3. Hypotheses of the Research

Hypotheses

H1: There is a positive correlation between Strategic Management and Innovative Trend.

H2: There is a positive relationship between innovative trends of strategic management and entrepreneurial leaders.

H3: There is a positive relationship between the innovative trends of entrepreneurial leaders.

H4: There is a positive relationship between strategic management and the innovative trends of entrepreneurial leaders.

H5: There is a correlation between entrepreneurial leadership and innovative trends.

3.4. Data Collection Tools

Data obtained from 345 applicable surveys were analyzed using the Statistical Package for Social Sciences (SPSS)-22 program, but since significant differences and inconsistencies were observed in the results, Sheffe and Tukey's tests were applied to understand which groups differed. In the study, the Organizational Innovation Scale questions were developed by İsmail et al. (2002). In addition, the "Entrepreneurial Leadership Scale" adapted into Turkish by Renko et al. (2015) and the Strategic Management Scale used by Kılıç (2013) in his master's thesis titled "Strategic Management Practices in Small and Large Scale Businesses" were also used.

3.5. Population and Sample

The population of the research is 345 employees of 6 companies with 50 or more employees

serving in the textile field in Ankara İvedik Organized Industrial Zone. The study was based on the inductive method from a theoretical perspective, and the relationships between the hypotheses determined within the framework of the assumptions were analyzed.

3.4. Findings of the Research

N = 345		Frequency	%	Cumulative %
Gender				
	Female	121	35	35
	Male	224	65	100
Age				
	20 - 30	45	13	13
	31 - 40	145	42	55
	41 - 50	86	25	80
	51 - 60	69	20	100
Educational Background				
	High School	41	12	12
	Associate Degree	200	58	70
	Bachelor's Degree	86	25	95
	Higher Education	17	5	100

First of all, the reliability and validity of the measurements of the variables were ensured in order to reach meaningful results from the collected data. The previously validated scales were reduced to sub-factors and made ready for additional studies using Exploratory Factor Analysis (EFA). Exploratory Factor Analysis (EFA) is an analysis technique used to understand relationships by reducing them to a main dimension among many smaller variables that are predicted to be related. In this analysis, statements with factor loadings of 0.40 and above were brought together for all scales. The fact that the Kaiser-Meyer-Olkin test (KMO) value used in each of the scales is over 0.70 shows that the variables are related to each other and share. Principal component analysis was performed on the scales and it was hypothesized whether the correlation matrix was equal to the identity matrix. It was tested with Bartlett's Test of Sphericity. In the EFA applied to the strategic management scale (Table 2), the KMO value was found to be 0.83. It was observed that this value was at a "good" level. Bartlett's Test of Sphericity showed a statistically significant χ^2 result ($\chi^2 = 5173$, $df = 354$, $Sig < 000$) and supports the application of factor analysis to the variables. Furthermore, Cronbach's alpha values in the dimensions reveal that high internal consistency was provided. Since the loading value of the items was below 0.40, they were excluded from the analysis.

In the EFA applied to the Strategic Management scale (Table 3), the KMO value was found to be 0.81. EFA of innovative trend dimension suggests that the scale has a single dimension. Table 3 shows the innovative trend eigenvalue, explained variance, and reliability (α) coefficients. It is seen that the eigenvalues of the dimensions are above 1 and represent 64.17% of the total variance explained. Additionally, Cronbach's alpha values in the dimensions reveal that it provides high internal consistency.

As can be seen in Table 4, according to the results of correlation analysis, the innovative trend variable and the entrepreneurial leadership variable have a positive and significant level. There are high correlation values between strategic management and other sub-dimensions.

Table 2: Statistical Results of the Scales

Scale	Scale Items	Mean	Variance %	Cronbach Alpha
	Ensuring continuous change	0.77	24.27	24.27

Innovative Trend	Identifying a common vision, values, and priorities that everyone agrees on	0.71		
	Promoting self-management based on our vision	0.69		
	Allowing the corporation's employees to take the initiative in identifying and solving their problems	0.68		
	I love spending time with people who have different ways of thinking	0.65		
	Shaping the wishes and values of my corporation	0.64		
	Focus on team building and collaborative relationships	0.64		
	Creating an environment where employees are encouraged to learn and grow	0.64		
Strategic Management	Allows daily priorities to be established and highlighted.	0.77	20.23	0.72
	The corporation determines individual and team goals for its employees.	0.72		
	Clearly defines the behaviors and standards by which the corporation must be successful.	0.71		
	To implement a particular project, the corporation provides its employees with the necessary resources	0.67		
	Allows you to decide how tasks will be done	0.65		
	Enables immediate corrective action to be taken when mistakes are made	0.64		
Entrepreneurial Leadership	Ensures the balance of power among all stakeholders of the corporation	0.78	17.19	0.73
	Includes honesty.	0.75		
	Insists on correct decisions and behaviors.	0.72		
	Develops foreign alliances.	0.68		
	Provides the support of individuals with influence and power.	0.65		
	Develops supportive social relationships.	0.64		
	Makes decisions based on the core values of our corporation.	0.72		
	The corporation ensures that its employees act within ethical standards.	0.71		
	Values the rights of individuals.	0.69		
	Does the job according to ethical rules.	0.64		
	Agrees on activities.	0.61		
	Reaches a compromise in everyone's interests.	0.60		
Bartlett's Test of Sphericity	Approximate Chi-Square	5.173		
	Df	354		
N:		345		

Table 3: Innovative Trend Factor Analysis

Factor	Scale Items	Factor	Variance %	Cronbach Alpha
	Our business is among the first companies to introduce new goods and services on the market.	0.75	64.17	0.72
	Our company is trying new ways to get things done.			

	Our company is trying new methods to improve its activities.			
	New goods and services are created by our business			
	Our business often tries new ideas.			
KMO				0.81
Bartlett's Test of Sphericity	Approximate Chi-Square	5.173		
Df				354
Sig.				0.000
N:				345

Table 4: Correlation Analysis

	1	2	3	4	5
Innovative Trend	1				
Entrepreneurial Leadership	0.767**	1			
Ethical Leadership	0.748**	0.637**	1		
Strategic Management	0.723**	0.675**	0.713**	1	
Innovative Performance	0.712**	0.703**	0.543**	0.498**	1

** The correlation is significant at the 0.01 level.

Table 5: Strategic Management Anova Test

	N	Mean	F	p
20 - 30	45	3.5987	5.125	0.000
31 - 40	145	3.5233		
41 - 50	86	3.4555		
51 - 60	69	3.1211		
		Mean Difference	Std. Error p	
20 - 30	31 - 40	-0,075	0.047	0.000
	41 - 50	-0,143	0.058	0.000
	51 - 60	-0,478	0.089	0.000
31 - 40	20 - 30	0.075	0.048	0.000
	41 - 50	-0,068	0.070	0.000
	51 - 60	-0,402	0.074	0.000
Scheffe Testi 41 - 50	20 - 30	0.143	0.066	0.000
	31 - 40	0.068	0.070	0.000
	51 - 60	-0,334	0.981	0.000
51 - 60	20 - 30	0.478	0.088	0.000
	31 - 40	0.402	0.074	0.000
	41 - 50	0.334	0.931	0.000

One-way ANOVA test was conducted to determine whether there was a difference in the perception of strategic management in terms of age. According to the test result obtained, it was concluded that ANOVA could be performed since the groups whose tests were accepted were not equal ($p = 0.65 > 0.05$). Scheffe and Tukey's tests were applied to understand in which age groups the participants differed. Since the groups were not equal, Scheffe test was applied. According to Scheffe test results, it was determined that there were differences according to age groups. According to Table 5, the mean result for the ages of 20-30 was 3.5987, the mean for the ages of 31-40 was 3.5233, the mean for the ages of 41-50 was 3.4555, and the mean for the ages 51-60 was 3.1211.

Table 6: Acceptance and Rejection of Hypotheses

H1: There is a positive correlation between Strategic Management and Innovative Trend.	Accepted
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H2: There is a positive relationship between innovative trends of strategic management and entrepreneurial leaders.	Accepted
H3: There is a positive relationship between the innovative trends of entrepreneurial leaders.	Accepted
H4: There is a positive relationship between strategic management and the innovative trends of entrepreneurial leaders.	Accepted
H5: There is a correlation between entrepreneurial leadership and innovative trends.	Accepted

*p is significant at the 0.01 level.

CONCLUSION

With the information age, the dominance of information technology and the rapidly developing technological breakthrough in almost every sector have created completely new jobs, destroyed those who could not adapt to this change, and created a need for constant innovative trends. Today, stakeholder expectations are changing rapidly and the areas of responsibility of the business are expanding day by day. It is known that entrepreneurial leaders have an important role in helping businesses, facing a complex and uncertain future, find a new direction to maintain their existence, compete and maintain their success. The lifespan of products, processes and technologies is rapidly decreasing, and the demands created by time pressure push businesses to find new creative ways and methods while innovating. In this context, they need to be flexible enough to respond to any changes that may arise in the environment and develop a proportionate perspective on innovation in order to sustain their existence.

The innovative trends of businesses aiming to achieve above-average incomes in the 21st century are carried out together with their behaviors to create competitive advantage. Being proactive in realizing these behaviors, focusing on change, and taking risks will make development easier and faster with the presence of entrepreneurial leaders. The rapidly changing competitive environment has become a force that motivates new ideas while partially reducing the value of traditional strategy concepts. A business should try to institutionalize entrepreneurial leaders with innovations by creating the appropriate culture, structure, systems and processes that enable their innovative trends to emerge. Businesses should focus more on strategic innovation, which combines all dimensions of the innovative trend with strategic management to ensure sustainability, long-term profit, competitive advantage and diversity. The innovative trend, a perspective of strategic management, will lead the corporation to look beyond the product and process to the entire system. In addition, it will encourage participation and strategy, provide motivation to produce innovations that will create value, and will be the key to sustainable competitive advantage for businesses.

When the analysis findings for this research were examined, Sheffe and Tukey's tests were applied to understand in which age groups the participants differed. Since the groups were not equal, Sheffe test was applied. According to Sheffe test results, it was found that there were differences according to age groups. In the present research, the innovative trend variable and the entrepreneurial leadership variable have a positive and significant level. There are high correlation values between strategic management and other sub-dimensions. It has been revealed in this study that there is a positive correlation between Strategic Management and Innovative Trends, that strategic management has a positive relationship with the innovative trends of entrepreneurial leaders, and that there is a correlation between entrepreneurial leadership and innovative trends. In future research, the universe of the study can be expanded sectorally. Thus, the differences and similarities between sectors can be understood.

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