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16th International Strategic Management Conference**RESEARCH ON CORPORATE GOVERNANCE IN THE CONTEXT
OF ORGANIZATIONAL ECOLOGY AND LEADERSHIP**

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Abstract

According to the assumptions in the context of organizational ecology theory in the literature, companies must adopt the principles of corporate governance to survive in the diversity and complexity of the market. In addition, they need to have the right leadership approaches that will harmonize these principles with the culture of the organization. In this context, the main purpose of our research is to explore the principles of corporate governance in companies in the context of the influence of the leader and within the framework of the logistics sector. The logistics industry has strategic importance in terms of macroeconomics and information, the assumption of our research is based on the fact that the signs of corporate governance principles are at the forefront in the statements of company managers who are at the top of the sector. As a summary, discourses, statements and interviews of logistics industry leaders were collected as secondary data. The data were analyzed by Nvivo 12 program with the content analysis design within the scope of qualitative research methodology. The research findings support our assumptions in the context of organizational ecology and corporate governance principles.

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1. Introduction

In supply chains, it has been seen that many independent businesses come together with the intention of working as a single body strategically and systematically in order to satisfy the wishes and expectations of the final customers. In this system, which aims to maximize the expectations of a large number of participants and various stakeholders of each, many independent businesses exist. The transparency, accountability and fairness of these businesses will have a direct impact on the overall success of the supply chain.

In this respect, the principles of corporate governance ought to be adopted by the businesses in balance and the behavioral attitudes of the leaders who take on the leading role in this context should also be included in the management researches in the logistics sector. The fact that businesses act outside of corporate governance principles results in negative effects of organizational ecology.

In addition, not only that company but also the entire system to which its member belongs can be damaged. When the literature is examined, it has been seen that the studies published in logistics and supply chain management journals do not focus on the behavioral dimensions of leadership. Besides, within the studies in the literature, topics such as corporate governance principles, issues in the context of management theories, knowledge development and integrating this knowledge into models, processes and tasks are less common. There are effects such as insufficient number of behavioral studies, many assumptions in existing models cannot be tested empirically and the degree to which research findings in different sectors are not practically validated in the context of this sector.

In this context, the main purpose of this research is to explore the effect of the leader on the establishment of corporate governance principles in the context of the logistics industry. For this purpose, our research is based on the following assumptions.

Assumption 1: The leaders of the logistics industry are aware of the possible negative effects of organizational ecology and yet they perform the necessary adaptive and strategy practices.

Assumption 2: The leaders of the logistics industry are aware of corporate governance principles and they perform the necessary practices to spread these principles to the entire company.

Assumption 3: The leaders of the logistics industry extend corporate governance principles into the organization's culture and strategy to avoid possible negative effects of organizational ecology.

2. Conceptual Framework

2.1. Corporate Governance

The concept of corporate governance examines the entire relationship between the current management and the shareholders in a business (Özsoy, 2019). This concept takes place in practice both in local and international platforms, and it is possible to apply it in different fields such as civil society, public and private sectors.

Basically; there are related issues that are examined such as; integrity and transparency for gaining the trust of existing or potential investors, reducing capital costs and financial stability expected from investors (Şen, 2017).

2.2. The Principles of Corporate Governance

Although the principles of corporate governance have founded recently, their roots are based on the Agency Theory. According to the theory which was first proposed by Jensen and Meckling in 1976 that managers use the rights of the shareholders for their own personal interests. The issue, which has seen as an agency problem, emerges as the people who have a power or right in the management prefer the short-term returns much more than the long-term returns (Şen, 2017). However, developing countries need to examine corporate governance at a higher level than agency theory.

It was first focused on the internal political structure and function of the company by Richard Ells in 1960 (Ari, 2008). In addition, The Principles of Corporate Governance, prepared by the Organization for Economic Cooperation and Development (OECD) in 2015, are a guide for the institutionalization of businesses. In Turkey, the “principles of corporate governance” guide was published by the Capital Markets Board (SPK - CMB) (SPK, 2013). There are many resources on Corporate Governance and it has many sub-dimensions. Basically, it has four main dimensions such as; transparency, fairness, responsibility and accountability. In addition, there are various principles such as effectiveness, consistency, participation and diffusion which are also included in accordance with the governance approach. Companies ought to spread these seven principles within the institution (Özsoy, 2019).

2.3. Organizational Ecology

When today's organizational structures are examined, we can see the ecological balance in nature with a metaphorical approach. How natural selection can occur in ecological balance the same is true for organizations defined as organisms. The diversity in nature is also differentiated by the struggle of the strong and the weak. The same is true for organizations to survive by struggling with their competitors in their current markets. Considering the new generation organizational structures, this theory, which is also defined as population ecology, forms the basis of the research.

2.4. Leadership

Researchers claimed that leadership scholars simply ‘transfer’ their research into external organizations in an unproblematic way. However, the nature of organizational settings may lead academics to compromise various aspects of their academic identity and research morality to understand the real or of practitioners (Butler et al., 2015). In addition, some research areas focus on this idea whether leaders should or should not differentiate among their members (Wu et al., 2010). So, in the light of these impressive expressions, it is appropriate to give the concepts and approaches of leadership.

A leader is a person who has the abilities and skills that direct the employees to achieve the goals and mission of the organization, select them for this purpose, perform their training, influence them, and enable their physical, emotional and spiritual energies to emerge. When the studies on leadership are examined, it has seen that the studies on leadership skills still focus on physical characteristics, dominance and charisma within the scope of the trait theory.

According to the trait theory of leadership which claims that great leaders are born with selected individuality traits that make them perfect for leadership and make them special from other people (Ovunda & Mac-Kingsley, 2021).

On the other hand, employees were asked to rank the most important behaviors they thought were most important for their leader within the company are founded as the same list of agentic and communal behaviors (Scott & Brown, 2006 as cited in Eichenauer et al., 2021).

When the skills that affect leadership performance are examined; cognitive skills, persuasion, negotiation skills, and the skills which establishing mutually satisfying relationships that enable the leader to implement his/her behaviors and strategies quickly and effectively, interpersonal skills including resource management, employee development, motivation and management, interpreting complex situations encountered, coping with uncertainty, and problem-solving strategic skills could easily be observed (Arslan & Uğurlu, 2017).

Leaders can encourage employees, increase their desires and direct their potential creativity to emerge, so they can prepare employees for change within the framework of the vision of the organization and increase organizational unity and effectiveness (Yücel & Akgül, 2016). According to the studies strategic planning, cultural differences, crisis management practices, leadership and intra-organizational collaboration are milestone for companies to develop their leadership effectiveness (Ayoko, 2020).

3. Methodology

3.1. Research Design

Our research was supported by the content analysis design, which is one of the qualitative research methods. The discourse, statements and interviews of the managers within the scope of the research were compiled as a data set and used in our research as secondary data.

Within the scope of the analysis, 31,652 words were included as data. Frequency, word tree and coding analyzes were conducted with the Nvivo 12 program. Findings from the data are examined in terms of hermeneutic and external perspectives.

3.2. Scope of the Research

Turkey is one of the countries with the largest land transport fleet in Europe. According to TUIK Household Labor Force Survey 2017 data, 1,235 million of the 28,189 million total employment is in the transportation and warehouse business (UDHB, 2018). As of 2017, the number of vehicles with cargo transport authorization certificates within the companies with authorization certificates is 1,240,543 (UDHB, 2018), 838,718 of which are various large trucks, trucks, etc., domestic and international transportation activities (UDHB, 2018).

The reason for investigating the logistics sector is that, in addition to this information belonging to itself, "bad management" that will arise in logistics enterprises may have negative effects not only on themselves, but also on the performance of all enterprises in the system from the production of raw materials to the distribution of products to the final customer.

4. Findings

The frequently occurring concepts according to the results of the Nvivo frequency analysis of the data obtained from the study group are shown in Table 1. These concepts support the reliability of our study as they cover theories and concepts within our research area. These concepts are examined in-depth with word tree and coding analyzes.

Table 1. Frequency Analysis

Concept	f	%	Concept	f	%
Service	201	0,6350	World	74	0,2338
New	106	0,3349	Difference	66	0,2085
Technology	98	0,3096	Speed	53	0,1674
Customer	96	0,3033	Information	42	0,1327
Time	94	0,2970	Power	41	0,1295
Operational	41	0,1295	Safety	29	0,0916
Management	36	0,1137	Woman	28	0,0885
Investment	35	0,1106	Integration	26	0,0821
Education	30	0,0948	Change/Transportation	24	0,0758
Capital	23	0,0727	Strategic	12	0,0379
Competition	20	0,0632	Efficiency	11	0,0348
Market	19	0,0600	Artificial	11	0,0348
Quality	18	0,0569	Brand	10	0,0316
Employee	15	0,0474	Risk	10	0,0316
Social	15	0,0474	Adaptation	10	0,0316

Within the scope of our research, word tree analysis in Nvivo was conducted for eight dimensions; change/transformation, world/global, competition, strategic, technology, harmony, new, differentiation. The findings, which can be seen in Table 2 and emerged as a result of the coding of the concepts included in the word tree analysis, show that the logistics industry leaders who make up the study group are aware of the effects of organizational ecology, although they do not directly express the theory.

It shows that they use the adaptation and strategies they will develop against their negative effects at a level in accordance with the concepts in the literature. Therefore, organizational ecology theory and its elements, which are at the center of one of the basic assumptions of this research (Assumption 1), were supported in the context of logistics industry leaders.

Table 2. Organizational Ecology: Dimensions and Coding

Related Concepts	Coding
Change/Transportation	Design, strategy, production, training, speed, adaptation, control, digital, customer
World/Global	Speed, change, integration, economy, standard, market/customer, digitalization, technology, crisis, protectionism
Competition	Competitiveness, differentiation, technology, growth
Strategic	Mission, change, goal, organization, planning, operational excellence, technology, cost
Technology	Transformation, team, competitiveness, target, standard, digitalization, growth, efficiency, competence
Adaptation	Adaptation, technology, team, change, control, growth

New	Action, managerial change, experience, knowledge, consultant, innovation, innovation, target, employment, growth, talent, competitiveness, regulation, technology, speed, mission, vision, business model
Differentiation	Internal-external regulation, originality, being a pioneer, cooperation, benefit, innovation, reporting, vision, dynamism, efficiency, growth, customer

The basic dimensions of corporate governance take place in different forms and numbers in the literature. Our research has adopted the corporate governance principles framework of Insead, the world's leading university and research institution in the field of management.

According to this framework, the basic principles are; consistency, responsibility, accountability, fairness, transparency and effectiveness, and also the dissemination of all these principles in a way that ensures the participation of all units and employees of the company (Argüden, 2010).

Table 3. Corporate Governance: Dimensions and Coding

Dimension	Related Concepts	Coding
Effectiveness	Speed	Adaptation, technology, vision, growth, change, development, responsiveness, solution, dynamic, digitalization, lean management, market position, flexibility, effectiveness
	Quality	talent, employee, service, cost, speed, growth, customer, leadership, control, education, knowledge, science
	Customer	Satisfaction, customer-focus, demand and expectation, reliability, reputation, flexibility, consultant, human resources, cost, market segmentation, responsiveness
	Performance	Performance appraisal, performance, reputation, brand, power, to be fair
	Management	Team, management level, leadership, internal efficiency, will to work, dynamism, adaptation, cost
Transparency	Reliability	Financial transactions, error free, control, money, security, transparent
Accountability	Information	flow, system, proactive, provide, technology, infrastructure, investment, speed, customer, transfer, execution, cost, theory, cooperation, competitiveness, localization, process, employee, talent
	Control	Safety, inspection, process
	Capital	Income, cash flow, digitalization
Deployment	Corporate	Infrastructure, sustainability, functions, leader, innovation, organizational capabilities, customer, effectiveness, financial structure
	Investment	Capacity, planning, transparency, technology, CSR (Corporate social responsibility), strategy, competitiveness, growth, customer, transformation, R&D, foresight, innovation, creativity
Fairness	Woman	NGO, social position, affirmative action, gender equality, happiness, paradigm shift, leader, education, success, employment
Responsibility	Responsibility	Delegate, responsibility to the institution
Consistency	Permanent	Growth, change, development, being up to date, kaizen, new, target, transparency, quality, technology, success, innovation, competitiveness

The findings, which can be seen in Table 3 and that emerged as a result of the coding of the concepts included in the word tree analysis, show that the logistics industry leaders who make up the sample group are close to and knowledgeable about corporate governance principles. However, in the secondary data of leaders, the principles of effectiveness and accountability emerged, other principles appeared to be infrequently mentioned. In fact, this situation is quite suitable for the spirit of the industry. Because the sector is in a structure that integrates the supply chain system, it makes it necessary to be accountable to all stakeholders. In addition, due to the fact that the results of these companies cause the performance of all stakeholders to increase or decrease which efficiency is one of the foremost principles at this point. Therefore, another assumption of this research (Assumption 2) finds support within the framework of our findings of leader awareness in the context of corporate governance.

All the concepts obtained as a result of the word tree analysis of the corporate and investment concepts belonging to the main dimension of participation and deployment seen in Table 3 overlap with the concepts of the other dimensions of the corporate governance principles framework. This finding shows that the leaders of the logistics industry, who make up our research framework, strive to spread the corporate governance principles to the entire organization, even if they do not attach equal value to each of them, and to the culture and strategies of the organization in line with their visions. It was revealed as a result of the analysis of their own secondary data.

Therefore, Assumption 3 is supported by our findings. However, the reason why the concepts in the word tree analysis of the investment concept overlap with both organizational ecology and corporate governance principles; shows that leaders often adopt corporate governance principles with the intention of protecting their investments. Therefore, as it is also stated in the comments on Assumption 1, it has been evaluated that the leader is using her business as a tool to survive in any turbulent environment.

5. Conclusion and Discussion

As a result of the findings, it was seen that the leaders of the logistics industry were familiar with the concepts of both organizational ecology and corporate governance principles and included them in their interviews. In addition, these concepts are seen to have been used not with a populist approach, but within the framework of the relevant theories in the literature. Therefore, effectiveness and accountability and the concepts of participation and deployment are explained by the investment variable. It has been evaluated that they are trying to gain competitive advantage as a result of current operations and to make the competitive advantage sustainable in the long term by placing these concepts in the strategy and organizational culture.

However, it is among the corporate governance principles. Together with the “bad management” experiences in the context of corporate governance principles, if the principles of transparency, fairness, consistency and responsibility, which are not equally included in the discourses of the leaders, find a place as much as the dimensions of effectiveness and accountability. It has been evaluated that the probability of encounter will decrease and that it will provide positive returns on behalf of the sector and related businesses, as suggested by other exemplary researches in the literature.

This study is based on the rhetoric of the leaders of logistics companies that have survived despite many economic turmoil. Therefore, all the findings and comments about it are limited to our research

field and have a positive effect within the framework of related concepts contains the possibility of bias. As a result, the research findings need to be subjected to confirmatory analyzes that will cover the whole sector within the scope of dimensions and sub-dimensions in order to be generalized.

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