

# GLOBAL STRATEGIES AND ENTREPRENEURIAL FIRMS: THE ROLE OF THE ENTREPRENEUR'S FEATURES IN THE DECISION-MAKING PROCESS

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## ***Abstract***

*The purpose of this paper is to deepen knowledge of entrepreneurial decision-making about global strategies. Towards this goal, it presents a conceptual framework useful for supporting entrepreneurial decisions for globalisation, drawing on an integrated analysis of the external environment and of the internal components, with a specific focus on entrepreneur's characteristics, in terms of cognitive and emotional profiles. It is suggested to adopt a logical process to identify which strategic levers are available for global players to implement their global strategies. The paper provides several implications. In terms of theoretical implications, existing studies are based on the industrial organization-based theory or on the resource-based theory, while an integrated analysis combining these two aspects seems to be lacking. The proposed framework represents a complete and integrated one devoted to global strategies orientation, it also inserts the 'entrepreneur matter' as a variable that affects both the decision-making process and the global decisions' contents. With regard to managerial implications, this framework can help global entrepreneurial firms or future global entrepreneurial firms to face problems related to the global dimension and make decisions to define the strategic levers for globalisation. It proposes the description of the various variables connected to the external environment, the features of the internal firm, and the personal traits of the entrepreneur, all elements which an entrepreneur-decision-maker should take into account during the decision-making process to attain a successful decision.*

**Keywords:** Internationalization, Global Strategies, Entrepreneurial Decision-Making; Entrepreneur's Profile; Successful Intelligence; Self-Efficacy; Perspicacity; Emotions.

## 1. Introduction

In current environment, internationalisation represents the main path for companies' growth and development but it remains an open question whether international business development proceeds from globalisation or a more circumscribed phenomenon like regionalisation (Rugman and Verbeke, 2004; Dunning *et al.*, 2007; Ghemawat, 2007). A generally accepted definition affirms that globalisation is an ongoing process of supranational development, growing integration, and deep interconnection affecting all human activities (Govindarajan and Gupta, 2001). According to Levitt (1983), companies oriented towards globalisation develop according to a multinational model, design a unique high quality/low-cost product addressed to an undifferentiated market, establishing strategies to serve it as a unique global one or, at least, to global segments (Hofstede *et al.*, 1999; Douglas and Craig, 1995). A significant chunk of the business literature analyses internationalisation and globalisation following similar frameworks, based on the indubitable connection between these phenomena.

Nevertheless, a neglected area of research is the complexity of global strategies and the related decision-making process undertaken by companies willing to pursue a global strategy and manage interdependencies between markets in the global context. Moreover, the available decision-making frameworks are few and often partial, while a specific decision-making framework useful for entrepreneurial firms looking for global strategies seems to be lacking.

In the international entrepreneurship domain, contributions focused on decision-making models for international entrepreneurs are limited (Jones and Coviello, 2005; O'Cass and Weerawardena, 2009; Musso and Francioni, 2013; Verbeke and Ciravegna, 2018). There is also a lack of decision-making models designed to employ entrepreneurs' individual characteristics as a factor influencing the decision-making process and the choices related to strategic and managerial decisions in the global environment.

In general terms, scholars in the entrepreneurial field apply the general concepts and principles of the decision-making literature to entrepreneurs' decision-making (Berner *et al.*, 2012; De Winnaar and Scholtz, 2019; Shepherd and Rudd, 2014). However, considering that entrepreneurs want to have control of their destinies when dealing with uncertainty (Alvarez and Barney, 2004), decisions are affected not only by the features of the decision-making process (e.g. rational vs intuitive) but also by the entrepreneurs' individual characteristics (Cardon *et al.*, 2012). These characteristics are crucial for the creation, survival, success, and longevity of entrepreneurial firms (Caputo *et al.*, 2016; Pellegrini and Ciappei, 2015; Shane and Venkataraman, 2000). Academic contributions focused on antecedents of entrepreneurial orientation (Koellinger, 2008; Lumpkin and Dess, 1996; Penco *et al.*, 2020; Shane and Venkataraman, 2000) have studied 'personal' dimensions, e.g. pro-activeness, risk-taking, and innovativeness (Wiklund and Shepherd, 2005). The literature on decision-making has inserted the role of the entrepreneur within the process since an entrepreneur's profile affects the entire decision-making process and contents (Andersson, 2011; Sarasvathy *et al.*, 2014).

Based on these premises, the purpose of this paper is to deepen the understanding of entrepreneurial decision-making about global strategies. A conceptual framework (proposed as a decision-making instrument) is developed to define the implementation patterns of global strategies. The model incorporates not only external and internal factors, but also the individual characteristics of entrepreneurs. The paper is built in such a way that it offers a contribution to the literature examining these complex relationships in a global context where both external factors (Spulber, 2007; Yip, 2000) and entrepreneurs' profiles influence process and content of

the decision and impact the prospects for success either negatively or positively (Bolzani and Der Foo, 2018; O’Cass and Weerawardena, 2009). This study has also managerial implications, supporting global entrepreneurial firms or future global entrepreneurial firms to face problems and make decisions to define the strategic levers of globalisation.

The remainder of this paper is organised as follows: Section 2 introduces the concepts of global strategies, the decision-making process, and entrepreneurship, which are at the basis of our conceptual framework. Section 3 explains the proposed framework. Finally, Section 4 discusses the academic and practical implications of the framework.

## 2. Theoretical background

### 2.1. Global strategies and the decision-making process

International business and management scholars generally do not specifically investigate global strategies as a subset of international strategies or provide different definitions of global strategy (De Kluyver, 2010; Inkpen and Ramaswamy, 2006; Peng, 2014). Levitt (1983) denominates as ‘global’ any strategy aimed at supplying and selling a globally standardised good all over the world. Similarly, Harzing (2000) underlines the primary role of producing standardised goods and managing supply chains through high-efficiency levels (Farrell, 2004). It follows that a global strategy consists in achieving global efficiency at the lowest cost level. Bartlett and Ghoshal (1991) also consider the role of national flexibility, while Yip (1989; 2003) similarly asserts that companies must react to external strengths and move toward globalisation by implementing global strategies. According to Porter (1986), a global strategy sees a company selling its products over many countries and adopting a globally integrated strategic approach with a high degree of coordination in the value chain activities. Other scholars, such as Ghoshal (1987) and Birkinshaw *et al.* (1995), underline that integrating a company’s competitive strategy moves through the main world markets represents the core of the global strategy. In line with our concept of globalisation, Collis (1991) asserts that a global strategy is required when the interdependencies of the company’s competitive positioning in different countries are important.

Concerning global strategies, the literature has proposed several models that aim to identify factors that a global decision-maker should take account of. Traditional models are mainly focused on external factors (Yip, 2000). Addressing the industrial organisation-based theory or resource-based theory (Barney, 1991; Roth *et al.*, 1991), literature suggests that the strategic choice of a firm competing in global markets is not just a function of market contexts (Birkinshaw *et al.*, 2005); rather, Yaprak *et al.* (2011) present a framework of global strategy implementation in which the role of internal factors (resources and capabilities to compete in the global marketplace) are relevant. These frameworks are designed with attention to large and managerial companies, while the definition of an integrated framework for globalisation suitable for entrepreneurial firms in their different forms (e.g. start-ups, SMEs, family firms, etc.) remains a neglected area of research in the decision-making domain.

### 2.2. Entrepreneurial decision-making

Decision-making is a crucial moment for entrepreneurial firms (De Winnaar and Scholtz, 2019) and the extant literature has identified different approaches. In a ‘pure’ rationalistic approach, decision-makers are aware of all the business impacts and make decisions to maximise their performance (Lunenburg, 2011). The ‘corrective’ of bounded rationality (Simon, 1991) enriches the rationalistic model, in considering that decision-makers cannot always be perfectly rational and profit-oriented but are also influenced by other factors, i.e. the limits of available

knowledge, external pressures such as time constraints and moral obligations (Klein, 2008). In the strategic management field, the rationalistic (and bounded) approach is added to the strategic planning approach (Lorange, 1980). The literature on entrepreneurship has underlined the relevant role of strategic planning in supporting entrepreneurial decision-making (Chwolka and Raith, 2012).

The second approach is the ‘intuitive’ and ‘behavioural’ one: successful or realised strategy is an ‘emergent’ one, a ‘pattern in a stream of actions’ taken by members of an organisation, as opposed to a rationalistic plan (Mintzberg, 1987). A dilemma in management theories concerns whether decisions are more effective and successful if they stem from rationality or ‘creative intuition’ (Mintzberg, 1987). Consistent with Sadler-Smith (2004), rationality and intuition comprise two different cognitive styles, the diversity of which depends on information analysis (rational and intuitive) and the organisation of information in the memory of the decision-maker. De Winnaar and Scholtz (2019) argue that particularly in the entrepreneurial decision-making process, the intuitive approach is in line with the theory of bounded rationality.

Following these premises, two dominant theories regarding the decision-making process can be found in international entrepreneurship studies. The first refers to the *causation process* (Sarasvathy *et al.*, 2014), while the second is focused on the *effectuation process*, which starts from a given set of the entrepreneur’s characteristics (e.g. traits, mind-sets, skills) that affect her/his knowledge and social networks (Andersson, 2011). In this latter perspective, the entrepreneur is regarded as an ‘effectuator’ that is: “[. . .] an imaginative actor who seizes contingent opportunities and exploits all means at hand to fulfil a plurality of current and future aspirations, many of which are shaped and created through the very process of economic decision-making and are not given a priori” (Sarasvathy, 2001, p. 262).

### ***2.3 Factors affecting entrepreneurial decision-making: the role of the entrepreneur’s profile***

Addressing effectuation theory, which explicitly situates the entrepreneur at the centre of the decision-making process (Andersson, 2011; Sarasvathy *et al.*, 2014), it is crucial to study and obtain information about the entrepreneur’s personal profile since it is the entrepreneur who reads and explains the internal and external environments and devises different interpretations and related decisions (Sarti and Torre, 2019).

In the cognitive-knowledge approach, the entrepreneur’s personal profile has attracted great attention from scholars interested in understanding how decision-making processes develop (Shepher, 2015; Zahra *et al.*, 2005). The sociology literature, on the other hand, considers entrepreneurs as embedded in a social context; in this view, the socio-economic characteristics of entrepreneurs, such as family’s origins, education/training level, entrepreneurial and technical background, and previous experience, are relevant in shaping their decision-making process (Koellinger, 2008; Shane and Venkataraman, 2000).

In the psychology domain, other variables addressing individual attributes have been examined: innovativeness, self-confidence, locus of control, risk-taking, high level of individualism, openness to change, self-enhancement, low levels of power, conformity, and security (e.g. Tan, 2001; Wakkee *et al.*, 2010; Wiklund and Shepherd, 2005) Among these profiles, creativity plays an important role in supporting the growth strategy of the international entrepreneurship (Butler *et al.*, 2010; Wakkee *et al.*, 2010).

In terms of decision-making, sociological and psychological profiles bring a more versatile thinking style that balances both linear (analytic, rational, logical) and nonlinear (intuitive, emotional, creative) approaches to decisions.

Considering that entrepreneurs attempt to match their mental images of the environment and perceptions of opportunities with the company’s action, Pellegrini and Ciappei (2015) focus

on the concept of perspicacity as the ability to detect exceptional cases correctly and in turn to properly enact the entrepreneurial orientation process. Another important concept is perspicacity (Bandura, 1997; Cardon and Kirk, 2015), i.e. a person's belief in his/her ability to perform a task and to obtain the desired outcome. Reinforcing the role of entrepreneurial self-efficacy, Sternberg (2004) proposes the concepts of successful intelligence, which is necessary to build a specific path through which an entrepreneur reads the external and internal context.

The entrepreneur's emotional filters also affect decision-making (Cardon *et al.*, 2012; Shepherd, 2015). Deepening this stream, it has been argued that entrepreneurial passion is the core of entrepreneurship (Cardon *et al.*, 2012; 2013; 2015). Welppe *et al.* (2011; 2012) find that emotions influence both the evaluation of opportunity and the exploitation of entrepreneurial decisions, while according to Shepherd (2015), emotions and knowledge-cognitive profiles have reciprocal influences on the decision-making process and content. Emotional intelligence (Ingram *et al.*, 2019; Salovey and Mayer, 1990) is considered to help in connecting the aforementioned profiles.

### 3. Conceptual framework

The existing literature on global strategies (Bartlett and Ghoshal, 1989; Doz *et al.*, 2001; Ghemawat, 2007; Knights and Cavusgil, 2005; Porter, 1986; 1990; Yip, 1989; 2003; Zou and Cavusgil, 1996) does not provide a framework that integrates external strategic analysis with internal one. Moreover, the entrepreneur's role in the process of decision-making is neglected (Cavusgil and Knights, 2015).

To address this gap, our paper focusses on both the external drivers and internal forces arising from globalisation and acting on companies' strategies and behaviours, as the foundations of new competitive advantage.

The suggested framework is composed of several phases, into which the global strategies decision-making process can be organised (Benevolo, 2013).

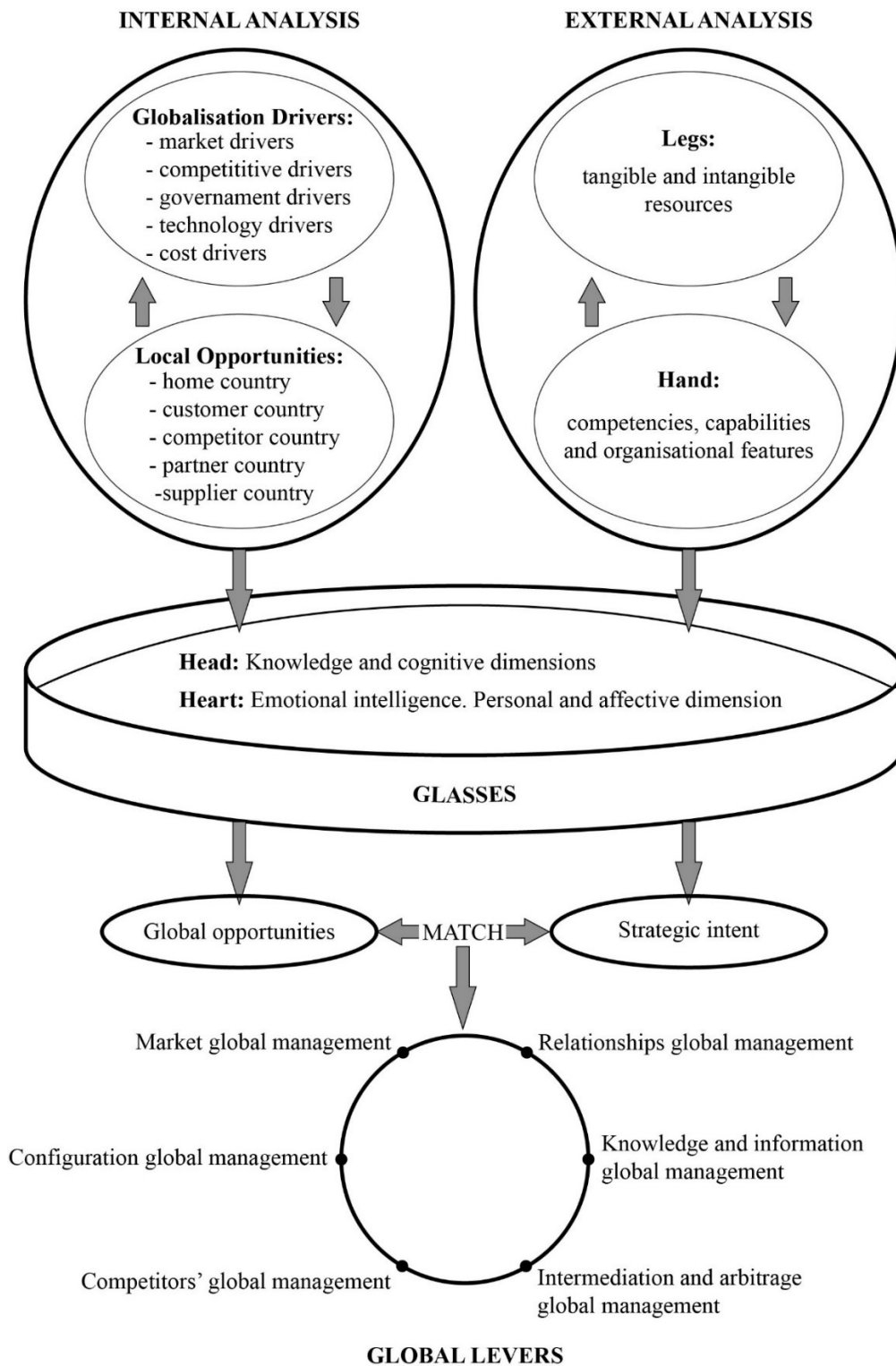
The process begins with an external environment analysis according to the following perspectives: (1) the strategic drivers leading industry toward globalisation, and (2) the local specificities that can be exploited via a global strategy. The first step identifies the external strengths, defining the industry globalisation degree by considering a number of globalisation drivers (Yip, 2003), the importance of which varies by industry. The second step investigates the local specificities to take advantage of through a global strategy. These latter are important because a global competitive advantage also originates (or on the contrary) from the ability to seize and exploit differences, and to combine original uniformities and differences (Ghemawat, 2007; Spulber, 2007). Indeed, globalisation uses interdependences between different countries, markets, and actors (Yip, 2000), and these represent the foundation of global competitive advantage (Inkpen and Ramaswamy, 2006; Lasserre, 2007; Spulber, 2007).

On the other hand, the internal analysis is based on the company's specific features (Collis, 1991), which we call 'legs' and 'hands' (see *infra*) to underline their operational roles in the strategy development. The entire decision-making process is affected by the entrepreneur's ability and enthusiasm to play this role, analysing and synthesising inputs, scanning global opportunities, and attaining decisions. We name this aspect 'entrepreneurial glasses' as a mix of two complementary dimensions – 'head', comprising the entrepreneur's personal knowledge-cognitive attitude, and 'heart', comprising the entrepreneur's emotions.

Global opportunities and strategic global intent emerge from the result of external and internal analysis, filtered through the entrepreneur's glasses. When the main features of global strategy are delineated, the final output of the framework consists in selecting the most appropriate strategic levers to compete in the global marketplace (Yip, 2003). The underlying

hypothesis is that a global strategy must exploit a strategic advantage, defined as the extra-value that a company can generate through the coordination of resources, productions, and markets in a ‘global value connection’ (Spulber, 2007). The framework is synthesised in Figure 1.

Figure 1 – Structure and rationale of the proposed framework



### 3.1 External environment analysis: globalisation drivers and local opportunities

The external environment analysis adapts and enriches a framework originally proposed by Yip (2000; 2003) and related to the globalisation drivers. These drivers represent the industry's underlying features, creating the conditions necessary to develop global strategies and impact on modes and directions of global strategy.

Five groups of drivers can be identified:

- *Market drivers*, referring to customers' behaviours and networks' features of distribution. Many trends are leading to progressive globalisation: global priorities and needs, global customers, global channels, the transferability of marketing policies, the existence of leader countries where companies are forced to operate, the decrease of the time necessary to innovation of the products' to spread through the market (Yip, 1992; 2003).
- *Cost drivers*, which can lead to a cost advantage on a global scale (e.g. global economies of scale or scope, experience curve, global sourcing cost differential among countries). All these features allow and require a value chain reorientation, aimed at exploiting the interdependencies among different countries in terms of both cost reduction and richness/quality of available resources (Yip, 1992; 2003).
- *Technology drivers*, originated from the flexibility that new technologies offer in terms of efficient and valuable answers to specific needs emerging in different geographic markets (Sawhney, 2006). Moreover, technology development can change the world production map, relocating activities according to newly arising opportunities (De Backer and Miroudot, 2012).
- *Government drivers*, which include an opening to global markets arising from production and trade liberalisation policies, trade barriers removal, global technical standards exploitation, common marketing policies, etc. On the opposite side, restrictive commercial policies represent an obstacle to companies' adoption of global strategies. Of course, government drivers can exploit a different strength in the various industries, while legislation differences open to arbitrage opportunities (Ghemawat, 2007).
- *Competitive drivers*. A company's globalisation process can be supported by a high internalisation/international delocalisation degree of an industry, the existence of international and global competitors, interdependencies between the different regional markets, the transferability of competitive advantages, etc. (Ghemawat, 2007; Yip, 2003).

The second step in external environment analysis deals with local specificities and is based on the hypothesis that a global competitive advantage arises from the ability to combine global environment opportunities that are available to every existing company, with local specificities (*country factors*) suitable for deployment as strengths on a wider basis (Benevolo, 2013). In order to construct (and maintain) a competitive advantage at global level, it is therefore necessary to compare the sources of competitive advantage with the characteristics of the country of origin and the peculiarities of the countries where competitors, suppliers and partners are based. For this reason, country factors need to be identified. Regarding this issue, we enlarge and enrich Spulber's 'star analysis' (2007) and Ghemawat's approach to global strategies (2007).

Five groups of country factors can be identified:

- *Home country factors*, represented by the features of the original country of the company, facilitating or preventing the international growth path. They can be classified into four typologies: identity and culture; nature of existing relationships with stakeholders; the existence of brands that customers can immediately associate with the specific country;

and the political-legal environment (Bertoli and Resciniti, 2012; Delgado *et al.*, 2010; Ghemawat, 2007; Porter, 2000).

- *Supplier country factors*, comprising the possibility of realising the best combination of raw materials/components/services suppliers at a global level. The ability to create valuable relationships is crucial (Hult *et al.*, 2014; Trent and Monczka, 2005).
- *Customer country factors*, referring to the individuation of groups of countries which are homogeneous from the perspective of customers' needs, and sufficiently numerous to represent significant transnational segments of the global market. We also refer to the possibility of adapting, to a certain extent, the marketing mix to the local context (Inkpen and Ramaswamy, 2007; Spulber, 2007).
- *Partner country factors*, concerning the specificities of the countries where partners, (with whom agreements and partnerships are established) are operating. Countries must be selected and divided into: demand-side partnerships (based on products' complementarities) or supply-side partnerships (based on competencies and technology complementarities).
- *Competitor country factors*, related to local specificities representing strengths in the competitors' global strategies. Also for competitors, the star analysis must be conducted and then compared with the company analysis (Spulber, 2007).

### **3.2 Internal analysis: the firm's legs and hands**

The internal analysis considers resources and competencies required to manage risks and difficulties in the global environment. We name these features *legs* and *hands*; together they define the company as a complex and organic system, and may characterise the various key resources in different ways.

- *Legs*. The strategic management literature addresses this aspect within the theory of Resource-Based View (Barney, 1991; Roth *et al.*, 1991). Resources must be evaluated by a process of internal auditing. Examples of legs for a global strategy are business model transferability, presence at a global level, and tangible and intangible resources availability.
- *Hands*. Hands are evaluable by addressing the analysis of core competences (Hamel and Prahalad, 1994) and of dynamic capabilities (Teece *et al.*, 1997). Studies focused on organizational design help to focus on this factor. Examples of 'hands' for a global strategy are: management culture and quality, relational qualities, coordination capacity, the possibility of leveraging the competitive advantage at a global level. An appropriate mix usually translates into a high potential for globalisation and can lead to a 'global value connection', which is the best combination of internal factors and opportunities, leveraging on differences and interrelations in the global environment (Benevolo, 2013; Spulber, 2007).

### **3.3 Evaluation of entrepreneurial glasses: entrepreneur's head and heart**

The originality of our framework is that it includes the entrepreneur's features. We based this approach assuming that these features make the difference in the way the decision-making process is run. Consistent with effectuation theory (Andersson, 2011; Sarasvathy *et al.*, 2014), the entrepreneur is indeed the crucial and central part of the process to be evaluated since decisions are affected by his/her capabilities of detecting, understanding, anticipating, and synthesising the environmental inputs in order to envision and design a direction to move towards (Shepherd, 2015).



The entrepreneur's capability and role are named 'glasses' since glasses serve: i) to look ahead, forecast, imagine the future, and ii) to filter and perceive internal and external factors in order to scan global drivers and local opportunities and to create a global strategic intent.

Our framework considers that glasses are the result of a mix of 'head' and 'heart'. We use: i) *Head* as an overall and synthetic way of understanding, which comprises the cognitive perspective of the entrepreneur and the potential impact this perspective has on how he/she perceives environmental information; ii) *Heart* as an overall and synthetic way to consider emotions, moods, and feelings which influence entrepreneurial thinking and the exploitation of possible opportunities.

### ***i) Head***

According to Pellegrini and Ciappei (2015), the knowledge-cognitive perspective is considered crucial in the international entrepreneurship domain since it supports to understand the interrelationship between environment, experience, cognition, and entrepreneurs' decisions regarding different global strategies. So, it supports the entrepreneur to evaluate or (self-evaluate) his/her personal knowledge endowment, identifying those elements that could be more relevant for the external/internal context and actions to acquire missing elements.

Our framework includes an assessment of individual entrepreneurs' objective factors such as age, education, training, years of experience, family background, network of ties, and mind-set (Musso and Francioni, 2012; 2013; Shepherd, 2015; Zucchella and Magnani, 2016), considering the critical and predictive role of these variables.

For the complete definition of the knowledge-cognitive profile, our framework follows Stenberg (2004) and adopts the concept of *successful intelligence*, comprising the analytical, creative, and practical intelligences. All these intelligences are applied to create a concrete scheme for the assessment of entrepreneurial cognitive aspects.

The evaluation of the analytical intelligence is aimed at understanding the entrepreneur's ability to scan, collect, and interpret complex information (Baum and Bird, 2010): managerial skills such as skills related to strategy and planning (Casson, 2005) can be considered the most important requirement for the construction of this intelligence.

Creative intelligence generates new and high-quality ideas, consistent with the needs of the internal or external environment (Sternberg, 2004). This type of intelligence is considered a valid support for entrepreneurs operating in international contexts (Butler *et al.*, 2010) where environmental conditions cannot be reasonably foreseen by applying rationalistic procedures (Zucchella and Magnani, 2016). Creative intelligence is the result of entrepreneur's profiles, starting from his/her personality characteristics, experience, and training.

Practical intelligence comprises the entrepreneur's ability to identify solutions for 'day to day' problems. In a global context, the main problem is to understand and manage the interdependences among markets. The entrepreneur's personal experience is considered a predictor of practical intelligence.

These typologies of intelligence are also influenced by other personal factors concerning the entrepreneur's 'cognitive' sphere. Baum and Bird (2010) note the moderator role of *self-efficacy*, which is the confidence that someone has in his/her ability to successfully attain a goal or perform a task: it reflects the entrepreneurs' belief in the perspective of innovation, marketing, management, risk-taking, and financial resources with global decisions (Bandura, 1997).

Pellegrini and Ciappei (2015) introduce the concept of *perspicacity* as the ability to detect accurately exceptional cases and in turn to enact precisely the entrepreneurial orientation process. All these variables are considered bullet points for the evaluation of an entrepreneur's personal cognitive traits.

**ii) Heart**

Consistently with Baron's (2008) suggestion that entrepreneurship is an 'emotional journey', this study includes emotions in the process of decision-making for globalisation opportunities. Reference is made to the concept of entrepreneurial emotions as proposed by Cardon *et al.* (2012), which is used in our framework to summarise the whole phenomenon of subjective feelings related to an entrepreneur's affective perspective; the assumption is that an entrepreneur's reactions to particular stimuli, and those emotional states emerging from general situations in which an entrepreneur lives, and contextualised in a specific entrepreneurial process, lead to a decision. Emotions have a pervasive influence on decision-making, particularly in complex situations (such as the 'global context') and directly influence an individual's exploitation approach (Welpe *et al.*, 2012). In detail, we suggest considering:

- *Fear*, as a negative emotion related to the anticipation of an event which indicates threat, supporting an attitude to avoid entering new situations (Higgins, 2005; Krause, 2004) and preventing risk-taking;
- *Joy*, as a typical positive emotion which reinforces exploitation tendencies (Baron, 2000; Brundin *et al.*, 2008);
- *Anger*, as a negative emotion significantly related to lower risk perceptions, so as to positively influence exploitation tendencies (Foo, 2009);
- *Passion*, which is considered the heart of entrepreneurship, for its role in fostering entrepreneurs' efforts, dedication, persistence towards goals, or in improving new venture survival and performance (Cardon *et al.*, 2013); an entrepreneur's passion affects employee commitment (Breugst *et al.*, 2012).

To deepen the role of emotions in entrepreneurship, we also suggest introducing the concept of *emotional intelligence* – defined as a person's ability to realise his/her emotions, capture others' emotions, and use them to achieve the desired goal (Salovey and Mayer, 1990). Ingram *et al.* (2019) organize this concept in 'intrapersonal emotional intelligence' and 'interpersonal emotional intelligence'. Consistently with Shepherd (2015), emotional intelligence helps to connect the knowledge-cognitive and emotional domains in the decision-making process, representing an additional linking element between head and heart.

### **3.4 The output of the decision-making framework: identification of strategic levers for globalisation**

The results of the external and internal analysis represent a starting point for the identification of the tools required to implement global strategies. These tools are termed *strategic levers* here, to underline the possibility of using and combining them into an original mix, for a globalisation strategy.

There are six types of 'global' levers, variously usable and combinable (Benevolo, 2013):

- Global management of markets (achievable through the definition of market shares, identification of global segments, proposition of global products/services, and globalisation of marketing);
- Global configuration of value-generating activities (up to the creation of global platforms);
- Global management of relations (contractual and non-contractual relations, outsourcing choices, network formation);
- Global management of intermediation and arbitrage (matchmaking or market-making);
- Global management of knowledge and information (global information systems, identification of new business models, exploitation of arbitrage opportunities);

- global management of the competitive scenario through appropriate competitive actions (cross-subsidisation, control of competitors, counterattack, prevention, global sequence, etc.).

#### **4. Conclusions, scholarly/managerial implications, and future research**

This paper has developed an integrated analysis/evaluation/decision/implementation framework to suit companies intending to redefine their strategic behaviours and competitive schemes in the global market.

This framework has been proposed to support global strategy formulation for entrepreneurial firms that want to exploit opportunities deriving from a global strategy based on interrelations and interdependencies between different markets. This will be useful for international entrepreneurial firms that want (or need) to become global; for ‘born global’ entrepreneurial firms; and for multinational entrepreneurial firms that want to manage their markets in a more coordinated way. A logical process is suggested to identify the strategic levers available for global players to implement strategies, more than suggesting strategies themselves. In particular, this framework serves as a practical tool for the entrepreneur that wants to face the global challenges, nurturing the most important drivers referred to both to the external and to the internal environment. It supports the entrepreneur in finding the correct balance between global and local opportunities in order to formulate the global strategic intent and to identify suitable levers. Moreover, the focus on the personal profiles, the entrepreneur has the possibility to self-evaluate and identify possible gaps. In this vein, it helps to detect the opportunities and threats of the global approach and the internal strengths and weakness deriving from the internal environment in which the entrepreneur is included.

The work take in account the most important international business issues developed by scholars (Buckley, 2002; Ghemawat, 2007; Peng, 2004; Porter, 1986; Spulber, 2007; Yaprak *et al.*, 2011; Kim and Aguilera, 2015). It is based on the global strategies literature and has the additional value of representing an integrated framework. While globalisation processes are increasingly pervasive and radical, they do not lead to the homogenisation of competitive models, neither from the perspective of countries, nor about markets, nor for company strategies. It seems that companies’ ability to develop and exploit a global competitive advantage is increasingly linked to the ability to detect and manage the interdependencies between different markets, through innovative and flexible modes of managing markets, competitors, information, and knowledge. Starting from these premises, our framework provides several theoretical, managerial, and political insights.

First we suggest an original conceptual framework for global decisions in which the entrepreneur’s personal characteristics (heart and head) are both considered relevant variables for evaluation and drivers that affect the entire decision-making process. In terms of managerial implications, our framework can help global entrepreneurial firms or future global entrepreneurial firms to face problems and make decisions to define the strategic levers of globalisation. It proposes a description of the different variables connected to the external environment, features of the internal firm, and personal traits of the entrepreneur, all those variable that an entrepreneur-decision-maker should take into account during the decision-making process to attain a successful decision. Moreover, implications for human resource management emerge. This model, in fact, can serve to explain the entrepreneurial culture and the leadership style so as to communicate in the best way the factors that have shaped and created the ‘global strategic intent’. Understanding the resources / competencies gap in a general assessment can prove to be useful for an organization operating on a global scale.

From a broader perspective, the framework encourages governments, policy-makers, and entrepreneurs to invest in promoting research and specific training interventions aimed at supporting entrepreneurs in enhancing their capacity to manage effective decision-making processes for globalisation.

This paper has several limitations. First, our framework is untested in an empirical setting. Further research is required to address this gap, analysing multiple case studies by presenting hypothetical situations to entrepreneurs in order to understand its real applicability. Second, this framework does not complete the picture of the variables involved in the entrepreneurial decision making process, both in terms of external and internal perspectives. Focusing on the entrepreneurial profiles, we have simplified the number of variables related to the cognitive and emotional aspects of entrepreneurs. The extension to other aspects, such as the role of an entrepreneur's cultural background and his/her experiences when defining and implementing global strategies, could be a suitable subject for specific future research. In particular, collecting additional results from a case-study research and enhancing the number of variables, this framework can help validate a model based on different hypotheses, with the help of further research that is based on an extensive survey.

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